

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

Docket UE-220066

Docket UG-220067

In the Matter of the Petition of

PUGET SOUND ENERGY

**For and Order Authorizing Deferred
Accounting Treatment for Puget Sound
Energy's Share of Costs Associated
with the Tacoma LNG Facility**

Docket UG-210918

RESPONSE TESTIMONY OF

CHARLEE THOMPSON

**ON BEHALF OF
NW ENERGY COALITION, FRONT AND CENTERED, AND SIERRA CLUB**

December 8, 2023

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LIST OF EXHIBITS

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 **A.** My name is Charlee Isabella Thompson, and I am a Policy Associate at the NW
4 Energy Coalition (“NWECC” or the “Coalition”). My business address is 811 1st
5 Ave., Suite 305, Seattle, WA 98104.

6 **Q. Please describe your background and experience.**

7 **A.** As a Policy Associate with NWECC, I support the Coalition’s policy, regulatory,
8 and legislative work in Washington. My portfolio at NWECC includes issues that
9 impact low-income utility customers, distributed energy resources policy, and
10 utility implementation of the Clean Energy Transformation Act.

11 Previously, while in graduate school, I worked as an intern with The Energy
12 Project (“TEP”) advocating for low-income utility customer interests in Clean
13 Energy Implementation Plans and supported the development of TEP’s policy
14 positions in rulemakings in dockets U-200281 and U-210800. Through a
15 fellowship with the Yale School of the Environment, I worked at GRID
16 Alternatives, a nonprofit organization that installs solar in and advocates for policy
17 on behalf of underserved and frontline communities across the nation. At GRID, I
18 performed research and data analysis on California’s investor-owned utilities’
19 clean mobility and solar programs. In these roles, I presented my work to the
20 Washington Utilities and Transportation Commission (the “UTC” or the
21 “Commission”) and California Air Resources Board.

1 I serve on Puget Sound Energy’s Low-income Advisory Committee
2 (“LIAC”) and the Technical Advisory Committee for the Department of
3 Commerce’s low-income energy assistance report.

4 My background and first-hand experience are the basis for my expertise and
5 qualifications to testify as an expert on the issues raised in my testimony.

6 I have a B.S. in Civil Engineering from the University of Illinois at Urbana-
7 Champaign and a M.P.A. in Environmental Policy from the University of
8 Washington. My CV is included as exhibit CT-2.

9 **Q. On whose behalf are you testifying.**

10 **A.** I am testifying on behalf of the Joint Environmental Advocates (JEAs), including
11 the NW Energy Coalition, Front and Centered, and Sierra Club.

12 **Q. What is the purpose of your testimony?**

13 **A.** My testimony focuses on Puget Sound Energy’s (or “PSE’s” or the “Company’s”)
14 proposed phased approach to return to pre-pandemic dunning practices.¹ I
15 recommend that the Commission reject PSE’s proposal and order PSE to resume
16 pre-pandemic credit and collection practices for its commercial and industrial
17 customers while maintaining the current practice, as agreed upon in the settlement,
18 for its residential customers. As an alternative, I express the JEAs’ support of the
19 compromise proposal put forth by The Energy Project.

¹ See Exh. CLW-13T.

1 **Q. Please summarize your testimony.**

2 **A.** In my testimony, I explain that there is insufficient targeted and direct outreach for
3 customers with arrearages below \$1,000. Additionally, PSE’s phased approach to
4 reverting to pre-pandemic dunning practices lacked collaboration with and
5 approval from the LIAC. I draw attention to PSE's assertion that the bill discount
6 rate (“BDR”) and arrearage management plan (“AMP”) have only had marginal
7 impacts on reducing arrearages, emphasizing the need for more time to evaluate the
8 effectiveness of these new programs. I raise concerns about the adequacy of the
9 Company's proposal in addressing energy justice and equity, particularly in
10 providing meaningful protections for groups facing disproportionate harm from
11 energy insecurity and disconnections. Lastly, I describe the JEAs’ preferred
12 outcome and express support for the alternative compromise proposal presented by
13 Witness Stokes.

14 **II. Joint Environmental Advocates’ Position on Disconnections**

15 **Q. Please describe the JEAs’ position on utility disconnections.**

16 **A.** Our parties have either been independently or jointly engaged with each other and
17 other advocates on the issue of utility disconnections since the opening of
18 rulemaking U-200281 in March 2020. We have remained actively engaged in the
19 more recent rulemaking U-210800, opened in October 2021.

20 In these rulemakings, we have expressed our belief that Washingtonians
21 have a right to accessing utility service, that fees association with the
22 disconnection/reconnection process cause disproportionate burden to customers
23 who already cannot afford to pay, and we have cited to the documented

1 disproportionate and inequitable impacts that the disconnection process has on
2 households headed by Black, Indigenous, and People of Color.² We stand with the
3 National Consumer Law Center’s statement that “[r]eliance on disconnections as a
4 collection tool has the effect of punishing people for being poor and ignores the
5 longstanding racial economic discrimination that have created the disparities that
6 fuel poverty and the unaffordability of utility services.”³

7 Finally, we acknowledge and applaud the Commission’s commitment to
8 equity and antiracism, which we are seeing through the creation of the 2023 Pro-
9 Equity Anti-Racism (“PEAR”) Strategic Action Plan, PEAR Plan and Playbook,
10 intervenor funding, and in rulemakings and regulated utility filings.

11 **III. Residential Customer Outreach**

12 **Q. What outreach is PSE conducting for its residential customers with *more than***
13 **\$1,000 of arrearages?**

14 **A.** Customers with more than \$1,000 of arrearages, and thus in the dunning process,
15 receive multiple communications from PSE via phone, mail, and onsite. PSE sends
16 an urgent notice and a final notice if outreach via these means is unsuccessful, and

² Comments on behalf of the Office of the Attorney General Public Counsel Unit, The Energy Project, NW Energy Coalition, Puget Sound Sage, Front and Centered, and Sierra Club. U-200281. September 30, 2020.

Comments on behalf of Puget Sound Sage, Front and Centered, and Sierra Club. U-200281. February 12, 2021.

Comments on behalf of The Energy Project, The Public Counsel Unit of the Washington State Attorney General’s Office, NW Energy Coalition, Front and Centered, Puget Sound Sage, and Sierra Club. U-200281. March 18, 2022.

Comments on behalf of Sierra Club and NW Energy Coalition. U-210800. August 19, 2022.

Comments of Joint Advocates. U-210800. October 17, 2022.

³ National Consumer Law Center, *Implementing a Roadmap to Utility Service as a Human Right*, at 1 (April 2021), https://www.nclc.org/images/pdf/special_projects/covid-19/IB_Utility_Bill_of_Rights.pdf.

1 will send a final disconnection notice if the customer doesn't take action to reduce
2 their arrearages.⁴

3 **Q. What targeted or direct outreach is PSE conducting for its residential**
4 **customers with fewer than \$1,000 of arrearages?**

5 **A.** PSE doesn't conduct targeted or direct outreach to customers with fewer than
6 \$1,000 of past-due balances as the Company says that these customers are not in
7 the dunning process and, by holding dunning to Phase 1, the Company claims it is
8 "unable to expand its customer and outreach practices aimed at addressing
9 arrearages."⁵

10 **Q. Do you believe that the Settlement prohibits PSE from conducting targeted**
11 **and direct outreach to residential customers with fewer than \$1,000 of**
12 **arrearrages?**

13 **A.** No. The Settlement does not direct PSE to exclude customers with fewer than
14 \$1,000 in arrearages with targeted and direct outreach. Proactive outreach should
15 always be one of the first steps that the utility takes to prevent its customers from
16 falling behind on bills. *Before* residential customers accrue past-due balances, the
17 Company should conduct targeted and direct outreach towards residential
18 customers to ensure that they are aware of the energy assistance programs available
19 to them and actions they can take in the event that they need assistance. The
20 Company should not wait until a customer is already struggling with the burden of

⁴ Wallace, Exh. CLW-13T at 16:9-18.

⁵ UTC docket U-220066, Puget Sound Energy Petition to Amend Final Order. Paragraph 10. August 10, 2023.

1 a past-due balances, much less a past-due balance greater than \$1,000, before it
2 conducts targeted and direct outreach.

3 **Q. What is your recommendation regarding residential customer outreach?**

4 **A.** If the Commission determines to maintain the current \$1,000 dunning threshold, it
5 should direct PSE to begin targeted and direct outreach to residential customers
6 with fewer than \$1,000 of arrearages. This outreach should include information
7 about the energy assistance programs available to them and the actions they can
8 take to acquire assistance. Targeted and direct outreach should be conducted in
9 multiple media and languages, at a sixth grade reading level, and, when possible, in
10 the customer’s preferred language. Importantly, the outreach materials and
11 communications should not threaten disconnection. Initiating this kind of outreach
12 to customers earlier in the process, before significant arrearages have accrued, will
13 significantly reduce the problems described by PSE.

14 **IV. LIAC Involvement**

15 **Q. Please summarize the Company’s understanding of the LIAC’s involvement in**
16 **creating the proposed phased approach to return to pre-pandemic dunning**
17 **processes.**

18 **A.** Witness Wallace states that the “phased approach was developed in collaboration
19 with LIAC prior to the Settlement” in August 2022.⁶

20 **Q. Are you a member of the LIAC?**

21 **A.** Yes.

⁶ Wallace, Exh. CLW-13T at 17:22 and 18:1-3.

1 **Q. Did you help design the phased approach process with PSE and the LIAC?**

2 **A.** No. My employment with NVEC began on June 27, 2022. I did not help design
3 PSE’s proposed phased approach between the start of my employment and the
4 settlement in August 2022. The first formal LIAC meeting I attended was the LIAC
5 meeting held on September 20, 2022. At this meeting, PSE informed the LIAC that
6 it has a “tentative plan for decreasing the [\$1,000] dunning threshold”.⁷ In my
7 review of the LIAC’s meeting notes from January 2021 through December 2022, I
8 did not find anything that indicated that PSE’s tentative plan was designed “in
9 collaboration” with the LIAC. LIAC members, including myself, did not help
10 determine the proposed phase thresholds or timeline, either when PSE informed the
11 LIAC of its tentative plan or in subsequent meetings. Informing the LIAC of a
12 tentative plan is not the same as collaborative design.⁸

⁷ PSE LIAC Meeting notes, September 20, 2022. Pg 4. These notes were provided in response to Public Counsel’s data request 435.

⁸ January 11, 2022 LIAC meeting notes. PSE states: “All customers are receiving information on payment arrangements and assistance but customers not in Dunning miss out from Dunning process things like phone calls, urgent notices, and final notices. Not receiving that may be deterring customers from seeking assistance or programs like Salvation Army that require those notices. So we may end up creating separate paths so that customers below the threshold still receive more notifications or lower the threshold slowly to add them back into Dunning.” Pg. 6. These notes were provided in response to Public Counsel’s data request 435.

July 12, 2022 LIAC meeting notes. PSE states: “At the end of the day we are still looking at \$1,000 arrearage or more, we may reduce that going forward but we are doing it pretty slowly so that the call center can handle it and that we aren’t flooding the disconnection queue.” Pg. 5. These notes were provided in response to Public Counsel’s data request 435.

November 8, 2022 LIAC meeting notes. PSE’s Nicole Eagle states: “I just wanted to let this group know we will be very soon starting to adjust our Dunning limit thresholds. Just a reminder, we still have it set at \$1,000 or more. We will be adjusting it down in a few phases. And once we have that final plan set in stone, we will share with this group.” Pg. 6. These notes were provided in response to Public Counsel’s data request 435.

1 **Q. Since you joined the LIAC, have you or other members of the LIAC expressed**
2 **support of PSE’s phased approach for resuming pre-pandemic dunning**
3 **processes?**

4 **A.** No. In my review of the LIAC’s meeting notes from January 2021 through
5 December 2022⁹, I did not find any LIAC member’s voice supporting the PSE’s
6 proposed phased approach. After the September 20, 2022 LIAC meeting, the LIAC
7 reconvened on November 8, 2022. During the November meeting, the Company
8 informed the LIAC it now had a more definitive design to return to pre-pandemic
9 dunning practices and that they would soon share it with the group. LIAC member
10 Corey Dahl expressed concerns with PSE’s plan to change the dunning process. On
11 November 10, 2022, The Energy Project expressed more concern in an email to the
12 Company and LIAC, which can be found in Exhibit CLW-27.

13 **Q. Has PSE provided evidence that the LIAC collaborated on the design of the**
14 **phased approach after the August 2022 Settlement?**

15 **A.** No. Witness Wallace’s testimony directs the reader towards exhibit CLW-26 for a
16 May 2021 presentation of the phased approach that PSE says it discussed with its
17 LIAC. However, this presentation was not included or referred to in the LIAC’s
18 2021 or 2022 meeting minutes. It is unclear at which LIAC meeting this
19 information was presented and what the LIAC’s response was.

⁹ Please refer to footnote 6 above.

1 **Q. What is your recommendation regarding PSE’s understanding of the LIAC’s**
2 **involvement?**

3 **A.** The Commission should acknowledge that the LIAC was not involved in the
4 creation PSE’s phased dunning approach and has not expressed approval for this
5 approach.

6 **V. Bill Discount Rate and Arrearage Management Program**

7 **Q. As a member of the LIAC, did you help design the BDR and AMP?**

8 **A.** Yes.

9 **Q. Please briefly describe the BDR and AMP.**

10 **A.** The BDR provides monthly bill discounts to income qualified customers who self-
11 declare their eligibility and, in combination with the Company’s other assistance
12 programs, is designed to lower customer energy burdens.¹⁰ Self-declaration is new
13 to Washington bill assistance programs and is intended to reduce barriers for
14 eligible customers to enroll in the BDR. PSE’s temporary AMP provides up to an
15 additional \$500 towards customer arrearages. Both programs became available to
16 customers on October 1, 2023. PSE and its LIAC are currently designing a
17 permanent AMP, which will be available to customers on October 1, 2024.¹¹

18 **Q. Do you agree with PSE’s characterization that the BDR and AMP “have had a**
19 **marginal impact that has not led to any material improvements in lowering**
20 **arrears balances”¹²?**

¹⁰ UTC docket UE-230560. Puget Sound Energy Electric Tariff G Schedule 7BDR Bill Discount Rate. Filed August 15, 2023.

¹¹ UTC dockets UE-220066/UG-220067. Puget Sound Energy 2022 GRC Settlement stipulation. Pg. 22.

¹² Wallace, Exh. CLW-13T at 15:3-4.

1 A. No. The new BDR and AMP paired with PSE’s existing Home Energy Lifeline
2 Program (“HELP”) are intended to holistically make bills affordable, help
3 customers recover from any bills that they may be behind on, and keep customers
4 current on bills.

5 Notably, the BDR program offers a new approach to providing customers
6 with affordable bills. Traditional and historic bill assistance programs in
7 Washington have not been specifically designed provide enough assistance funds
8 to reduce a customer’s bill to at or below six percent of their energy burden. The
9 new bill discount, paired with PSE’s HELP program, is designed to do exactly this.
10 Customers’ receiving the BDR and HELP are intended to have energy burdens that
11 remain at or below six percent.

12 Prior to the implementation of the BDR program, LIHEAP, HELP, and
13 PSE’s Warm Home Fund were *not* intentionally designed to reduce customer
14 energy burden to the six percent threshold. Thus, customers may still have fallen
15 behind on unaffordable bills despite receiving assistance. It makes sense for this
16 pattern to have contributed to the increasing arrearages that PSE has seen since the
17 beginning of the pandemic.

18 Furthermore, the BDR and temporary AMP are brand new having only gone
19 into effect on October 1, 2023. Meanwhile, a permanent AMP is still being
20 designed by the Company and the LIAC. It is premature for the Company to
21 dismiss these programs as having had a “marginal impact” on reducing arrearages.
22 This is especially true in light of PSE’s current policy of not performing targeted
23 and direct outreach to customers with less than \$1,000 in arrearages, as described

1 above. Such direct and targeted outreach is one key pathway for directing
2 customers with arrearages to these new resources for lowering arrearages, and so
3 far, PSE has not taken advantage of this opportunity.

4 **Q. What is your recommendation regarding PSE’s BDR and AMP?**

5 **A.** The new bill discount and temporary arrearage management program place
6 customer affordability at the forefront of assistance program design unlike the
7 Company has ever done before. These programs offer a new approach to bill
8 assistance that is intended to reduce longstanding barriers for customers to access
9 funds that they are eligible for and make each monthly bill affordable.

10 Furthermore, the BDR and AMP were both designed in collaboration with
11 the LIAC, unlike PSE proposed phased approach. The Commission should allow
12 for both the BDR and permanent AMP to be implemented and run their course
13 before prematurely determining that these programs are not doing enough to reduce
14 customer arrearages.

15 **VI. Energy Justice and Equity**

16 **Q. Has the Commission insisted that disconnection proposals address equity?**

17 **A.** Yes. The Commission determined the following in Cascade GRC Order 09:
18 “So that the Commission’s decisions do not continue to contribute to ongoing
19 systemic harms, we must apply an equity lens in all public interest considerations
20 going forward.”¹³ PSE’s petition to amend their 2022 GRC to alter disconnection

¹³ UTC docket UG-210755, *Washington Utilities and Transportation Commission v. Cascade Natural Gas Corporation*, Order 09. Pg. 19, paragraph 58.

1 practices is indeed a public interest consideration and requires an “equity lens”
2 from the Company and Commission.

3 **Q. How does PSE say their phased approach addresses energy justice and equity?**

4 **A.** Witness Wallace describes how PSE is addressing energy justice and equity
5 through outlining a set of actions that the Company is taking to address procedural
6 justice, restorative justice, distributional justice, and recognition justice as they
7 pertain to elements of the proposed phased approach. These elements include LIAC
8 involvement, outreach, and Named Community identification.¹⁴ I further detail the
9 Company’s actions in my response to the remaining questions in this section.

10 **Q. Please explain why you believe PSE’s assessment of how their proposal**
11 **addresses procedural justice is insufficient?**

12 **A.** Witness Wallace lists two actions intending to support how the Company’s
13 proposal upholds procedural justice. The Company first states that “PSE phased
14 approach was developed with the LIAC and was designed to provide more time for
15 customers to seek assistance.”¹⁵ As I explained in section 3 above, the LIAC was
16 not involved in the creation PSE’s phased dunning approach and has not expressed
17 approval for this approach.

18 Second, the Company states that it “created a comprehensive outreach plan
19 that informs customers of their options”.¹⁶ ” Conducting outreach to educate and
20 inform customers of a program change and actions they should take is only the tip
21 of the procedural justice iceberg. It is true that one component of procedural justice

¹⁴ Wallace, Exh. CLW-13T at 25-27.

¹⁵ Wallace, Exh. CLW-13T at 25:11-12.

¹⁶ Wallace, Exh. CLW-13T at 25:13-14.

1 is the extent to which frontline, BIPOC, and low-income communities have access
2 to learn about, qualify for, and enroll in programs. However, in this context, the
3 missing crucial component of procedural justice is that those who will be impacted
4 should have a meaningful voice in how the proposal to change disconnection
5 practices is designed and evaluated. Conducting outreach to customers is not the
6 same as giving them a substantial role in shaping a proposal for altering
7 disconnection practices.

8 **Q. Please explain why you believe PSE’s assessment of how their proposal**
9 **addresses restorative justice is insufficient?**

10 **A.** At its most basic level, restorative justice is about repairing harms. The Company
11 states that it is “making efforts to target Highly Impacted Communities and
12 Vulnerable Populations in the programs PSE offers and through PSE’s improved
13 and expanded outreach efforts.”¹⁷ While the Company says it is targeting Named
14 Communities in programs and outreach, it has failed to directly protect and prevent
15 further harm to these customers in its proposed return to pre-pandemic
16 disconnections. Instead of proposing to further protect residential customers in
17 Named Communities from being disconnected, PSE merely proposes to put them
18 towards the end of the phased timeline returning to pre-pandemic practices and
19 expand outreach efforts. This is not repairing harm; it is slightly delaying it.

20 **Q. Please explain why you believe PSE’s assessment of how their proposal**
21 **addresses distributional justice is insufficient?**

¹⁷ Wallace, Exh. CLW-13T at 25:19-21.

1 A. I agree with the Company that it is crucial to track and analyze program outreach
2 and uptake in Named Communities. I also agree with the Company that reducing
3 barriers to accessing programs through self-declaration in the BDR program
4 advances distributional justice.¹⁸ However, I am confused by Witness Wallace’s
5 earlier claim that the Company’s efforts up to this point, including the BDR
6 program, “have had a marginal impact that have not led to any material
7 improvements in lowering arrearage balances”.¹⁹ If the Company claims that the
8 BDR program is among the efforts that are unable to substantially reduce
9 residential customer arrearages such that all customers must be phased back to pre-
10 pandemic dunning practices, it seems inconsistent for the Company to also claim
11 that the BDR program is substantial enough to advance distributional justice as a
12 part of their the proposed phased approach.

13 Furthermore, and most importantly, if the Company wants to ensure that
14 Named Communities do not experience disproportionate harms from
15 disconnections, its proposal must provide real protections (not delayed harm) for
16 the groups who have been proven to experience disproportionate harms and
17 burdens from disconnections. PSE’s proposal does not do this.

18 **Q. Which groups have been proven to be more likely to experience**
19 **disproportionate harms from energy insecurity, and thus, disconnections?**

¹⁸ Wallace, Exh. CLW-13T at 26:24-31.
¹⁹ Wallace, Exh. CLW-13T at 15:3-4.

1 A. Groups associated with the following factors have proven correlation with energy
2 insecurity that may lead to disconnections²⁰:

- 3 • Deficient/inefficient housing conditions
- 4 • High energy burden
- 5 • Use of at-home electronic medical device
- 6 • Low-income
- 7 • Young children (5 years of age and under)
- 8 • Black, Indigenous, and People of Color

9 To further contextualize disproportionate impacts in the context of
10 Washington, a 2022 analysis conducted by The Energy Project in UTC docket U-
11 200281 shows that, across all of Washington’s investor-owned utilities, the zip
12 codes holding the highest residential arrearages each contain highly-impacted
13 communities.²¹

14 **Q. Please explain why you believe PSE’s assessment of how their proposal**
15 **addresses recognition justice is insufficient?**

²⁰ Memmott, Carley, Graff, Konisky. 2021. Socioeconomic Disparities in Energy Insecurity Among Low-Income Households Before and During the COVID-19 Pandemic. *Nature Energy* 6, 186-193.
Michelle Graff, Sanya Carley, David M. Konisky, and Trevor Memmott. 2021. Which Households are Energy Insecure? An Empirical Analysis of Race, Housing Conditions, and Energy Burdens in the United States. *Energy Research & Social Science* 79, 102144.
Hernandez, Siegel. 2019. Energy Insecurity and Its Ill Health Effects: A Community Perspective on the Energy-Health Nexus in New York City. *Energy Research and Social Science* 47, 78-83.
David Konisky. Energy Insecurity and Utility Disconnections: Presentation for State of Washington Utilities and Transportation Commission. June 23, 2023. UTC docket U-210800.
See also Comments of NWEAC and Sierra Club at 2-4. Aug. 19, 2022. UTC docket U-210800.
Comments of Public Counsel, The Energy Project, NWEAC, Front and Centered, and Sierra Club, at 4. Oct. 17, 2022. UTC docket U-210800.

²¹ Charlee Thompson and Mary Kimball, The Energy Project. Summary of the Effects of COVID-19 on Washington’s Investor-Owned Utility Residential Customers June 2022. UTC docket U-200281.

1 A. In its comments in the UTC’s energy justice docket A-230217, PSE refers to the
2 University of Michigan’s Energy Equity Report 2022 when describing procedural
3 justice. This same report says that recognition justice “emphasizes the need to
4 understand different types of vulnerability and specific needs associated with
5 energy services among social groups”.²² Recognition justice is not just about
6 identifying *who* is being disproportionately harmed, but also recognizing *how*
7 they’ve been disproportionately harmed and how they will continue to be
8 disproportionately harmed in the future if the structures that created those
9 disparities continue. Witness Wallace’s testimony explains that PSE’s proposed
10 phased approach addresses recognition justice through PSE’s efforts in identifying
11 highly impacted communities, vulnerable populations, and customers in “deepest
12 need”. But once again, PSE does not address *how* their proposed phased approach
13 will further cause or eliminate harms to these identified communities.

14 **Q. What are your recommendations?**

15 A. First, I acknowledge that a broader discussion of restorative, distributional, and
16 recognition justice has not yet been conducted by the Commission and is expected
17 to occur in UTC docket A-230217. I expect the Company to remain engaged in this
18 docket and that, as the docket progresses, PSE will gain a clearer understanding of
19 the four pillars of energy justice and how they apply to its programs, processes, and
20 proposals.

²² Energy Equity Project 2022. *Energy Equity Framework: Combining Data and Qualitative Approaches to Ensure Equity in the Energy Transition*. University of Michigan – School for Environment and Sustainability (SEAS). Pg. 32.

1 In the meantime, I recommend that the Commission reject PSE’s proposal
2 as it does not sufficiently meet the Commission’s mandate to “apply an equity lens
3 in all public interest considerations going forward”. PSE’s proposal does not
4 advance the four pillars of energy justice as the proposal was not developed in
5 collaboration with LIAC, it did not offer impacted customers a meaningful way to
6 engage in this decision to alter current disconnection practices, it does not explain
7 how disproportionate harms will be furthered or eliminated, and its only
8 “protection” for groups who have experienced well-documented disproportionate
9 harms is to delay their return to the business-as-usual dunning process.

10 **VII. Preferred Outcome & Compromise Proposal**

11 **Q. What is your preferred outcome?**

12 **A.** The JEAs’ preferred outcome is that laid out by The Energy Project in Witness
13 Stokes testimony. PSE should resume any requested pre-pandemic credit and
14 collection practices for its commercial and industrial customers. PSE should
15 maintain the current practice, as agreed upon in the settlement, for its residential
16 customers. However, PSE should perform outreach to its residential customers that
17 doesn’t threaten to disconnect customers for non-payment.

18 **Q. What is the compromise proposal laid out by Witness Stokes?**

19 **A.** Witness Stokes’ compromise proposal includes the following stipulations:

- 20 1) PSE may resume any pre-pandemic credit and collections practices for
21 commercial and industrial customers.
- 22 2) PSE may perform outreach to all residential customers when the
23 outreach does not threaten disconnection.

1 3) PSE will not threaten to disconnect or disconnect the following
2 protected groups of residential customers:

- 3 • Known low-income
- 4 • Customers in “deepest need” as defined by the methodology that
5 PSE developed with its EAG, LIAC, and CRAG in response to
6 Condition 20 of the 2021 CEIP
- 7 • Estimated low-income
- 8 • Households in highly-impacted communities

9 4) Self-declaration of residential household membership in any of the
10 following protected groups will prevent threats of disconnection and
11 disconnection. PSE will include in dunning outreach to residential
12 customers a description of how to self-declare:

- 13 • Child under 5 years old
- 14 • Vulnerable senior per RCW 74.34.020(21)
- 15 • Renter at risk of becoming homeless due to disconnection
- 16 • Medical need for utility service

17 5) For customers that self-declare under #4 and for estimated low-income
18 customers, if PSE presents evidence to the Commission that a household
19 does not fall within the protected group, the Commission may allow the
20 customer to enter the dunning process.

21 **Q. Do you agree with Witness Stokes’ compromise proposal?**

22 **A.** Yes, if the Commission does not decide to enact the JEAs’ preferred outcome
23 described above. Any proposal accepted by the Commission should not allow PSE

1 to disconnect residential customers who belong to groups who are proven to be
2 disproportionately harmed by disconnections.

3 While our preferred outcome would continue to protect residential
4 customers until the conclusion of rulemaking U-210800, bolster residential
5 outreach in a way that doesn't threaten disconnection, and allow the new BDR and
6 AMP to come to affect, we recognize that the Commission hopes to make changes
7 to address PSE's arrearages. Witness Stokes' proposal is, thus, a compromise that
8 we believe still provides a reasonable method to protect customers who are more
9 likely to be disproportionately harmed by the dunning process.

10 VIII. CONCLUSION

11 **Q. What are your recommendations?**

12 **A.** 1) PSE should resume pre-pandemic credit and collection practices for its
13 commercial and industrial customers. PSE should maintain the current practice, as
14 agreed upon in the settlement, for its residential customers.

15 2) The Commission should direct PSE to begin targeted and direct outreach to
16 residential customers with fewer than \$1,000 of arrearages. This outreach should
17 include information about the energy assistance programs available to them and the
18 actions they can take to acquire assistance. Targeted and direct outreach should be
19 conducted in multiple media and languages, at a sixth grade reading level, and,
20 when possible, in the customer's preferred language. Importantly, the outreach
21 materials and communications should not threaten disconnection.

1 3) The Commission should acknowledge that the LIAC was not involved in the
2 creation PSE’s phased dunning approach and has not expressed approval for this
3 approach.

4 4) The Commission should allow for both the BDR and permanent AMP to be
5 implemented and run their course before prematurely determining that these
6 programs are not doing enough to reduce customer arrearages.

7 5) The Commission should reject PSE’s proposal as it does not sufficiently meet
8 the Commission’s mandate to “apply an equity lens in all public interest
9 considerations going forward”.

10 **Q. Does this conclude your testimony?**

11 **A. Yes.**