

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

Puget Sound Energy

Respondent.

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DOCKETS UE-220066, UG-220067, and UG-210918 (*Consolidated*)

**COREY J. DAHL  
ON BEHALF OF THE  
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL  
PUBLIC COUNSEL UNIT**

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**EXHIBIT CJD-8**

Puget Sound Energy Response to Public Counsel Data Request No.

435, with Attachment A, LIAC Meeting Notes

**December 8, 2023**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-220066 & UG-220067  
Puget Sound Energy  
2022 General Rate Case**

**PUBLIC COUNSEL DATA REQUEST NO. 435:**

REQUESTED BY: David Konisky

**Re: Low Income Advisory Committee.**

Please provide all Low Income Advisory Committee meeting minutes for 2021 and 2022, including any small group or sub-committee meetings.

**Response:**

Attached as Attachment A to Puget Sound Energy's Response to Public Counsel Data Request No. 435, please find a copy of the Low Income Advisory Committee meeting minutes for 2021 and 2022.

# **ATTACHMENT A to PSE's Response to Public Counsel Data Request No. 435**

**May 11, 2021 Meeting Notes (pp. 3-10)**

**August 12, 2021 Meeting Notes (pp. 11-20)**

**September 14, 2021 Meeting Notes (pp. 21-33)**

**October 5, 2021 Meeting Notes (pp. 34-44)**

**November 9, 2021 Meeting Notes (pp. 45-54)**

**January 11, 2022 Meeting Notes (pp. 55-63)**

**July 12, 2022 Meeting Notes (pp. 64-70)**

**November 8, 2022 Meeting Notes (pp. 74-95)**

**LOW INCOME ADVISORY COMMITTEE MEETING MAY 11, 2021**

**MEETING NOTES**




















# 210511\_PSE- Low Income Advisory Committee

**Meeting Date:** 5/11/2021 10:00 AM

**Location:** Location TBD or WebEx

## Participants

✓ Participants (35)

- Q Search
- TB  Theresa Burch  
Me, internal
  -  Suzanne Sasville  
Host, internal
  -  Rich, Emily  
Internal
  - 2  2532\*\*\*\*93
  - 5  5092\*\*\*\*08
  - 5  5098\*\*\*\*44
  - AA  Adam Van Assche  
Internal
  - AL  Andrew Lyons
  - AR  Andrew Roberts
  - AI  Ashlee Iverson
  - BR  Brett Rendina  
Internal
  - BC  Brian Sarensen - Commerce
  - CW  Carol Wallace  
Internal
  - CH  Corey Dahl - PCU he/him
  - DL  Dale Lewis
  - DF  Donn Falconer
  - JG  Jenifer Gonzales  
Internal
  - JL  Jing Liu
  - JJ  John Inge  
Internal

- 
-   Jenifer Gonzales  
Internal
  -   Jing Liu
  -   John Inge  
Internal
  -   Julie Barleta
  -   Kassie Markos  
Internal
  -   Kate Sander
  -   Lorena Shah
  -   Mackenzie Martin  
Internal
  -   Manu
  -   Marie Stangeland
  -   Michelle DeBell
  -   Misty Velasquez
  -   Nicole Eagle  
Internal
  -   Oksana
  -   Rose McKinney-James
  -   Sabrina
  -   Shawn Collins
  -   Strom, Diann  
Internal
  -   Tiela Combs

## Notes

- Safety Moment: Take care after second COVID-19 shot, listen to your body and take it easy
- Community Solar Update:
  - <<Community Solar\_\_IE\_FINAL\_2021.05.11 .pdf>>
  - Shawn: Is there any consideration for income eligible with high energy burdens as an additional benefit to bring down that energy burden, and is PSE doing the enrollment for income eligible?
  - Emily: Trying to prioritize all the different ways we could enroll, but we can bring energy burden forward in the list of priorities. For enrollment will use recently enrolled customers

- as designated by an agency, or can self-declare at PSE.com. We want to make both pathways work for the program. It will be an annual verification
- Lorena: Curious what do we anticipate the monthly benefit/credit to be?
  - Emily: We do plan to circle back at a later meeting once it's more solidified and I can bring the numbers. It varies project to project because we are passing on the actual credits. I can come up with an estimate for each of the five projects.
  - Andrew Lyons: Are these yet to build or existing and what percent of total shares are being set aside for low income customers?
  - Emily: these are new coming online now, working through development now. Over the length of the full program it will vary but we are looking at 15-25% for this first round set aside for low income. There will be more rounds.
  - Corey: How long will we hold the shares open in the event that we don't meet the allotted 15-25%? What will happen to them?
  - Emily: Once we decide what's designated for low income we will treat them as two separate programs so those benefits will flow right to low income customers.
  - Lorena: Do you anticipate subscriptions opening?
  - Jen: Didn't talk about timing, later this year we will open up. Anticipate going to market as soon as next month to start building customer interest, enrollment will be in early August and run for a couple of months until projects are filled. We want to close the gap between when customers enroll and start getting benefits. Don't want income eligible waiting too long to receive their credits.
- COVID bill assistance Update:
    - Strategy is to secure trust with our customers so we can be successful, and to serve the need by reaching our customers with several different tactics that we have
    - Need to balance the customers need with the expectation of repayment. Be transparent about the moratorium ending
    - Currently have nearly 172k active residential customers who are past due, estimate 48k will be eligible for COVID assistance
    - 64% of customers had experience with dunning prior to COVID
    - 18.4% are non-English speaking
    - Using both external channels and our own channels. As of June our website will be multi-lingual. Using e-mail, social media, direct mail, The Voice, community outreach, etc.
    - <<CACAP 2 Advisory 5.10.21.pdf>>
    - <<21\_05\_11\_CACAP2 Summary Report.pdf>>
  - AMP Update:
    - Looking at a six month pilot for next year.
    - Discussion point: Offer the AMP to customers that are not eligible for COVID assistance, or should we target customers that are eligible and wait for the COVID assistance funding to be exhausted.
    - Brian S,(Dept of Commerce): 201%-250% of FPL program would hit people that don't qualify. There is a lot of money for those below 200%, the higher group is without options so I would suggest using them for the pilot
    - Oksana: Maybe we can do 151%-250% if LIHEAP doesn't go up to 200 next year
    - Shawn: In terms of data we have for disconnect for non-payment, they do accumulate predominantly with those eligible for low income programs. Not sure why it's either/or and not AND. For a pilot it would be beneficial to include 0 - 200% in a pilot.
    - Lorena: also will be LIHEAP arrearage program starting next program year

- Shay: There are high energy burden households that are below 200% or 150%, customer got full CACAP but still has an \$800 balance.
- Jing: As long as CACAP2 or LIHEAP program is existing it really doesn't make sense to replace that with a partial forgiveness program. Would suggest we wait. We requested attorneys to do a legal analysis to see if we can offer bill assistance to customers over 200%, but the UTC does not have the authority. CETA's def. of low income is now 200% FPL or 80% AMI. Suggest we explore the latter, the AMI would qualify a lot of additional customers so we should explore this criteria and design on that.
- PSE will take away the feedback and come to another meeting with updates. We haven't defined the specific guideline yet on how many times a customer can enroll (e.g.: Avista is twice in 7 years)
- <<PSE\_AMP\_v4.pdf>>
- Low Income Definitions
  - Suzanne shared a chart showing 200% FPL vs. 80% AMI by county. Blue is where AMI is the highest of the two, green is where 200% FPL is higher

<b>EXHIBIT 1 -- 2021-2022 PSE HELP Maximum Eligible Income Guidelines</b>										200 % FPL	
(adjust these figures upward for earned income, unemployment income etc. per LIHEAP Manual Section 205)											
										COLOR CODE:	80% AREA
Household Size	1 Person	2 Persons	3	4	5	6	7	8	9		
	11	12	13	14	15	16	17	18	19		
<b>80% AMI</b>											
<b>200 % FPL</b>	25,760	34,840	43,920	53,000	62,080	71,160	80,240	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Max Income by County	1 Person	2 Persons	3	4	5	6	7	8	9		
	11	12	13	14	15	16	17	18	19		
Island County	44,700	51,050	57,450	63,800	68,950	74,050	80,240	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
King County	63,350	72,400	81,450	90,500	97,750	105,000	112,250	119,500	126,700		
	141,200	148,450	155,700	162,900	170,150	177,400	184,650	191,900	199,100		
Kitsap County	52,750	60,250	67,800	75,300	81,350	87,350	93,400	99,400	105,450		
	117,500	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Kittitas County	42,600	48,650	54,750	60,800	65,700	71,160	80,240	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Lewis County	39,550	45,200	50,850	56,500	62,080	71,160	80,240	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Pierce County	50,900	58,150	65,400	72,650	78,500	84,300	90,100	95,900	101,750		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Skagit County	46,100	52,650	59,250	65,800	71,100	76,350	81,600	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Snohomish County	63,350	72,400	81,450	90,500	97,750	105,000	112,250	119,500	126,700		
	141,200	148,450	155,700	162,900	170,150	177,400	184,650	191,900	199,100		
Thurston County	50,550	57,750	64,950	72,150	77,950	83,700	89,500	95,250	101,050		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		
Whatcom County	45,450	51,950	58,450	64,900	70,100	75,300	80,500	89,320	98,400		
	116,560	125,640	134,720	143,800	152,880	161,960	171,040	180,120	189,200		



- Our systems are not currently designed to have different income guidelines by county. We are working on development to do this so we can meet the mandate for the utilities. We cannot do this by July 31st so we will be filing with the UTC to notify them of our intent for an October 1st date where these guidelines would be in effect. This will open the doors for many more customers to be eligible. We have chosen PSE HELP to be the program that meets this requirement.
- Shawn: Believe DoC weatherization will be moving to 80% of AMI. Not official yet but discussions underway
- Jing: Do you envision the formula for PSE HELP will change? Right now it's a benefit curve based on % FPL, how will this change? Using two different criteria is messy for PSE HELP.
  - Suzanne: We will consider changing the percent of what is paid by the grant, changing to a greater percentage of the annual energy usage. How the curve impacts the constants in that formula hasn't been explored yet, need to get with Commerce and see what that curve does. It's an unknown at this point.
  - Jing: Looks like you're considering calculating the benefits twice?
  - Suzanne: We have already created the caps so that is where they will be set for each county.
  - Shawn: Just talked with PacifiCorp on this, just last week. Working to find a collaborative solution. Eastern WA had fall less of a delta between FPL and AMI. Use one consistent methodology for household size. Request a little further discussion about the reality of applying this.
  - Suzanne: Prior to four/five years ago the tariff did state we would serve 50% of AMI for a county, this seems to be similar to that structure that we had. It was different for every county.
  - Jing: more about how much benefit the household would get if they go by the AMI standard. Band aid solution, law says we have to provide but it doesn't say how much exactly. Can we continue to use FPL benefit curve and just provide the additional customers who qualify based on AMI with a flat amount, or a different percentage amount? So you can comply with CETA quickly.
  - Suzanne: that would be far more complex for PSE. To split household income that would not be able to be done.
  - Jing: not asking to split income, just qualify them based on the income but they get the lower end of the FPL benefit curve.
  - Brian: We looked at this as well, it boils down to AMI would create way too many benefit matrices/calculations. Different one for each area. Just not practical from a programmatic standpoint.
- Clean Energy Implementation Plan Update
  - <<2021\_0511\_LIAC\_Briefing\_Final2LIAC.pdf>>
  - Equity Advisory Group -- advise PSE on equity issues. Convened in April with 13 members across our territory.
  - To meet deadlines we are meeting frequently with the EIG. These are open to observers.
  - There is some overlap between the EIG and the LIAC so we want to bridge the gap between the two
  - 4/19/21 meeting themes were education, include jobs and economic development, protecting resources, energy savings, health and environmental benefits.
  - Met last week and talked about barriers, burdens and opportunities. Common themes are barriers is cost of clean energy, lack of understanding, lack of trust, lack of awareness and

- education. Opportunity themes is more education and awareness about our programs, and work with community based organizations.
- Meet again on Monday 5/17/21. Next going to talk about refining our definitions on highly impacted communities and vulnerable populations
  - Public participation is the other big effort, we are out engaging with customers and other stakeholders. We have a really compressed timeline so this year we are setting a baseline for moving forward.
  - Clean Energy Benefits Survey available through June 1st, available on PSE.com.
  - Benefit indicators
    - Used a model that came from a UTC workshop. How do we define these customer benefit indicators
    - Need to define the who, the challenge, the actions and finally the benefits
    - What are the outcomes, what would improve certain communities lives, what do they want to see
    - Customer benefit indicators (some come from rulemaking, some we updated so better understand them):
      - Comfort and satisfaction
      - Clean energy participation
      - Economic
      - Affordability
      - Accessibility
      - Public health
      - Environment
      - Energy security and resilience
    - These indicators will shape the programs and actions that PSE does and takes.
  - Discussion:
    - What are the challenges in the communities you serve?
      - Lorena: access to family wage, high wage/high demand. Having them in your community is a challenge. Behavioral health challenges in a community and having the appropriate services available. Folks that have mental health and substance abuse challenges, homeless. Having the right combination of services for them. Innovative programs with police and social work, in-patient. Not equal across the state
      - Andrew: Second Lorena's comments, and add in access to child care as well which ties into other things. Access to jobs, etc.
      - Lorena: generalized health disparities, when we start digging into race/ethnicity/other demographic data
      - Shawn: Rural areas access to telecomm and transportation resources
    - What benefits do you see from the clean electricity transition, and why?
      - Lorena: Hope to see a reduction in health disparities, especially looking at air quality both indoor and outdoor. Reduce reliance on combustion heating appliances. Think about social determinants of health, homelessness, jobless, etc. This is a really important piece of it.
      - Brian: Overlay heat islands in cities like Seattle, Tacoma. Disproportionally impact those who've been redlined. EPA has a nice website and information on that. Employment and jobs -- dovetail into weatherization programs and staffing issues (need younger people to take up the trade)

- Shawn: Increased resiliency through more localized energy production and resources for renewables. Less reliance on large energy production sites, more localized that meet CETA
- Andrew: As far as spending less on energy bills, my understanding is that rates will go up as a part of this process.
  - PSE still has to be conscious of if rates do increase what support can we provide during this transition. That's a big task; we are trying to figure out the balance.
- Of the benefits discussed today, what would be your top priorities?
  - Top four things:
    - Brian: Creating more jobs in the community to address weatherization and some of these heating costs, improving air quality, reduce reliance on fossil fuels.
    - Lorena: reduce climate impacts, reduce health disparities
    - Andrew: spending less on energy bills
    - Brian: If the EIG could do some outreach to communities we don't normally serve and ask what their barriers are. Is there something we are not doing that we should be would love to know that
    - Dale: the impact of tax increases on gasoline is a large concern for LI rural HH

**LOW INCOME ADVISORY COMMITTEE MEETING AUGUST 12, 2021**

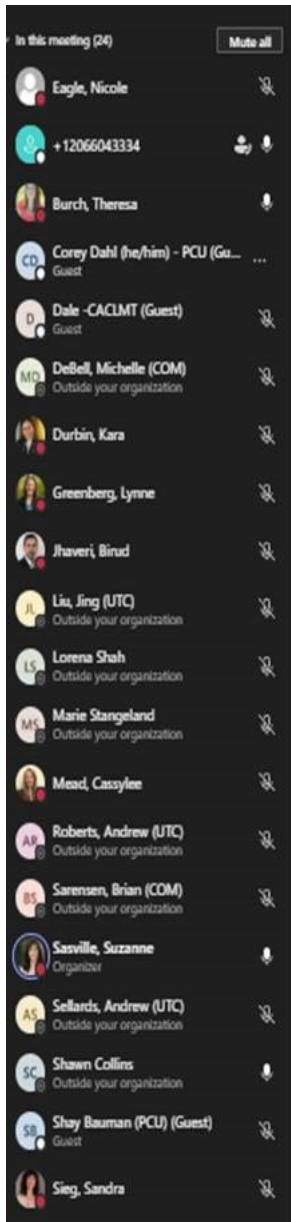
**MEETING NOTES**

**Meeting Date:** 8/12/2021 1:00 PM  
**Location:** Microsoft Teams Meeting  
**Link to Outlook Item:** [click here](#)  
**Invitation Message**  
**Participants**

Presentation materials provided to LIAC

<<PSE\_IQDRs\_Coll2\_LIAC\_08122021\_FINAL.pptx>>

Attendees



Slides 1-3 opening welcome, agenda and safety moment

Slide 4

Summary of LINA (Low income Needs Assessment) Phase 1 numbers

Slides covered today were all provided to LIAC members on 8/11

Slides 5-7

Participation Rates/data- PSE HELP 2016-2020- went over benefits awarded vs. allocated through CAP agencies- In the last 5 years we have seen a steady decline in clients served  
Percent awarded through CAP agencies by year 2016-2020- it is mostly Electric dollars going out. We know that and have seen the constant decrease in Gas.

**Questions:**

- Shawn- As I recall even prior to 2016, the spend out rate was in the high 98%. Beginning in the 2017 Yr. and last 3 years, there was such a high drop. It would be helpful to see those years beyond that last 5 years.
- Suzanne- Yes this seemed to come in right around the time the \$5m was added to the CAP, being a sudden and large amount was right before this time period and may be why agencies have struggled.
- Shawn- That does seem to be right around a GRC. There have also been significant culture changes over this time as well, which may be partly to do with it.

Went over PSE HELP program YTD (Oct 2020-Aug 2021) by zip code and by city for the top zip codes and cities served getting help. We are looking to overlay this with most vulnerable populations.

Slides 7-9

Considerations for LIDR, we need to discuss these and want to get your feedback and have a good conversation. These are concepts and ideas at this point.

- Who benefits
- Rates will be affected
- Program increase participation
- How does it provide Equity

**Questions:**

- Shawn- what does the amount represent on a customer's bill?
- Theresa- on a \$110 Electric bill it would be 1% or \$1.10 added

The vision- our starting place is that PSE and LIAC need to partner and make the process simpler. We will work together to build measures and KPI's along the way that helps define program improvements and successes ongoing. Adam covered all the guiding principles on slide 10.

**Questions:**

- Shawn- in the last call brought this up, within an order from the Commission. We have the rules and principals from the LIAC and it would be consistent and helpful, we should be talking about those specifically when discussing programs and fits in that framework. This is not necessarily

inconsistent with those rules, but something we need to bring up and ensure is being discussed. The concepts being discussed here have implications to PSE HELP and this is not just referring to the LIDR.

Suzanne- covered the LIAC Goals and Objectives set forth

1. To Keep customers connected to their energy service
  2. Provide bill assistance to more customers than are currently served
  3. Lower the energy burden of PSE HELP participants
  4. Collect Data necessary to assess program effectiveness and inform ongoing policy discussions
- Lorena- in section 4 (b) we trust our customers and attestation. Above you are requesting some income documentation, but am I correct in that application process we are thinking the LIDR will not be the same for the documentation requirements such as PSE HELP?
  - Theresa- these are our ideas, we do want to make it more accessible. These are starting discussion points and as we move on to next slides we want your feedback
  - Andrew S - On the audit of applications, is the thinking they would need to provide more documentation, or is something done behind the scenes
  - Theresa - To be defined. This was part of a California model, similar to the IRS in our attestation we will need to inform them of this audit

Slide 11

How the discount is administered

We took a look at this and really spent a lot of time looking at customer volume and how to make this successful. Even if we assume 100% apply, we may still see 10-30% increase from what we see now and we understand there will be pressures to get them through the process quickly

Covered options A-D

A- Can go through normal CAP process, once that pledge is returned to PSE we would then put them on the discount. The difference here is PSE itself could help administer PSE HELP. That would take hefty lifting, using portal, documents and training. However, we feel this would drive for a better customer experience and will help get customers through this.

B-Maintains current processes. Everything would be driven by what we receive back from CAP agencies, once in portal we will automatically put on discount

C- How we are doing COVID BA today. The different being if they came directly to PSE for discount rate, we will complete that but could then possibly go no further for other assistance.

D- What we just talked about in the Vision; this is we are all at the table working together to get any customer through the process of assistance and discount. We would look to loosen the rules for PSE HELP and be putting more trust in our customers, and take they are telling us the truth, and would audit a % of the customer applications. We understand the agencies are the experts here and this would be a good conversation to see where people are feeling and get feedback.

**Questions:**

- Shawn- This is a good process analysis on options. In terms of another consideration is additional investment or resources needed to accomplish each option. If there is as of yet, unsecured resources to deliver option 'x', put together a cost analysis so it's clear in order to do this we need this and here is the cost impact to customers .
- Theresa- we can do a cost analysis/benefit
- Shawn- if there are discussion on audits and self-declaration, looking at that and potentially could be utilized and help our other programming. If that is determined to be beneficial and cost effective and looks attractive. Just some additional thoughts to consider.
- Lorena- this is always nice to see options. Would like to give this some thought, but one point to make in noticing if we were to move more towards option D and have less stringent requirements it does further divorce away from LIHEAP, which is not a bad thing, but that we think about and make sure and ensure that other aspects of the program are also decoupled ie. Serve LIHEAP first, and now that would need to be removed. This would mean really think through PSE HELP and how it operates, but if we move away from LIHEAP rethink everything.
- Theresa- thank you for that, we want to talk about it. LIHEAP dollars are important to PSE and its customers, we will need to include a process to ensure customers are continuing to be served for LIHEAP if we decide to make any changes. Thank you for bringing this up Lorena.
- Corey- on option D going back, was there talk about some sort of attestation, signing document they are income qualified?
- Theresa- Yes, what we were envisioning, documents would still be required, income and household number. There are some privacy matters to deal with should we allow SNAP card or other benefit proof. Customer would sign a self-declaration form and that form would include legalese language that points to this is accurate and truthful.

Slide 12-

Eligibility: who gets the discount.

We want to be sure we are weighing the pro's and con's. Want to reduce the barriers and also have made lots of improvements to our portal. Some customers' documentation can be cumbersome to supply.

**Questions:**

- Jing- Under option D what kind of application do we expect from the customer?
- Theresa- If they have income proof for anyone over 18 in household. If that is not available then we would offer the self-declaration of no income
- Jing- so we would start with income document proof, or some documentation that proves participation in another program, or ask for self-declaration form to be filled out and signed. On an annual basis we would then audit a portion of the applications, to make sure there is a more stringent and verification is accurate.
- Theresa- that is correct and is the thought process. IF in year one we find issues we may need to pivot, if no issues and we find that in our audit looks good we would proceed
- Suzanne- we were thinking of, if something was discovered during an audit, perhaps they would then be removed from the discount rate. Just a thought.

Slide 13-

Customer assistance discount examples taking a look at a tiered option of 30%, 15%, or 5% or 10% fixed rate for all. The assumption that the lowest income bracket would get the higher tier and so forth. Based on AMI, PSE Bill and % of discount shows what the remaining cost would be for the customer.



**Questions:**

- Shawn- couple thoughts, LIHEAP funding reaches a similar percentage of customer's like PSE HELP. We want to serve as many eligible customers as we can, especially those in most in need and getting them to a manageable energy burden. One question is that PacifiCorp was just approved for their program change from percentage, did we think about this?
- Theresa- we did explore the per usage type vs. discount %. The bill discount was the preference however we were awaiting on how PacifiCorp's approval. The dollars are the dollars but for us is simpler for SAP.
- Jing- said they were approved
- Theresa- Yes, which was great as we too wanted to go that direction. This way is also simpler on customers as well on their bill, and little less confusion
- Shawn- agrees on that. One concern for a 30% discount, would think that would be inadequate benefit to address energy burden, and relying on HELP and LIHEAP is beneficial but never a guarantee. PacifiCorp had a much more aggressive %, but just something we need to consider.
- Theresa- thank you that is helpful. For the pairing one program from another, for PSE HELP and the discount rate if they are approved for HELP they will be automatically approved for LIDR.
- Shawn- if we had a comparable budget, we would potentially be serving more people; this is all dependent on how the program is designed. The desire would be that someone does not need to apply for multiple programs to get an affordable bill. If someone gets the discount and that's it, and they don't get HELP and those dollars go to someone else in jeopardy or need that is fine. Wants to design a program where they come in once and they get an affordable bill moving forward.
- Theresa- that could happen. I get HELP today, qualifies for rate, and then perhaps may no longer need HELP.
- Shawn- Hopefully, but of course energy consumption and or income matters could change, but yes you are on track with my thinking of getting the customer on a better course. Thinks that if someone gets on rate, and say they are eligible for 2 years, they will be reliant on getting help every year, whereas eg. 60%, 30 %, 10% for tier they would be in a better position they would not need to return and would reduce their burden and help get others through the door.
- Theresa- agrees that would free up other dollars for other customers that may not be on the rate yet
- Shawn- we want to keep people connected, not to have them continue to have to come back year over year, especially for those on fixed income but see increases in their bill. Access to these will be important for them, vs. someone in a higher income bracket would not necessarily need the on-going assistance.
- Jing- Asking whether customer is eligible for one or both, would want it to be a yes and they would support that for admin simplicity. Regarding which they prefer for the 4 options, while they need to think through this/internal discussion, but as of now we think we prefer option D. Like both A & D, and does feel it makes sense to have PSE aid in this, but preference is D. If the customer gets both benefits, why is there is still 2 benefits instead of 1? But Suzanne mentioned the law says we should have both the grant and the discount. Let's say we have to have both programs, would it make sense to simplify PSE HELP and have it be a flat amount and administrative burdens of the program. The mechanics behind the program today are complicated, if we still want to keep the grant why can't we simplify the grant process--flat amount, income tier, gives customer boost in account balance, and then apply the discount rate. This way if both are administrating this, both would be offering same program design.

- Brian- some issues they have run into with other discount rates, we try to get down to their true heat cost. First year would be LIHEAP against full heat cost, but as the rate gets applied and the customers then is benefitting from the discount, how will we know what the actual usage was?
- Theresa- the data that we provide today could be altered or provided differently to accomplish this.
- Shay- what are the levels of discounts we have for the AMI range 30, 15, 5 are they only illustrative.
- Theresa- Yes they are, these are only a way to model this.
- Shay- thank you. Feedback then is want to give deeper discounts especially for those in higher need or higher burden, when thinking about discounted tiers IF it's not significant it may not have the participation expected or wanted.
- Shawn- wanted to revisit slide 11, on what Jing stated regarding option D. Wants to really consider the last 12-18 months, with COVID BA (CACAP 2) and all the extra LIHEAP dollars etc. just looking at that reality if it wasn't for the automatic grants there would still be a lot of grants on the table, the service delivered may not have been great, some, but duplication from both PSE and CAP agencies it doesn't seem clear to him yet that is the right answer. The supporting evidence on how things have occurred here.
- Lorena- To piggy back off of Shawn, I think more in the weeds but customer focus when there are 2 entities running the same program can become confusing for the customer, but thinking more around the loss around meaningful referrals to other programs like Weatherization, community benefits and services; isolating this one service but then not getting the benefits and richness of all the others may not be beneficial.
- Sandy- just wanted to validate Lorena's comments, there are a lot of benefits to option D but how can we recover anything that may be lost in that option. How do we ensure they have easy access to the other programs that could be available to them? Just a bookmark and something to consider and think through.
- Theresa- great topic to discuss further and brainstorm how this all might work, we understand the concern and will capture all of this and refer back to put it into practice best we can.
- Suzanne- the EnergyHelp portal houses all of this that shows customers coming and showing desire for the program, we have all of this data available and could utilize this tool as a way to offer the referral process. All the agencies can research in the tool to see all the new applications and pull this data and use that as a follow up mechanism. This is just an idea to begin the conversation further.
- Jing- it's important for all the customers getting both discount and PSE HELP, but also get them served through LIHEAP. We want to increase participation, not lose program benefits. In terms of the percentage discount, we need to consider the interaction on the LIHEAP grant and the company's program. Some customers might get too much credit, or it's at least possible. In terms of when we get to pinning down the discount rate level or the PSE HELP grant, that we need to consider LIHEAP in this equation. PSE HELP has a credit threshold today, possibly something we need to revisit.
- Theresa- this is great feedback, and something to think through from a balancing perspective.

#### Slide 14

Outreach: How to get the work out/providing support

Covered what we have done for COVID Bill assistance, what has gone well and thus far for that program  
One really helpful addition we did was our Assistance application videos, they were multi-lingual and really seemed to have helped our customer base

**Questions:**

- Shawn- one successful model that he has mentioned is the Avista and their Community Partner Network, essentially allows agencies to build capacity with local organizations. They help to conduct community involvement, spreading the work, and helping in the application process. Would like to see PSE utilize this ability and sub-contract out in that manner as well. This is currently happening in PSE service territory- King and Pierce. This is something he is promoting on 'building trust' especially areas where there is low trust with Utility company or a company in authority.
- Lorena- the rental assistance in particular, agencies that help with PSE HELP, Utilities this today is really TRAP program we are building upon our existing relationships and the local agencies have now been able to expand their partnerships.
- Suzanne- are there administrative funds for ARP/TRAP? Do those then or a portion of that, go to the partner?
- Lorena- TRAP is built into the contract, not exactly sure can follow up with us on that. For Commerce for the ARP would defer to Commerce.
- Brian- under the LIHEAP section there is a must engage and attempt to, but they have left it open to allow the CAP the ability to determine this and have the option and allow them to contract with other companies. An ability but not required.
- Shawn- for the agencies choosing to do this, payments are then made to that organization for marketing etc. conducted?
- Brian- correct
- Suzanne- so let's say Commerce is paying a certain % for one or both programs, at the agencies discretion gives to the partner it's then a shared expense between agency and via the partner
- Brian- correct. He did this when he was with Pierce. They looked at this for language translation, they found the cost and then contracted out for that, if customer came in and was new paid, if not new no payment.
- Shawn- Pay point contract. The way I heard Suzanne was it's a shared cost. This would be a performance based pay, this is more of a 'we pay for a specific service' and would be an additional cost or completion, or 'application based' completion.
- Lorena- following up on the TRAP questions, that is a separate by and for budget item for TRAP that goes to the contracted partner. There is contract, and contractors are required to provide information on their service activities each month

Quickly covered the timeline- next is 9/14 for collaborative session. We will take back all the feedback from today, we will come back and provide our recommendations based on feedback at the next meeting. Then we will update again after September meeting which will all then feed into our filing with UTC for approval. We would also love to have a couple LIAC members come and join our EAG meeting on Monday.

- Shawn Collins volunteers to join EAG in chat

Slide 15

Homework questions

We will take a quick bio- then come back and cover the questions.

5 min back at 2:50p

Questions:

- Shawn- One thought which was brought up in previous meeting, this comprehensive Low Income programming idea, does not want to lose track of that and knows this conversation is centered around discount rate, but wants to consider with the timeline of the implementation of that discount, we should really be talking about maybe some other matters in the interim. Specifically talking about AMP. Knows that we need to make progress on topic today, due to filing, but thoughts right now, how can we: incorporate those objectives in 5295 and best serve customers in need and think about the objectives laid out today. There may be some nuances that were not called out today or discussed, online portal for example where documents and income can be sent in and have that then sent to the accurate entity to validate the application as needed. This would be able to open the up the application process and streamline it, we need to maintain allowing other options for customers as well if online is not an option i.e. Mail, phone etc. We need to think about expanding the program but thinking of who owns it needs further discussion and may be more than the 4 options put out today.
- Lorena- There are very few CAP agencies on today, and wants to note that. Notes on today's meeting would be helpful or a quick summary of them would be great.
- Suzanne- said that yes, we will do that. Perhaps we can also try to get on their calendar and do another presentation if we can.
- Theresa- Suzanne and I can converse on this and determine if we can get a meeting on the calendar which would likely be best here.
- Lorena- if we can make the time to do that, that would be good.
- Jing- based on the proposed timeline in the September meeting, the PSE team envision giving us a program design that is a closer to actual design and not illustrative?
- Theresa- yes that is our plan
- Suzanne- we will also have internal customer journey work to add
- Jing- if that is the case would ask that we provide cost anticipated and participation rate
- Theresa- we are working on this, since there are so many options we did not provide that today but will be part of our proposal
- Suzanne- asked the agencies on today, any thoughts around the moving away from LIHEAP w/PSE HELP.
- Lorena- I think in general while PSE HELP serves as a solid way to make a referral, with the weatherization program there are more issues we need to consider DOE documentation. As we move further DOE level that perhaps could be problematic, the easiest referral for weatherization staff is the referral from PSE HELP, if we move away that may be burdensome on the staff.
- Dale- A good portion of their applications are coming through the LIHEAP program, clients in Thurston are those then served by PSE HELP.
- Suzanne- said that we do get a lot of this information again in our EnergyHelp portal, and a lot of this data is extractable.
- Shawn- Commerce is making modifications for eligibility requirements based on CETA, and income threshold changes are coming, there will be flexibility into the future.

Before we go--Any other volunteers for the EAG meeting on Monday?

- PC will have a representative, we will have someone there.
- Suzanne- said would like to have a LIAC representative able to report out to what was heard from today's meeting and being able to report out and share.

- Lorena- asked what the timeframe was for the meeting
- Suzanne said 8/16 4-6:30 and is a zoom meeting. Shawn can always be the liaison and report back for the LIAC.
- Shawn- said that is good and has no problem doing that.
- Shawn- asked if there is any option to get materials off in advance of the next meeting in September, so there is time to review prior to the meeting and have time to digest
- Theresa- we will do our best do to that .
- Jing- we had a Tariff revision to change the income eligibility to be greater of 80% AMI or 200% FPL effective Oct 1st correct? What is the PSE HELP benefit going to be?
- Suzanne- still \$100-\$1,000 and income and usage. The benefit is 20%-60% of annual energy usage; we don't anticipate changing that right now. We are working with Commerce right now on the formula.
- Jing- is it AMI or FPL?
- Suzanne- said that we will FPL and we are in the process of testing some accounts, and looking at what next year's benefit will look like and are making that decision right now on the curve of the formula should be
- Jing- above 200% FPL but below 80% AMI, what is the benefit amount again?
- Suzanne- will be the same for everyone, it would mean they are eligible if 80% AMI, but would be the same benefit going off the 200% FPL. If Michelle with Commerce is on, she may explain this for us, better.
- Michelle- I think we just answered that, Jing are you still confused. Once you reach the greater of 200% FPL or 80% AMI so once you are over that income you are not eligible. It will be dependent on income and energy cost, but if those change the benefit given will also change. Say we have a sudden cold snap benefits would also rise given usage risen.
- Theresa- it's those between 200%> but <80% AMI.
- Jing- said what is the CAP?
- Suzanne- 60%
- Michelle- low income high bill, gets the higher to 60%, if higher income lower bills gets the lower 20% and either would fall somewhere in between 20%-60%. It's meant to cover the highest need and highest burden.
- Jing- would like to connect offline and go over this with Suzanne and Michelle.
- Michelle- wanted to report on outreach reports they have for both LIHEAP and PSE HELP, and are available to all if ever needed.

**LOW INCOME ADVISORY COMMITTEE MEETING SEPTEMBER 14, 2021**  
**MEETING NOTES**

## LIAC Meeting Notes

Date: 9/14/2021

### Participants

Valerie Newman

Suzanne Sasville

Adam Van Assche

Amy White

Ashlee Iverson

Birud Jhaveri

Brett Rendina

Carol Wallace

Claire Locke

Corey Dahl

Dale Lewis

Donn Falconer

Hanna Navarro

Jacob Roney

Jing Liu

Kassie Markos

Kate Sander

Kelima Yakupova

Lorena Shah

Marie Stangeland

Misty Velasquez

Nicole Eagle

Oksana Savolyuk

Robi Robertson

Sabrina Alvarez

Shawn Collins

Shay Bauman

Stillman Saunders

Tiela Combs

Veronica Martin

Wendy Gerlitz

## Notes

Theresa shared the safety moment on fire safety

Theresa shared where we are this week on the timeline

Suzanne shared the feedback from the last session

- Will need to send out participation data (spend out rate) for PSE HELP for further back than the last 5 years with the notes
- Shawn Collins, Energy Project: another idea is that a set % of funds are available for administration and those funds are all available at the start of the year so organizations can use those funds to hire and train staff, etc., rather than having to seek reimbursement after spending the funds. Avista uses a method like this.
  - Theresa: we can take back to our leadership to discuss how we might incorporate that into future program years

Theresa re-shared the considerations with the update to how the electric and gas rates would be impacted by this program

Theresa shared the proposed program design

- Sample Customer Discount
- Assumptions:
  - Discount rate would apply to total bill prior to any grants
  - HELP formula would adjust to a fixed, tiered discount
  - The percentages shown are applied to the total, pre-discount bill amount
  - LIHEAP is applied to pre-discount bill
    - Robi Robertson: we give based on what they pay and would only want to pay based on what they actually paid
    - Theresa: we built it this way based on feedback in previous meetings
    - Shawn Collins: Doing it this way allows for the full LIHEAP benefit to be applied so customers don't receive a reduced benefit because of a discount rate. This is how PacifiCorp does it, working with UTC
    - Oksana Savolyuk: policy is that LIHEAP is based on usage and their usage amount does not change even though the amount they pay does change



- Shawn Collins: the proposed discount is 45-15-0% for the three income bands then the secondary benefit of PSE HELP. It would be helpful to look at the likelihood of people receiving both as well as likelihood of receiving LIHEAP.
- Theresa: We will discuss our anticipated growth rates. For rate and PSE HELP, our plan is that if a customer is enrolled in one, they are enrolled in both so if they qualify for both discount rate and PSE HELP, they will receive both. As far as the number of eligible customers, our expectations is that the 0-20% AMI bracket will likely see more customers than the 50-80% AMI and the total population of eligible customers is over 400k but not all those customers will seek out assistance.
- Shawn Collins: What we can do to help those most in need will be important.
- Oksana Savolyuk: Will the program year be the same or will it be a calendar year? When you decide to start it, would you look at previous year and apply discount for previous year as you will have those brackets from PSE HELP?
- Theresa: right now the proposal is it will be the same. **We may want to explore that second question further.**
- 0-20% AMI receives 70% total discount, 20-50% AMI receives 35% total discount and 50-80% AMI receives 15% total discount (total discount refers to total discount from PSE programs, it does not include any additional assistance programs such as LIHEAP)
  - We do have two programs, not all utilities with a discount rate have a program like PSE HELP too and we want to be sure to spend out funds from both programs.
  - 0-20% AMI receives 45% discount rate and 25% PSE HELP grant
  - 20-50% AMI receives 15% discount rate and 20% PSE HELP grant
  - 50-80% discount rate receives no discount rate but 15% PSE HELP grant

#### Theresa shared funding prediction for next 5 years

- We will learn a lot in the 2022 PSE HELP program year with the new program guidelines. We estimated based on what we've seen and talked to other utilities about since we don't know for sure what the numbers will be
- If we use the funding currently available in HELP, this program will not have rate impacts for the first five years of the program.
- Shawn Collins: So there won't be new funding to provide the rate discount, you will be using established HELP funds? This is a very different direction from what was presented as we begun this journey and I wanted to make a note of that.
- Theresa: yes, for the first five years. After that, will need additional funding.
- Birud Jhaveri: What we discussed initially is still in play here. We set a budget for HELP and then work towards that budget. For IQDR, we set a projection of what the IQDR spend could be but there is no cap on IQDR spent so if a customer qualifies, we are obligated to offer it to customers. So there isn't a budget for it, just us projecting out the amount of customers we think will use IQDR in a given year. At the end of the year, we can true up. We have a large HELP budget and our projections show we are unlikely to show 100% of that budget but all those funds are available for HELP. What we propose is that if there is unspent HELP funding in year 1 of discount rate then we propose to use those unspent HELP funds to pay for IQDR in year 1.

After the 5<sup>th</sup> year, based on expected growth rates, we are seeing that the amounts will go beyond the HELP budget so would need rate increases to fund the program.

- Shawn: this is different than holding PSE HELP program funds as harmless and there are some pieces of concern.
- Birud: There is a gap between the cost of the program and how much we receive in funding; are you suggesting that IQDR should be additive?
- Shawn: We are looking at, how do we expand participation in programing and number of households served. HELP has reduced participation and vast underspending in gas. The concern is that we will see the HELP program not increase its participation due to IQDR taking money from that bucket – without funds then we won't get new households into the program. I understand that we want to use the dollars collected but as won't know true cost of IQDR until after the program year ends while the HELP program is budgeted and so the two operate very differently – keeping bill affordable in future use versus paying for previous bill. If use same funding source then ultimately will have challenges with the programs competing. I'm concerned about fund supplant.
- Carol Wallace: I understand what you're saying Shawn and think we're saying the same. We expect 34 million of unspent HELP funds and we're talking about how we might distribute those like we did for CACAP. We want to get those funds out. As far as declining distribution, we might get 50% distributed this year, which is less than last year. When looked at projections, we think that having customers be able to apply for assistance through PSE portal and through CAP agencies will help expand the customers helped. We don't want to add a charge for discount rate when we expect a gap between the HELP spent and funding. We hope that we will ultimately be able to spend all the HELP funds and then need increased rates for discount rate funding once program is established. We're working with Seattle City Light as a lot of our gas customers are in their service area and so hope we can communicate about programs together for that area to help get them served.
- Shawn: I think it is important for the committee to understand that a large number of that unspent is gas and most of what is needed is electric so the number looks large but not when you split it out between gas and electric.
- Carol: We're adjusting the split for the upcoming program year (90/10) because of the issue distributing gas funds. We hope that we can get these funds out the door so there won't be carryover in the future.
- Oksana: We may never be able to spend all the gas but with the income guideline change may help with that
- Theresa: This projection doesn't assume anything from 2022 program year will come into play but is just the funding amount we expect in 2023 program year. This is just a projection of 13 million, if spend all 30 then the dark bar would go up to the 30 million mark and then the amount for IQDR would need to come from rates.
- Shawn: IQDR funds will be projected and trued up at tend of year while HELP is set per commission order so it makes sense that people can double up on programing but want to explore the potential for customers to get on discount and then if they need HELP, which is backwards looking, to then get it (rather than the proposed everyone gets both).
- Theresa: we can talk about that in a minute. 0-50% AMI get HELP and discount rate but 50-80% AMI will only get HELP.

- Shawn: to increase reach of program, does it make sense for some people to only be on discount rate?
- Theresa: We can discuss that later

Theresa shared about the eligibility:

- 0-50% AMI for IQDR and PSE HELP would be 0-200% FPL or 80% AMI, whichever is greater
- Proposing documentation for rate and HELP be limited in a trust our customers approach: ID with birth date, # people in household, proof of income or lack thereof for those 18 and over or enrollment in other qualifying program.
- We would verify every 2 years
- Oksana: right now we have customers sign 2 year certification letter but this would be in contract so wouldn't need that anymore
- Lorena Shah: not all agencies do 2 years so it will be a process change for some of us
- Misty: we tried the 2 year certification but with having to call to ask was difficult to get done to be able to serve them for 2 years.
- Theresa: We would need to do something to help you with that. So will need to discuss that.
- Oksana: we start calling in August, which worked well for us
- Shay: Are you proposing that all PSE HELP eligibility moves to 2 years, right now it is just fixed income?
- Theresa: I'm not sure if it is more complicated to have discount rate for 2 and PSE HELP for 1 or if better for both to be for one year but with a simple re-upping. The goal was to keep them aligned but maybe that is not preferred
- Oksana: If you don't require us to make sure the income stayed the same so long as at the same address then it is easy. But if require to check if people left/entered the household that would be difficult.
- Shawn: Not having to check would allow for a new group to be served each year, expanding program access, because wouldn't have to revisit the previous year's customers.
- Theresa: One of my employees has parents living in southern CA and on a fixed income. Every two years he receives an email that asks him if anything has changed and then to attest for the next two years.
- Jing Liu: It looks like you have not internally decided what the 2<sup>nd</sup> year verification would be and the admin cost would depend on that workload. Right now agencies get 20% of grant amount for admin fees, would they be given 20% of second year's grants too so they are sufficiently funded.
- Theresa: the percentage of admin fees is based on the dollars out the door and there is still work to send the pledge over in the second year so that pledge would still count towards dollars out the door
- Oksana: Second year is easier on customers than on agency as we still calculate the benefit, send pledge over, & certify file, so doesn't save us much time.
- Suzanne: it is quicker in that there is not an appointment with the customer and gathering of documents, but there is still an application.
- Jing: So the second year benefit will need to be calculated? The discount rate will be posted but not the grant amount.

- Theresa: yes as grant amount will be based on prior 12 months of bills and that amount will fluctuate
- Jing: So in second year do you recalculate income or assume that it is still the same?
- Theresa: we can either ask them to attest that it is still the same. We do see a lot of customers who qualify year after year and with 80% AMI it is likely they will qualify for more than one year unless are at the top of that range.
- Misty: Say customer gets huge increase in pay and still qualify, would we go with year before income or would that mean income has changed?
- Theresa: They could jump between the brackets which would change the percentage proposed. So I think we need to discuss more internally how that would work.
- Shawn: My point is administrative efficiency versus ease of customer access. What is reasonable to allow for and percentage of error that is acceptable. Calculating a 2 year benefit would likely help increase the number of people accessing benefits.
- Theresa: We should be looking at data on what we see today on if incomes change
- Misty: Say you have a family and child turns 18 and has a job so now that income is counted, what happens?
- Theresa: I think we need to explore some automated attestation method for year 2 so that they only need to send documents if something has changed.

Theresa shared about proposed operation based on feedback we received so far: PSE and CAP agencies both administer IQDR and PSE HELP with lower paperwork requirements and a percentage of applications validated. This allows us to serve the most customers with assistance out the door quickly. We are researching what other utilities are doing to know what % should be validated. Southern California Edison does 1% and has very little fraud. Customer agrees to be subject to audit. If audited then they do a current documentation and validation of the customer.

- Discussion point: who gets audited? Customers receiving HELP and discount rate but not LIHEAP. If receive LIHEAP then that process fully vets them.
- Discussion point: Who does the audit – PSE or agencies? If PSE, any input on external systems PSE could use?
- Shawn Collins: I'm curious about process for selection that occurred – was this through votes?
- Theresa: Not through formal voting, this was based on feedback from both LIAC and EAG including a makeup meeting for those not able to attend the previous meeting.
- Shawn: What do you mean by an audit?
- Theresa: if selected, the customer would do validation like it is done today
- Shawn: The purpose would be self-attestation so don't present income documentation?
- Theresa: they would still provide income for last 30 days plus identification. If audit then would get fresh documentation and externally verify that documentation. This is because we wouldn't do any validation initially, which is unlike what we currently do. The audit would just be of some percent. This way the customers get help quickly.
- Lorena: what is point of validating if they do upload proof of income?
- Theresa: today if a customer comes in, there is validation on number of people in household and ensuring that the income is accurate?
- Lorena: yes but through interview where we still assume the customer is telling the truth

- Oksana: right now we look at all adults and have people with no income sign a form of no income and release to look at employment security office records. This would allow us to skip that.
- Theresa: Looking at what other utilities are doing, the validation is to show that have done enough validation to justify the money going out and that are not seeing fraudulent activity.
- Lorena: what would be consequence if don't respond to audit or if they misreported?
- Theresa: they would be taken off the rate.
- Lorena: Exceptions for people whose situation changed from application to audit time? We are giving them a program year so pulling off in first year doesn't seem fair
- Theresa: If we go with 2 year cert, maybe the audit happens at 1 year point so could pull after 1 year. Do need to incorporate if something changes. For no response, would need to make sure we outline what the audit expectation is and the consequence for not responding. I want to talk to PG&E more about what happens when people don't respond.
- Lorena: I'm a little uncomfortable putting agencies in punitive role
- Oksana: if we were to audit, my concern is that I would want them to show proof at when they applied rather than at time of audit.
- Theresa: our original thought is that would audit their original amount but learned that PG&E does it like a fresh application. So we can go back to audit based on time of application, not current situation.
- Andrew Roberts: I like the general idea but have concern about the burden of the audit process on some customers. This treats some customers differently than other customers since requires some but not others to do some action. Would want the burden to be as small as possible. Adding burden to someone stressed financially is not the best thing and they may not be able to react how they should logically.
- Carol: We agree with you which is why we try to make it as easy as possible for most customers but are trying to prevent fraud and prove that we are putting our assistance dollars in the right place.
- Theresa: I think the points made earlier about use original documentation could help with burden so that use documentation provided and only reach out to customer if discover a problem. We won't go back in time but would just be going forward such as maybe impact year 2 of eligibility. There is more detail needed in how an audit would work.
- Jing: I need help understanding what documents we collect. Prior pandemic, did we require 12 months income and if not option then 3 months and what changed in the pandemic?
- Suzanne: The PSE HELP contract has always said the previous month of income. For LIHEAP, it is the previous 3 months so the agencies always asked for 3 months so they could do both at the same time. We stood with that previous month being what qualifies but if over income then look at previous 3 and if still over income then look at 12 months to see if you average as being within income guidelines. We envision this as customer's word on # of people in household and income of everyone 18 or older, is that in income guideline, and if so then paycheck stub or other document for self-employed, award letter for social security, etc. Agencies verify household numbers through social security cards but we wouldn't want to do that. We have not worked through how to verify household. For no income, the agency accepts a declaration and then also checks for social security and unemployment benefits. That would likely be part of audit process, not upfront

- Jing: When you ask for income proof, maybe it can be flexible like most recent month or if more convenient to provide 12 months through tax return or pay stub that shows longer, that is fine too.
- Lorena: So to qualify in the future, will require proof of income not attestation? Agencies would then be doing it differently than PSE and we are experts in intake so there would be a different level of scrutiny. I thought we were going to attestation without proof of income.
- Theresa: the idea was to mimic what we do now for COVID bill assistance. You are the experts in intake. We aren't validating just that the income document they provide shows that they qualify but that is it.
- Lorena: For instance, client gives you one paystub. You will accept that. Agency will say you get paid biweekly, where you is your other paystub?
- Suzanne: We would look at last 30 days so a 2 week paystub would not be enough. You in the appointment ask questions that draws out information and we need to figure out how PSE can get access to systems to give additional information so we can align with you.
- Misty: If client provided bank statement and they said I don't have paystubs but here is statement with direct deposit. If you saw deposits from Venmo or Cashout, would you question that as lots of people are paid that way for odd jobs, housecleaning, etc.
- **Suzanne: This is a subject we will want to discuss further.**
- Oksana: I think it would be good to have a separate meeting if we divorce HELP and LIHEAP. Will need a clear section in writing with policy so that all agencies are clear on what to count as income, what to exclude, etc.
- Theresa: we are still researching so that is a great idea. We will learn a lot this year with people qualifying for HELP but not LIHEAP. **Like idea of workshop with agencies to discuss documentation upfront and at audit.**
- Shawn: when customers come in through agency, there are referrals to other programs. What is a best practice for serving customers? HELP serves upper program versus rate discount.
- Theresa: Will the customers qualify for other programs up to 80% AMI or are programs 200% FPL?
- Shawn: 80% AMI can use weatherization using state funds but can't speak to other programs.
- Misty: We have rental assistance that goes up to 80% AMI for our agency.
- Shawn: just want to bring up customer experience and additional services.

Theresa shared 3 customer journeys

- Customer 1 – auto enrollment (the date the discount rate goes live). PSE runs monthly process to auto enroll people receiving HELP, LIHEAP, or warm home fund into the discount rate to get everyone caught up as we launch. We could run this monthly as a double check throughout program year even once it is up and running in case someone was added to something but didn't get the discount rate.
- Customer 2 – tech savvy. This journey focuses on the rate but in this case they also qualify for PSE HELP. In this example, they did not apply for LIHEAP. If they do everything through PSE then we would want some way to refer them back to contact agency for LIHEAP so we can maximize those LIHEAP dollars too.
- Customer 3 – manual application. Would allow application and attestation in paper format so that can do it all on paper rather than online.

- We do need more research and to think through what documentation we would ask for.
- Misty: With COVID money being given out, it shows that customers don't go to agencies even if PSE refers them back so there is potential loss to agencies giving out LIHEAP.
- Theresa: We talked about that, there is an increase in outreach efforts we will need to push. We could also give the agencies customer information to reach out as well. We may need to iterate as we see how customers are responding. For instance, for a 0-20% AMI they would have 70% of their bill covered, is that enough or would they still want/need LIHEAP to get their bill to 0 to be able to afford it?
- Suzanne: I anticipate our COVID bill assistance program should be done by the time this rolls out.
- Theresa: maybe we can look at other utilities with discount rate and how they get their people in for LIHEAP too.
- Lorena: I think a warm hand off will be important. We're moving in a good direction for clients but am concerned about them deciding LIHEAP isn't worth it anymore.
- Jing: It looks like commerce just modified LIHEAP to include heating, cooling, and AC.
- Oksana: yes so we will be looking at total rather than just heat cost in the future.
- Carol: We expect customers to interact with agencies directly then us as secondary source just like we are seeing with COVID right now. We will reinforce that agencies are best way to get all of the assistance available.
- Oksana: Can we follow up with customer after 3 months who still aren't on LIHEAP a reminder?
- Suzanne: What if we see customer hasn't gone on that we have ability for you to see who you reach out to rather than current approach of you have door open for customers?
- Misty: Are we allowed to target?
- Oksana: Yes, we do cold calls that in April/May when we're slow. Maybe PSE could help us with report where interested but no pledge, here is the list.
- Lorena: this is more outreach than target.
- Shawn: you have the same problem with LIHEAP as with HELP where not everyone is being served who is eligible so focusing on those with highest energy burden would be helpful.

Theresa shared next steps:

- Next meeting is September 28 and will present the clean energy implementation plan. This is our last scheduled one about the discount rate.
- Theresa: Are discounts we proposing acceptable for the 3 income brackets?
  - Shawn: I have a concern that those discounts combine 2 programs and it isn't accurate. I know proposal is to have everyone on HELP on discount but that will constrict the number of people served. I think should serve additional customers by decoupling the two so HELP can fully utilize its budget and discount rate budget is not related to it. If we're looking at a more comprehensive approach to serving customer needs, arrearage management should be included in discussion and right now HELP is that program but not all customers who are eligible need help with arrearage. It would make sense to me that a customer gets on a program that meets their specific needs, keeping them connected with affordable bills. This gets us part of the way there but are we creating two programs that have to exist together in perpetuity.
  - Theresa: we will take all the feedback to have further discussion.

- Carol: we have a lot of good comments and we need to do some research on documentation. We don't need documentation prior to filing rate increase but do need to provide that and historical HELP program data. I think we need another LIAC meeting off cycle once we have research done to finish up these discussions.
- Shawn: can we get an update on where our arrearage discussion is?
  - Theresa: our arrearages are being taken care of by those who qualify through COVID bill assistance. We plan to exhaust those funds and then create arrearage plan pilot as outlined in our disconnect reduction plan. At this point, that is likely to be in 2023 based on funding and resources available. I don't really consider it as a supplement to this but for those who even with all this are unable to keep up, it would help with arrearage they accumulate and would allow those who do not get assistance from other programs but qualify for arrearage would be able to get that arrearage assistance.
  - Jing: will you show the rough timeline and share arrearage management plan design with this group at some point?
  - Carol: Yes.
  - Theresa: we can bring that back to LIAC prior to GRC filing.
- Shawn: the deployment of time of use and how that may impact low impact and how that would play into these programs should be included in discussions as may impact low income customers who are unable to adjust their usage.
  - Theresa: We do have a lot that you will see on technology needed to support TVR and our other programs like solar with access for low income.
- Oksana: Bullet shows fixed amount, would that lower the discount amount?
  - Theresa: it will potentially be lower depending on their usage since it would be fixed. For 0-20% AMI, customer would receive 25% off their total prior month annual bill for PSE HELP. It gets complicated because if we gave them full HELP amount and a 45% discount rate then would give them a lot more than what they would use in a year so they would have perpetual credits.
  - Oksana: will require double the work to get the same administrative fees.
  - Theresa: Unless we simplify the program enough that you can get a lot more customers through the door but we need workshop to go over this.
- Shay: With this model, I understand the balancing act but I feel like a lot of customers are perpetually behind. Currently HELP and LIHEAP help us cover large overdue balances. So would want arrearage management to get into effect at same time or not comfortable to going to this model because wouldn't have as much of a way for them to catch up.
- Oksana: In my opinion the 15% for 50-80% AMI is low. These people aren't LIHEAP eligible either.
- Birud: Customers likely to be burdened is far lower in the 50-80% AMI bracket than in lower brackets.
- Shawn: the 6% indicates a high energy burden, just because are at 5% energy burden doesn't mean they aren't needing assistance.
- Birud: customers with lower income are more likely to require additional assistance and those with higher are less likely but yes it doesn't account for all customers in those categories.
- Shawn: the part I am struggling with is agency staff about level of benefit maybe not being adequate to deliver a meaningful benefit to customers to keep them connected and affordable.



The actual allowance of PSE HELP in those circumstances. And the larger thing is whether this is a best practice to have stacked benefits to get to affordability level. If we're going to apply a discount program, why not make it all the customer needs. HELP right now is pretty much an arrearage program, not for future help. We need to dig in deeper into what is a meaningful benefit.

- Carol: I hear what you're saying. The reality is that we will have discount, HELP, and arrearage. We haven't been distributing all HELP funds despite attempts. So we propose the program to provide meaningful discount and then HELP funds to help too plus arrearage management then how all three work together. I don't necessarily agree that the discount rate doesn't make bills affordable as we did intend it to work with the other programs. We will be increasing outreach and hope that agencies will be doing so as well. We will need to look at what that will look like in terms of administrative fees. We don't send customers to collections and will not do that. We are looking at how we manage disconnects and how we can get customers into programs before they start going down that row. Anyone we think will be eligible for programs will not be put into Dunning for months once disconnect restarts as we know there are programs to assist and want to make sure they have access to those.
- Shawn: I meant to say is the discount rate keeping people at the 6% rate connected to service and is it efficient.
- Carol: Our intention is to keep customers connected and that is our end goal.
- Oksana: For 0-20%, right now PSE gives 60% so would only give 10% more with rate discount but rearranges where the funds are coming from.
- Suzanne: right. PSE HELP covers 20-60% of annual energy usage.
- Carol: discount rate goes to full bill with exception for federal taxes.
- Shawn: so if someone comes in with \$500 arrearage in 0-20% AMI, they will end up leaving still with some in arrears and so could still be disconnected. If they are undocumented household, or some other reasons, they would not qualify for LIHEAP. I would expect that would be not uncommon
  - Suzanne: Warm Home Fund is another resource that goes up to \$600 per household. Currently at 200% FPL but that could be moved to new income guidelines.
  - Shawn: that would require going to another agency
  - For most counties. Yes.
  - Theresa: This would work with arrearage program too. We may look at those on discount rate having a different dunning process to help them. Today we don't remotely disconnect someone who has been on PSE HELP in last 24 months.
- Shawn: can we up the timeline for arrearage program? We are barreling into discount without a test but are delayed in arrearage program, which has commission approval.
  - Carol: I hear what you're saying and agree with the concern. The problem with implementing an AMP is that we have tens of thousands of customers and can't do it manually like Avista. We also need to manage complex billing issues, etc. so are looking to do all the tech work at one time as doing multiple times increases costs. Maybe we need to look at how to help customers in interim of arrearage program being rolled out.
- Oksana: A lot of input we got from customers is that small benefit amount is not worth the effort. Would PSE raise the %? And maybe in first year, the PSE HELP amount is the same since takes a year for full discount amount to really impact bill.

- Theresa: that is great feedback. We can make changes in future program years if things aren't equitable. I do like the idea of leaving HELP alone for first year.

**LOW INCOME ADVISORY COMMITTEE MEETING OCTOER 5, 2021**

**MEETING NOTES**

## Low Income Advisory Committee meeting

**Meeting Date:** 10/5/2021 1:00 PM

**Location:** Microsoft Teams Meeting

## Notes

### Agenda

- Safety Moment
- Timeline
- Feedback from previous meeting
- PSE's IQDR program proposal:
  - Eligibility
  - Program Design
    - Customer Examples
    - Program Timeline
    - PSE Assistance Programs Portfolio
    - Funding
    - Operation: Option D
    - Outreach
    - Program evaluation
- Next Steps
  - Presentation on the proposed PSE Supplementary CACAP

### Attendees

Andrew Lyons

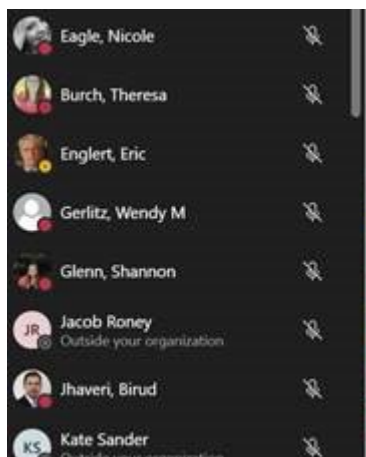
Corey Dahl

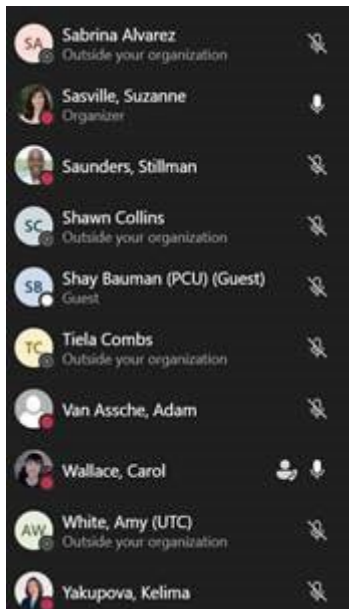
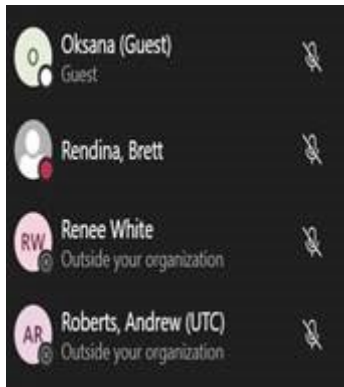
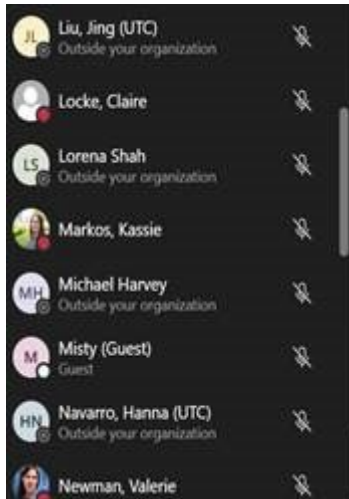
Kara Durbin

Michelle DeBell

Dale Lewis

+ below





Slide(s) 3-6 Safety moment- Noise and Hearing Loss Prevention, Timeline and What We Heard

Questions: None

Action Items in yellow

### Slide(s) 7- 8 Eligibility

What we have changed from before, based on feedback. In the first year we will want change the % of PSE HELP 20-60% annual usage, income and household size. Any customer that came in and happened to still have an arrearage, they will get the discount rate and additional PSE HELP funding. LIHEAP would also not be decreased, we will make sure it's off the balance of the account.

### Questions:

Lorena- When referring to PSE HELP going forward, you are talking about arrearages. Is the proposal to move PSE HELP to be only for those with arrearages?

Theresa- No, all we are saying is what came up was if a customer has an arrearage, going forward we will still have the AMP on the roadmap to handle any of those situations.

Shawn - The timeline for changes to PSE HELP would be 2024?

Theresa - Correct. We will provide data across the first year.

Shawn - Rate impacts, surmising the cost of the bill assistance programming.

Theresa- Cost of adding IQDR as another program

Shawn- Looking at 2024, is the company planning to include rate impact on increased revenue or ROE in terms of the budget for IQDR and HELP? Will our work develop all rate costs for all programs IQDR, AMP, HELP etc.? Increase to offset, 7% increase in filing, what we have done with Commission is double or 7% whichever is greater, if rates go up and budget for assistance programs do not, we are not keeping up with pace on bill increases. Will we be filing for increases in bill assistance as well?

Birud- GRC filing?

Shawn- Yes

Birud- We do file in GRC- any rate increases in residential would fall under schedule 129 that feeds PSE HELP, it will continue to be that way and those dollars will be increased by double based on residential rate impacts/increases. Short answer is yes, we will file for increase on Sch. 129, other programs will not necessarily be the source for the IQDR program unless any unused funds were available those funds could be redirected.

Shawn- Thank you. For the graphic on slide 8, is the number shown relevant to what they receive today?

Theresa- The change of the benefit, adding in the 3rd layer of income eligibility they are close with the curve, potentially a little higher.

Shawn- On factor is how HELP is today with benefit curve, is looking at a more fixed amount. Someone at 21% vs. 50% AMI will be a substantial difference in income but would be a relatively similar benefit.

Theresa- We need to examine who is coming in the door this year with the AMI change. If we looked at more county vs. FPL like we will be now, we can analyze and make changes forward.

Shawn- In the testimony if we use this, with the potential to do county specific in the future that would be helpful. We don't want to tie our hands too much for something we will potentially be looking at in 3 years, 2024.

Lorena - One thing that may be helpful would be the usage factor, wondering if we can run a cross section of scenario bands and usage history. People with high bills in the upper band, and how PSE HELP will factor in.

Theresa- what we are showing is an average across a couple of thousand customers, we will see if we can gather that.

Oksana - The story is told in the presentation; the money is taking away from HELP and is going to IQDR. 50-80% AMI- no discount but PSE HELP will go down, it will not be sufficient enough and with the formula.

Theresa- The balance is to ensure we are not giving customers year over year, a credit. This is hard looking at the modeling. We are looking into referrals so that if they come for the discount, they are referred to HELP, so they are served there and for LIHEAP.

Carol - One of the things this graphic does not show is the Arrearage Management Plan, 50-80% bracket that will be very helpful for them. Ex: \$1,200 and pays 6 payments on time the other \$600 will be forgiven, that is not illustrated here. There is LIHEAP for the lower bracket customers as well, and we need to partner to ensure customers are getting that funding

### **Slide(s) 9 customer examples**

#### **Questions:**

None

### **Slide(s) Program timeline**

Discount would start in the 2023-2024 program year, then any potential changes for PSE HELP would be in 2024. AMP will be around that same time. We also have other programs like the Warm Home Fund, payment arrangements etc. Helping customers reduce the need for longer term assistance, Weatherization, energy efficiency, and budget payment plans.

#### **Questions:**

Shawn- In terms of that analysis or evaluation, when would that start or how long will it be running?-- how will the evaluation occur and which timeframe be running?

Theresa- For the metrics, we have a slide to cover. We will start gathering data once the discount goes live, in addition to what we gather today and this year. We will layer in, how the rate is impacting programs, PSE HELP funds spent, etc.

Shawn- to that point, thinking about programs years and calendar years. We have traditionally made changes Oct 1, this is another sensitivity of the implementation here. Starting in a Jan 2023-2024 with customer education etc. its changes things mid-stream, we need to be sure to have considerations here and consider Oct 1 date.

Theresa- They are by program year, not fiscal. So 10/1/23. The only caveat is the timing of when the Commission approves, to begin the technical work, these are unknowns we have to be aware of and will go into our considerations for the start date.

Shawn- They will have 10 months, we should know by November 2022.

### **Slide(s) 11-13 Proposed program design**

We have 3 categories - reduce energy burden, provide energy security, and reduce need for long term assistance. As part of the reduce energy burden we have the IQDR, PSE HELP, and Home Energy Assistance Program (LIHEAP). Under 'Security' we have payment arrangements, Warm Home Fund, COVID Bill Assistance, AMP, PSE HELP, and LIHEAP. Under Reduce Need For Long-Term Assistance we have Low Income weatherization, energy efficiency, budget payment plans, and would include our IQDR.

#### **Questions:**

None

### **Slide(s) 14 Funding**

PSE HELP will be independent of IQDR; Only if at the end of the program year, unspent funding remained in PSE HELP, that could then be rolled over for the following year's discount rate.

For the first couple of years the HELP program is expected to grow, 10 % annual growth rate estimated, and estimate PSE HELP will have unspent funds. Ex: in the 2022-2023 program year we spend \$15M in HELP and \$8M is unspent, for the 2023-2024 the \$8M would come over and offset cost in the discount rate. With the estimated 10% growth, this does increase rates. Actual will be dependent on customers, and overall funding we have. The numbers illustrated will change and are only estimates. Just want to be clear we are not using PSE HELP to fund it, unless it's unspent funding.

**Questions:**

Jing- 2 comments, thank you for this presentation. The admin costs, in terms of agency cost would encourage stakeholders to consider flat fee for approved applications going forward. From year 2 the HELP funding/benefits will be reduced, and agency admin fees disbursement will be impacted and makes sense to convert to fee per application structure so they get adequate funding. PSE admin cost going forward, in the past we see a small portion of costs included in sch. 129 recovery, but going forward we will have the portal, more staff. Question is, what do we expect incremental costs will be and has that been considered in the rate impact.

Theresa- we are talking about that, it's not our intention to reduce cost just because of the change. We have some work to do and look at to determine the best approach. For the staffing, we have not anticipated this yet, but we have data around what staffing we have been using and have a good idea on how many employees it takes to process through everything, but we need to take a closer look at this, right now we are thinking around 3 but that is just an estimate.

Suzanne- It will depend on the program design.

Carol- It will also depend on what level of automation we will have as well, which will depict employee cost.

Theresa- we love the capability of that and the portal offers a great deal of automation.

Shawn- 21% set aside for expenses, year 2024-2025 we do need to come up with a strategy or placeholder to account for change in benefit calculation excluding IQDR. We do have a pay point contract with Cascade, it will depend on how many applications are being processed auto by company vs. agency. There is a threshold, if company is processing more, that is a decrease at agency end, and there is a cascade here and we will need to plan around this. If we are doing 60% in one county, and will reduce the throughput at the agency, and is a concern we need to work on, tying to a pay point works for Cascade because the agencies are delivering all/dollars.

Carol- there are a lot of ways we can structure this, it's not our intent to reduce, especially those entering in lower brackets that need LIHEAP. We can do a time study, but there are a lot of ways we can do this and will be part of the contract matters.

Shawn- This is not typically handled through contracts, it's been through negotiation or LIAC.

Carol- we know this will need to change, and looking at the historical numbers it is going down, and we want to increase this substantially. A lot of the programs need to be done differently, and what CAP agencies will do, and compensation, is something we need to continue discussions on.

Shawn- looking into this more, this is a **key point** that needs attention, this could have negative consequences. Not saying we have to get down to brass tacks immediacy, but need to have a LIAC endorsement that can be included in testimony and occur in the GRC. Would like some level of understanding so it can be memorialized, so that if something comes out in settlement, and it's known



that we have had these conversations, we have a good vision of how it will operate. Would like a bit more structure around this.

Carol- Agrees

Andrew- Wondering, excess dollars left over will be transferred over to discount rate. Is there some mechanism where demand goes down then goes up, is there a way to ensure there is enough for immediate dollars, or would they be permanently unused for current demand.

Theresa- anything transferred would be at the end of the program year.

Andrew L - beginning budget is the same, this year \$4M \$1M unspent, we would start with \$4M not \$3M?

Theresa- Correct, and in most cases we would have more for the following year.

### **Slide(s) 16-17 Operation**

Option D would be PSE and Agencies administering the work. The audit will help to reduce the ongoing barriers. We met with Avista and Seattle City Light, were getting a good understanding of how other Utilities are doing this today.

#### **Questions:**

None

### **Slide(s) 18 Outreach**

We have seen a great uptick in our current outreach and will continue it on-going. We are working through translation work as well. We have had 10's of millions of impressions throughout all of our media outreach.

#### **Questions:**

None

### **Slide(s) 19 Program design evaluation**

Covered the proposed analysis PSE will be doing the first program year which will help to evaluate if/and what changes might be needed in the future.

#### **Questions/added input:**

Shawn- The impact to customers' energy burden would be helpful to see, for HELP and IQDR.

Jing - We can always add. What is the timeline for the evaluation?

Theresa- Timing would be looked at monthly, after the first month the discount goes live (November 2023). We can talk about how it should be provided, filed formally, etc. this would be something we would be happy to communicate in this forum to share and get feedback.

Shawn- in terms of the total average admin cost, Jing mentioned there is a cost billed to sch. 129 by the company we know that the online portal the work being done by Avertra, in order to do an accurate cost analysis we will want to see the larger cost impacts for the entire operation and not just the 3 FTE.

Theresa- Said we have a maintenance agreement with Avertra, they have been very reasonable for cost during the pandemic they did a lot of the work at little to no cost given where and what we were faced with.

Shawn- That's good, the cost is predictable from the agency, the methodology on the Utility side may be more challenging and would like to see it tracked and shared.

Theresa- majority of the other work is also Suzanne's team, and their time that goes towards processing PSE HELP.

Carol- one thing to add, if we see **increase in new HELP applicants would be good to track**. It's been pretty stagnant and would be good to track what the new rate looks like.

Jing- Will we be able to **track how many/all low income customers are referred that then successfully receive other benefits**.

Shawn- agreed that would be really good to see if can be tracked.

Theresa- we will look into this, we planned on it for LIHEAP but will need to see about weatherization.

Shawn- there is another program agencies will be doing as well, it will be helpful to show full delivery of all programs. If someone comes in and is able to keep lights on, water etc. for a customer center it's important to know this.

Carol- One thing also, there is a certain amount of customers that try to get assistance but just don't. Sort of like we handle the 'abandon' rate in the call center, **how many come in but are not served**.

#### **Slide 20 next steps**

Last quarter of this year, before end of 2021 proposal will be sent to Commission. After the first of the year, we will begin looking at our next steps and project plan. As you know, the UTC has this for 10-11 months often times before we know the final decision/outcome. We will plan to start our project planning in advance so we are not behind. We will involve and gather feedback from both the LIAC and EAG as things progress and have done so before we file.

#### **Questions:**

Jing- AMP, do we envision presenting to this group prior to filing. IQDR + HELP program will be in the next GRC, I assumed the AMP design would be with it but would recommend we do.

Carol- Yes it will be included. We previously presented to this group. We are considering the past due balance example provided earlier; you pay monthly on time, the 1/12<sup>th</sup> of past due is forgiven. That is the methodology we are considering for the AMP. The exact mechanism and program will be part of the program itself once we have approval to do it.

Suzanne- We will have another meeting before the end of the year, we could add that to a future meeting.

Shawn- said that for the details for the AMP, admin support etc. there is a lot that is unresolved. Depending on how much detail we get in the filing, support for the plans will be dependent on these unresolved items. The challenge on TEP's end is not enough specificity, to be able to bless the plan.

Jing- **Members in this group do want to hear a little more detail for AMP**. The agency will want to be familiarized with how it will work, and work together with IQDR. On the AMP, would like to advocate, to include the categorical enrollment to determine the benefit amount. The AMP is a pretty logical place to allow for this as well, and we will need your expertise, if someone enrolled based on other programs and we are making sure referral is done. If they don't want to provide any income, declaration, and only want to apply for AMP we should allow that.

Suzanne- We can **set something up specific to cover AMP**

Carol- We have been capturing in the notes what was discussed. *Shawn could you state in the minutes to address more fully:*

Shawn-

- Looking at the admin calculation for agency delivery of HELP program, specifically how it relates to % of budget, award, pay point, essentially looking at how to keep intact agency budgetary operations and hire staff to deliver program, without knowing completed transactions to complete the work, it introduces some unknowns to budget process.
- More specificity around the structure of the AMP, IQDR potential changes we need to put more meat on the bones. There is specificity with IQDR, PSE HELP year 2, but not enough with AMP. Discussing with the LIAC to cover structure, there is enough time to find time for additional conversations.
- Being able to demonstrate to the Commission on how we will do it, is best.
- He still needs to look at and consider the proposed HELP changes in year 2 for % vs. benefit curve, and we have not had enough conversations around the impacts to customers.
- Additionally has concerns with the split between company vs agency operating PSE HELP

Carol - Thank you, you can add more if you think of anything.

Andrew- back to evaluation, the unknowns and program designs. Audit, how will it happen and what are the consequences? If we do an audit on x number of customers that may not line up with what they provided, and that is part of the evaluation, does that come back to agency or customer? Would like to know what the structure is around consequences.

Carol- we have been talking about this, in looking at other programs. If the customer declares something and agency accepts it, we do that. However, if we find that what the customer provided was not accurate, we would just take them off of the discount rate going forward and perhaps only for a period of time. We can provide more details next time we meet.

### **Supplementary CACAP program**

Carol- As we have been talking about arrearages, and Moratorium ending, we are looking at customers with arrearages. We are looking at ways we can help with that, we are proposing another CACAP program. We have unspent HELP funds from the past 2 years, we also have the COVID bill assistance that are not collected in rates yet at this time, so are not Electric or Gas 'collected' yet. What we are proposing is utilizing unspent HELP funds \$14M electric and \$5M gas, and moving some over from uncollected COVID fund cap as well.

We want to help as many customers as we can, and reduce or pay off their arrearages.

Claire- showing current arrearages- for the CACAP program would be to use company data from Experian, through this data we have predicted income ranges for customers. We have customers that are below 200% FPL that are also past due. Around 50K that are below FPL, and arrearages are around \$22M, 19M electric, 2.8M gas. We are proposing to leverage this data to help all of these customers, who for the most part have NOT received assistance or have already maxed out on programs.

### **Questions:**

Shawn- Maxing out benefits; that would be LIHEAP or HELP?

Claire- or COVID Bill assistance. Majority of these customers have not yet received any assistance.

Shawn- The way the order was written was max \$2,500 per year, and restarts in October and is available. Does the 50k customers indicate they have not been served by any program?

Claire- Yes for the most part that is true.

Shawn- Looking at the COVID order, there has been 40% growth rate in arrearages in 90 + day for PSE, but when looking at Avista they have a 20% decrease.

Claire- Oldest arrearage and lowest income. These numbers change on a daily basis, as we get closer to do this we will have to look at this data again and confirm we have enough, but we would give priority to some.

Misty - We have LIHEAP money for arrearages, and customers are not reaching out. If PSE just gives them this, what is the push to have them call in to the agency?

Carol- Good point, but they have not reached out for any help yet. We are not sure why. We know that we do not reach a very large portion of customers that are eligible. We are trying to help customers that are struggling to pay, and we wanted to figure out a way to help them.

Shawn- approx. \$23-\$24M in past due balances, and are below 200% FPL. Is the budget at that to cover it?

Claire- Yes

Carol- The funding is what it is based on unspent HELP dollars, and moving some of COVID over. The numbers are pretty close.

Shawn- some of these people may not be eligible for LIHEAP so just wanted to make sure funding is available. Are we looking at automation, enrollment.

Claire- Yes we are talking about automatic enrollment.

Shawn- We did something with Avista like this, question is which data set and programming will work to do this.

Carol- Transparent: this is different than auto-enrollment that was those that had previously sought/received help. These are customers that have not received assistance, and there is a small risk that some of these customers may not be eligible based on the Experian data we are utilizing.

Shawn- Using Experian, cross referenced to customer accounts, and essentially see they may be eligible and use that to provide assistance. Seeing the increase in arrears and challenges with getting folks enrolled, this is compelling.

Jing- In general on board with this and design, it's time to force feed these customers to prevent massive disconnections. CACAP 2- is still ongoing, \$27M is what was to be available, has it slowed down?

Theresa- it has slowed down some, even with these shift we propose there is another \$8-9M available.

Carol- we know we can still address any other coming need with that extra still available and with HELP starting 10/1.

Jing- If a customer has low income, we should catch that, if they are borderline those will be hard and I have a little concern with those. In the higher income range, we need to be a little more accurate, but it does change substantially with more people in the household.

Misty- How are we determining how many people are in the household, multiple families may be living in the same household. That may also then take them above income.

Claire- How we are estimating household size we are using census block group averages. We won't have those cases where there are 12 people, the average is around 2.5 and that does vary. This is not perfect, but is a solution to help those customers that are past due but have not reached out.

Misty- Part of that may have been due to Moratorium was not lifted yet, and now we are giving them this and not giving them the chance to reach out to agency. This was happening.

Carol- This is our attempt to be a good citizen and help customers out. We may give some benefits we shouldn't, and we may miss some customers, but helping was the genesis behind this idea.

Shawn- This was a discussion with the Commission, and ongoing response with arrears. Loren with NWECC- was interested in having a conversation around automatic awards, and provide a clean slate as the Moratorium ends. It is troublesome to see the increase in arrears, and something should be done.

Suzanne- How does the block get household count? Tax returns?

Claire- Census block is a little unknown, they have predictive models and is a bit of a black box.

Shawn- Those closest to 200% FPL was a concern for you Jing correct. Is there any way to separate those out any better, and minimize the potential for errors?

Carol- If they were a little over 200% they would be under 80% AMI, we could do some surveys and see if we get responses, our concerns were all the scams going on how would it be perceived and it would just take more time. If we just went with this, we would have this up and running much faster by Dec 1. We will also provide an opt-out.

We are at time you may have additional questions or comments- send those over to Suzanne. Will close the meeting today, thank you for your time. Notes will come out soon.

**LOW INCOME ADVISORY COMMITTEE MEETING NOVEMBER 9, 2021**

**MEETING NOTES**

**Low Income Advisory Committee Meeting**

**Meeting Date:** 11/9/2021

**Location:** Microsoft Teams

**Attendees**

Robi Robertson

Shaylee Stokes

Joni Bosh

Brian Sarensen

Corey Dahl

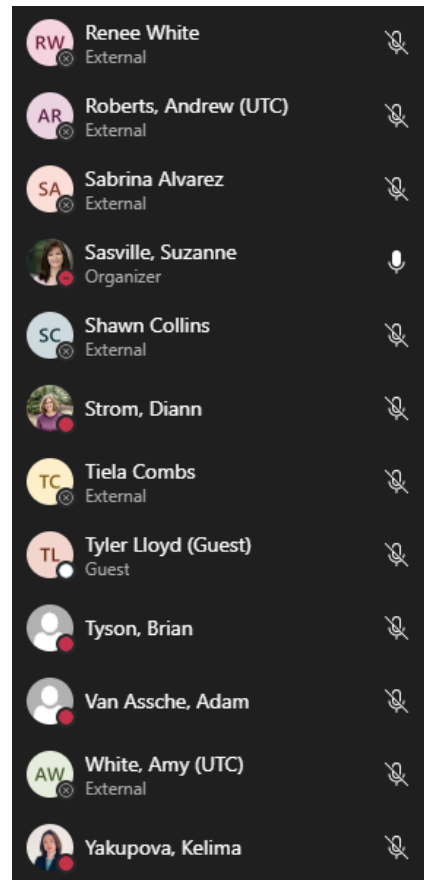
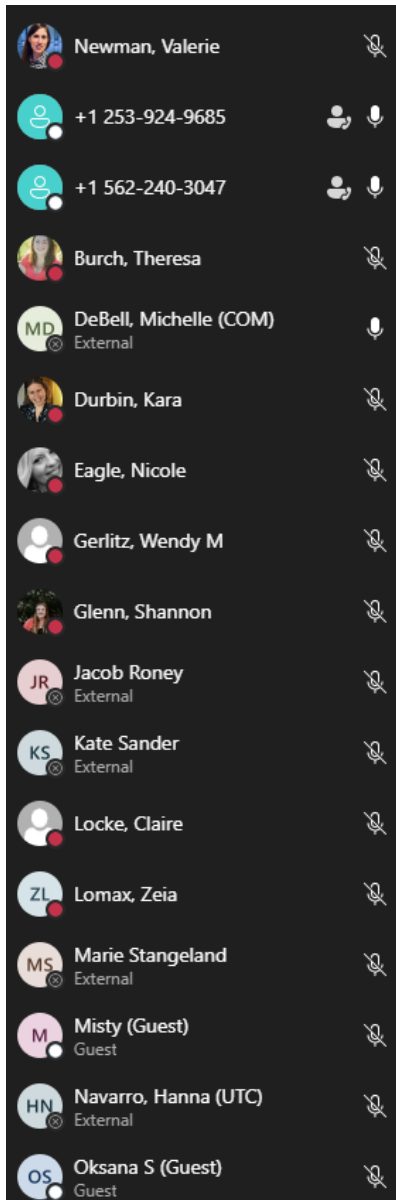
Shay Bauman

Michael Harvey

Dale Lewis

Amy White

+ Below



## Notes

Will be sharing disconnection information in future meetings per UTC request but do not have that available for this meeting.

Safety moment – preparing your car for winter

### Draft Clean Energy Implementation Plan

Discussed feedback from the 9/28 meeting

- Solar in western WA is only distributed solar
- This CEIP focuses on the next four years so does not specify resources beyond 2025
- This CEIP includes description of how we came up with costs and how they're segmented (see Chapter 5) but actions are focused on through 2025 so actions beyond that are not covered



- Chapter 5 clarifies lease descriptions. Roof lease is PSE paying customers for their roof. The other is for customers to lease battery storage. We won't get to program design in 2022 or 2023 for the lease program so will want to address any concerns during the lease program design stage.

Shawn Collins: Regarding battery storage, some areas have reliability challenges including rural with vulnerable, low income populations. I want to put forward the idea that the company provide battery backup as a fully subsidized item to eligible low income households with low reliability or to provide them to a location in the community in case of multi-day outages so residents can go there to charge phones, etc.

Michelle DeBell (Commerce): We have Tyler Lloyd joining the LIAC team for at least the next year.

#### CEIP

- Final CEIP will be filed 12/17/2021. The next phase will be implementation and design which is then followed by reporting.
- This is an iterative process that doesn't stop with this CEIP plan.
- Two targets:
  - Interim target reflects the percentage of clean energy used to meet our load. We expect 59%
  - Specific targets are goals for 2025 broken down into energy efficiency (this will be updated based on the final Biennial Conservation Plan which just came out), demand response (all new programs), and renewable energy (large scale and distributed).
- Customer benefit indicators
  - We talked to advisory groups, customers, and community organizations about benefits customers want to see as we make these changes
  - We continue to look at this list and the metrics behind this list. We heard loud and clear that it isn't just indicators but also what we use to measure them that matter. The draft CEIP does include that and we may have changes for the final CEIP based on what we think is feasible for the four year period. Those metrics are important as those are how we'll measure how we did, which will require good data
  - We are trying to embed these in a number of resource decisions including how we came up with the mix of distributed resources and in the large scale resources as well as how do we use them for the energy efficiency program as well. The draft CEIP details how we plan to do this.
- Specific Actions for 2022-2025
  - We are seeing what bids we get to understand what is out there to help us understand what projects we can put out there to help us meet our specific targets so you won't see a specific project in the initial RFP
  - We heard that targeted education, outreach, and awareness of the programs is important. We've put that as part of the investments we have to make.
- DER program concept mix
  - This is an attempt at, what might the DER mix look like especially considering maximizing customer benefits

- We want to show that we're providing opportunities for low income and multi-family units as well as other programs for residences and commercial
- This is just a plan on what we could do; this mix could change and include options not currently listed. We'll dig deeper as we get into the DER RFP
- Joni Bosh: on the list here, were these included specifically in the IRP?
  - They were not. The IRP is big picture while the CEIP is more granular. Appendix K talks about cost and potential for each of these programs and Appendix D has some analysis
- Embedding equity
  - Including the appropriate customer benefit indicators throughout what we do will be important part of doing this
  - We also need to understand where these communities are and what factors make a community vulnerable. This will help us target awareness and who we talk to as we design and implement.
- Draft Costs
  - About \$6/month for average residential and about \$7/month for average commercial. This does not include any low income rate discussions or any assistance programs.
  - Joni Bosh: if you look at Appendix L, are all the costs included in this forecast from the IRP? Depending on RFP responses, costs could change?
    - For inclusion, it depends on which ones. For instance, generic resource cost for large scaled resources from IRP are carried over and we specifically mention that in the CEIP. Yes, the costs could change and we will be able to refine those when we get through the RFP process
  - Shawn Collins: Is there a summary of where these costs are coming from in terms of broad categories so we can better understand the categories contributing to the increases? So like a side by side comparison between existing and increased cost so rather than digging into pages of Appendixes, we can look at a table to see where the increases come from
    - Chapter 5 has a summary table that compares what we would have done with no CETA and what we are projecting to do with CETA and the cost difference between the two
  - Shawn Collins: In terms of percentage wise, what is that \$6/month? Is that 6-10%?
    - I believe so but would need to go back to look
- What comes next?
  - Comment period ends, then finalize CEIP and start determining program design to launch them in 2024 and 2025. Throughout will have customer education and engagement

#### Questions and feedback

- Corey Dahl: We are still in process of reviewing but do have some initial questions on leasing design so will be interested in being engaged in conversations about those programs down the road
- Joni Bosh: We are still in process of reviewing. We are concerned that specific actions aren't more detailed and have had outside analysts looking at the costs. We will be submitting a paper

to you around Friday. Also some concerns about leasing program and how that would work. Still not clear of how the technology enabling costs or distributed energy resources pencil out. PSE already has 10k distributed solar customers so a lot of those programs at end of Chapter 4 that would enable more distributed resources I would think are already in place. So it isn't clear whether it is additional to what you're already doing or a fully new program. Appendix F1 refers to Appendix B but the link in B is not working.

- Yes, we will be updating the link in B to link properly to the final.

Online engagement of CEIP (site visits, etc.)

- General themes that we're hearing include varying thoughts on pace of transition to clean energy, interest in various resources, questions on cost, comments about making sure renters are included, and ask for education

### AMP and IQDR Updates

Shared the LIAC goals and objectives

Shared the feedback from the last meeting with caveat that some require additional time to pull the information and some we need additional detail on the question so will be reaching out to the asker.

- Shawn Collins: Someone comes to the company to get HELP and they're signed up, how does that customer get LIHEAP, childhood education, etc.? So how do we make sure we don't give customers runaround for accessing multiple programs. Want an access point that doesn't require the customer to make multiple calls, etc.
- Shawn Collins: We have agencies operating with 20% of the budget covering delivery costs. Agencies submit cost and are reimbursed. Pay point contract is of significant concern when you have a scenario where agencies aren't delivering the totality of the program. So if PSE does 30% of the program, agency admin is reduced by 30% and then agency can't afford staff and what PSE's throughput will be is hard to predict. Want the company to plan for what they expect to process, impact to agencies so they can know. Any change in year 1 to how we compensate agencies would be inadvisable since there is so much unknown. So we might be able to land on a new system prior to this rolling out since we don't know where people will go to for assistance.
- Theresa: there is a request for some referral process for Supplemental CACAP and we have committed to letting these customers know what else is available.
- Misty: is there a report that can be pulled that says who has scheduled their appointment? Scheduler doesn't have a way to indicate whether someone showed or not to their appointment. It would be helpful if can pull a report of who has scheduled appointment without a completed application.
  - Yes, we should be able to do that
- Hanna Navarro: Supplemental CACAP - is it also customers who have maximized other benefits and are past due again?
  - Yes
- Marie Stangeland: I hope you will be sending out the slide decks after the meeting. Is there a way to require customers who continue to fall behind to apply for LIHEAP and PSE HELP before they receive additional CACAP?

- At this point, there isn't a way but we can always have our customer care center tell our customers to contact their agency when the customer calls in and provide the customer with agency information
- We will be sending out the slide decks with the notes

#### AMP Proposal

- AMP would be funded through Schedule 129 and eligibility criteria would be active, residential, past due greater than \$200, net household income equal or less than 80% AMI or 200% FPL whichever is greater
- Customer would pay current usage charges for 12 months and for each payment they make, 1/12 of their past due would be forgiven with maximum of \$2500 forgiven
- Customers can start a new AMP a maximum of 2 times in a rolling 12 month period
- Customers are moved from AMP after 3<sup>rd</sup> missed payment and upon removal, customers current and remaining past due would become due
- Shawn Collins: The \$200 threshold. Is there a rationale? Would we miss anyone because of this?
  - Theresa: What it came down to is that we're doing 1/12 every month and there is an admin cost so with a low amount it doesn't make sense to use AMP. The customer can be helped with other programs. We haven't done it before so we could evaluate after first year, how many customers with past due under \$200 who weren't able to use other programs or payment arrangements then adjust if needed. **We would not have a problem with looking at \$120 as a balance and will discuss internally.**

#### Provided visual showing various programs on a timeline

- Shawn Collins: this is helpful, thank you for providing this. AMP beginning 2023-2024, when exactly?
  - We are aiming for October 1, 2023 and would like it to align with the discount rate and when funding runs out for other programs so that we don't have a gap in arrearage management programs to help pull us out of this COVID situation
- Shawn Collins: the asterisks showing depending on funding. Is that depending on UTC? Are you anticipating a proposed budget for that? Avista AMP has data on how many successfully complete (estimated at half). Is the AMP a pilot or are you planning to run it and keep it going?
  - Yes, funding depends on UTC. The filing asks for a pilot program that we could try earlier (2022-2023 pilot) but we do plan to have this AMP to continue running once launched. We looked at high level estimates based on some customer data and how much this would be annually (some questions on how many will have arrearage and how many will complete) but based on HELP applicants in past who have had an arrearage (50%) and pre COVID arrearage amounts (\$368) and payoff rate of 50% and came up with annual funding amount of \$1-2 M per year. It is hard to know default rate and with current COVID arrearages being so high. Hopefully the amounts will be back to pre COVID levels prior to AMP starting, which is what we assumed with the funding amount we calculated.
- Shawn Collins: I would guess that accounts past 90 days would mostly be eligible for AMP and would be interesting to see how many actually would be
- Shaylee Stokes: Are you saying October 1, 2022 or 2023?

- 2023
- Shawn Collins: I really like the program design and it looks well thought out. I think it will be a tool for customers to keep them connected. Thank you.

#### Updated IQDR Proposal

- We heard at the last meeting about the 21% and 50% AMI customers having very different incomes with similar benefit and that some bands were now worse off. We updated the income bands to 0-30% rather than 0-20%. This means the vast majority of customers in all three bands will receive more assistance than what they would get with today's PSE HELP. With PSE HELP, because we aren't doing the curve by county we will need to look at that and it would provide greater benefit. PSE HELP does stay the same through the first year of the IQDR. This gives us that year to analyze and have customers receive enough to be set up for success.
- Shawn Collins: Directing greatest benefit to lowest is good. The one concern is the IQDR 0% for 51-80% AMI and I know we may not reach agreement on this. The total benefit is good but imagining a potential future where the discount rate could operate independently of HELP; some households may not need a grant if they're on the discount while some would need both.
  - Theresa: this was tough as up to 80% AMI will be eligible for arrearage and HELP but aren't eligible for LIHEAP and in this case aren't eligible for IQDR. We will start pulling data right when program starts and do lots of analysis on income range and be using data from this year to see how many of the higher income customers are coming in for HELP to help us know if a change is needed. We've been talking to Avista and this is just a starting point.
    - Shawn: The key point is directing most of benefits to those most in need and understand the concern about budget and where energy burden is. I recognize this is an iterative process.

#### Future Process Flows Drafts Beginning 2023-2024 program year

- We would like to jointly design with a subgroup if there is an appetite for that but do have very high level process drafts for agency, PSE, and agency audit process. One area that we want input on is how the referral from PSE to agencies for LIHEAP for customers who enter for HELP through PSE
- Shawn Collins: Can you also screen for weatherization as that would be beneficial?
  - **We'll take that back.**
- Audit would be random 10% of applicants. Our preference is for agency to do the audit as they are the experts in doing income verification. That would be like a full application and so would be compensated as such. Vision is that every quarter, an agency would get information on which accounts they are being asked to audit over the next 3 months. Reach out to customers at least twice. Verify income same way that do today. If pass then removed from audit list for maybe 2 years. If fail or don't respond in the quarter then removed from program and can't reapply for 12 months. Would not go backwards and take back the money (the not rectifying is part of why would audit quarterly).
  - Shawn Collins: audit would be excellent time to screen for eligibility for other programs and it is important to maintain connection to agencies and other programs so think would be good for agency to do the audit. On this twelve month block, that may be

difficult to track and communicate to customers versus saying next program year. Also, income can change rapidly and a big reason why some don't receive assistance is because of document requirements.

- Program year is a good idea and would make it easier. Also, with that connection to offering other services, we could change that 10% of applicants selected for audit to increase # of customers audited (more work but also more customers connected to other services).
  - Shawn Collins: this is a good point to include in further discussion with agencies. Target should be set at something achievable and reasonable. Also, could consider doing audit more of those likely to change income.
    - That is something to consider.
- Suzanne Sasville: IQDR has tiers based on income/household they give us. What if when they begin they are in one tier then after audit, they are in another tier. Do we move them?
  - If going down in tier, would move them. From technology perspective, we can change rate at any time. We would like some input on whether we move them or not and whether that movement possibility makes us want to change the audit inclusion from 2 years to 1 year.
- Shawn Collins: would be helpful to have that separate conversation to look at numbers and further discuss the process
  - **Will work on getting volunteers and scheduling this**

Shared IQDR stakeholder engagement with LIAC timeline

#### Shawn Collins Analysis (shared by Shawn Collins)

- We had intern doing analysis on arrearage data that companies were reporting
- We have a group of people who probably don't want to hear from their utility because will be bad news. This is not unique to PSE.
- Hope is that as new funds are considered, we work to prevent disconnections (so those 90 day plus arrears)
- How best to reach those customers is a topic of conversation
- A significant amount of growth was in PSE service customer. You are being proactive with your Equifax approach. This is a reality check meant to stimulate conversation.
- The key takeaway is that trust development, how do we get people in the door – working in the communities with trusted messengers is an important step for Energy Project
- Corey Dahl: The data isn't explaining a potential new trend of among customers who now have arrearages, are these customers who had arrearages cleared who are in arrears again and are these new to having arrears? A pattern we were seeing before is that the number of customers with arrearages wasn't growing but amount of arrearages and number of customers with long term arrearages was exploding. So was interesting to see that more customers have arrearages.
  - Claire Locke: **We can look at how many customers cleared an arrears and are now again past due versus those completely new.**
- Corey Dahl: the end of the eviction moratorium and disconnection moratorium ended at same time and student loan payments are coming back in January as is the possible Seattle city

moratorium on evictions. So there is a lot going on that could explain this and isn't helping to improve the situation.

- Hannah Navarro: I think those additional data points would be helpful to better understand the situation. Also would be helpful to know if any have been in an assistance program before.
  - **We can take a look at that and bring back to next meeting**
- Shawn Collins: It would also be helpful to know prior to Supplemental CACAP, how many of those customers who will be receiving it will be brought to having a no past due amount.
  - Claire Locke: as of October 1, 15 million of the 56.6 million 90+ day arrearages would be wiped out. What we see with arrearage data is that we're hitting these known low income customers and now the Experian low income group but there is still a significant group who may not qualify or may be in commercial group who haven't been eligible.
- Shawn Collins: Is it possible to save Experian data for future outreach that is more targeted for things like IQDR and weatherization?
  - Claire Locke: We plan to continue to have that data available.

Shawn Collins: seems like need a subcommittee meeting (around audit) and potentially a December meeting to finalize details prior to the filing. As many details as we can finalize prior to filing would be helpful.

- We could probably get a small group meeting on the calendar but there are some details we need for the filing and some we can determine later.

Kelima Yakupova: In terms of overarching proposal, is there generally support?

- Shawn Collins: it appears there are still a few areas to tidy up before we say we have the LIAC blessing.
  - Kelima: it would be helpful to have bullet points for you on what items those are
    - Shawn: I will do that

**LOW INCOME ADVISORY COMMITTEE MEETING JANUARY 11, 2022**

**MEETING NOTES**

















































### Low Income Advisory Committee Meeting

Meeting Date: Tuesday 1/11/2022

Location: Microsoft Teams

### Attendees

-  Newman, Valerie 
-  Burch, Theresa 
-  Durbin, Kara 
-  Eagle, Nicole 
-  Gerlitz, Wendy M 
-  Glenn, Shannon 
-  JR External 
-  KK External 
-  Kelly, Janet 
-  LS External 
-  JL External 
-  LS External 
-  MS External 
-  MH External 

-  MM External 
-  Rendina, Brett 
-  Sasville, Suzanne Organizer 
-  SC External 
-  SS External 
-  Strom, Diann 
-  TC External 
-  Tyson, Brian 
-  Wallace, Carol 

Corey Dahl  
Sabrina Alvarez  
Kate Sander  
Shay Bauman  
Amy White  
Joni Bosh  
Michelle DeBell  
Donn Falconer  
Aaron Tam  
Oksana Savolyuk

## Notes

### **Clean Energy Implementation Plan**

PSE filed the 2022-2025 plan on December 17. This will cover updates since November 9.

Reviewed feedback heard from November 9 meeting and what we did with it.

- Shawn Collins: What was customer feedback specific to? Is it just on design phase?
  - That was specific to the DER concept that we will be reaching out to customers for their input for those programs. Part of this will be market research prior to the design phase.

Purpose of CETA includes ensuring that all customer's benefit from this and that the benefits are equitable.

This is an iterative process and you'll see an evolution as we keep moving forward.

We have filed the CEIP with the UTC and they can approve, deny, or modify the plan. The plan includes: how we come to our conclusions to include certain programs based on customer benefits, including affordability and reliability; engagement with customers on building the CEIP and with next steps; Chapter 8 covers commitments we're making

The target we're aiming for is 63% of our energy will be clean by the end of 2025. We hit that through energy efficiency, demand response, and renewable energy. We are under RFP processes so that will help inform us of costs.

The new clean energy mix includes a mix, you can see the breakdown of that on slide 8.

Understanding where our vulnerable populations are so that we can focus and target education, program design, and resource acquisition based on those areas was an important first step. We now

have a geographic look at where those populations live. The CEIP covers how we came up with this grouping and how we will use it

- Shawn Collins: In terms of actually executing the CEIP, the program design element is something that is a bit nebulous to me. With the leasing program for backup and the needs of vulnerable populations, I support the need to reach out to communities directly to ask them what will work for them. What is not entirely clear to me is how the LIAC will be engaged in that process as well. We're getting the presentation here but will there be exercises with us to talk through potential options for serving vulnerable populations?
  - We appreciate you bringing up this question. We had planned to provide updates about the CEIP and we wanted to get an idea of what this group is interested in. So is it that you are interested in program design?
  - Shawn: The law says involvement of the advisory groups. There is a certain amount of overlap between EAG and LIAC in terms of issues being discussed. I think it is important for the LIAC to be involved in program design and shaping and providing feedback on services and programs being offered to low income, which is a subset of the vulnerable population.
  - Thank you, that gives us a better idea and we can try to work with those interests.

Customer benefit indicators and metrics is a new area for us resulting from CETA. We have added indicators based on feedback from stakeholders, joint advocates, and advisory groups since we presented some of those indicators to this group in the fall. We are being a bit more directional in the indicators and ensured that they aligned with each other. Slides 10 and 11 show in red those changes. For instance, for jobs we've specified not just quantity but the quality and listed out what quantity and quality are based on. We also added an indicator for increase in culturally and linguistically accessible program communications. For affordability, we looked at median electric bill.

- Shawn Collins: Great that improved affordability is kept as an indicator. The question I have is what are the metrics looked at the evaluate that. You're looking at median electric bill for all customers?
  - Yes as well as for those that are considered energy burdened.
  - Shawn: For those that are energy burdened, how will that be tracked? You would have to use people you have a verified income for. You have purchased data but to really be accurate reporting, it will be those enrolled in low income programing. One thought is that the median is meaningful but I'm particularly concerned with those in the margins. So I would encourage the company to include median but to look at where people are on the continuum. Also only a small percent participate in the low income programing so that limits the data but the Experian data isn't necessarily accurate so would be best to use confirmed income data for accuracy. As currently written, this indicator doesn't seem like it will be able to be full and accurate.
- Joni Bosh: On the improved outdoor air quality and improved community health, do they have metrics yet? For greenhouse gas, I don't understand the contracted metric.
  - Air quality we're looking at emissions and community health we're currently looking at hospital admittance but are continuing to think about those metrics. For greenhouse, contracted it is all contracts that PSE does not own so whether it is market or some

contract we have with the supply, it would apply there. We would be measuring greenhouse gas by PSE owned and by contracted as two different metrics

Investment areas and actions are broken down into buckets of energy efficiency, demand response, and renewable energy. For demand response, we are going through RFP process right now.

- Lorena Shah: For demand response, I'm not sure where we are with that. The use of the word incentive program – so are you planning to do incentive based rather than punitive based for those using energy during peak hours as many low income are home bound and so don't have a choice about when they use energy.
  - We talk about two options in the plan. One is a time of use pilot we're looking at over the next four years and the other is one developed by a third party. We'll use the next few years to determine the plan. What we're hearing is to be aware of the consequences whether we choose incentive based or punitive based.
- Shawn Collins: I think we're tracking in terms of impact to low income needing more discussion.

We had conversations with a lot of groups and stakeholders and hope that you see that within the CEIP.

There is discussion in the CEIP about guiding principles for implementation. A lot of this came from conversations with the EAG and the principles we plan to use are accessibility, affordability, and accountability.

We are currently in the comment period, which goes through March 2 so please take a look at it and file comments through that website. You can also share comments and feedback by reaching out to us directly. Programs will launch in 2023 and 2024.

Ongoing work for the 2023 CEIP update includes thinking about how to engage with communities and data blocks.

[Send final version of the CEIP presentation](#)

### **Income Eligible Communities and Solar Subscriptions**

Community solar is a plan to build 25 megawatts of solar energy throughout our service area. 3 areas are finished or almost finished and we'll be building more sites in 2022 and moving forward. We've set aside 20% of the shares to be for income eligible customers. Customer just has to attest that they qualify. For those income eligible customers, they do not pay the \$20 per share that other customers pay and they also get a set amount credited to their bill each month. Non income eligible customers have a variable credit based on site production.

We haven't done marketing as we wanted groups like this one to do reach out to help us ensure to reach out to the appropriate customers. We'd like to get the income eligible customers subscribed by the end of January and then we'll do traditional marketing for additional outreach.

Kate Sander: This is just for monthly customers, is there a workaround?

- Not yet. It is a technically big hurdle and impacts relatively few customers so we've set it aside for right now

Income eligibility is 200% FPL

Here is where you can see an income chart and where income eligible customers can sign up:

[https://www.pse.com/green-options/Renewable-Energy-Programs/Community-Solar-IE?utm\\_source=direct&utm\\_medium=shorturl&utm\\_campaign=renew-solarforall&utm\\_term=&sc\\_camp=50DB470B0BBA4389AE290AB17CCA2975](https://www.pse.com/green-options/Renewable-Energy-Programs/Community-Solar-IE?utm_source=direct&utm_medium=shorturl&utm_campaign=renew-solarforall&utm_term=&sc_camp=50DB470B0BBA4389AE290AB17CCA2975)

Shawn Collins: Do you know what the expected number of participants is going to be? Is it first come, first served?

- We have a little over 1000 shares still open. We've only subscribed about 6% of the total income eligible shares that are available right now. It is first come, first served.
- Shawn Collins: I encourage distribution around service area.
  - Right now, we have a site in Olympia and one in Sammamish. We're marketing at a local level closest to the sites. The third site is in Kittitas, and that will be the largest site with 1025 shares still available for income eligible and is a good opportunity for our full service area. You can sign up to any site, not just one in your community, but are currently marketing them more to the community the site is in.

Jing Liu: You mentioned that you would like to work with community action agencies to get customers to sign up for the subsidized shares. Have you prepared flyers, pamphlets of talking points? So it is more than just mentioning at this meeting so that the frontline workers will have something to look at and explain the program?

- We are working with other community agencies too and do have materials that we provided to them. Those include marketing content and brochures. I can be sure that Suzanne has those materials to share.

Jing Liu: What is the funding source?

- Some is coming from WSU and the other will come from our green power and solar choice participants; the subscribers to green power and solar choice, who are not low income, create a reserve fund from their subscription costs and we are using that reserve fund to cover the community solar.

**Leslie Myers to share the marketing resources with Suzanne and to share more details on both of the funding sources**

### **Disconnection prevention efforts and outcomes**

PSE is not out disconnecting but do anticipate field collections process to resume in February. We have resumed our disconnection reporting process with the commission; we send accounts to the commission who reviews those accounts and completes their outreach attempt (email, phone, or letter) and we hold those accounts until the commission tells us we are upheld to proceed. At that time, we repeat the Dunning process with additional outreach to the customer and education on resources. If customer reaches the disconnection queue again then we head out to the field to do the disconnection process. We plan to leave a notice when we visit to give them time to still set up a payment plan or seek assistance. After that, we will proceed with disconnection through manual or automatic.

Today, we still have our Dunning process with threshold set at \$1,000 in arrears (have to be \$1,000 past due or more to be in the Dunning process). We will be looking at decreasing that through a staggered

approach while working with our data and call center teams plus this group for what our plan is to decrease that.

Our known or estimated low income customers are still out of our Dunning process. We'll be discussing within PSE a plan for those customers moving forward.

Covid Bill Assistance is another source for customers to reduce their past due amounts.

Shawn Collins: The Energy Project is reviewing the reports filed with the Commission. We're looking at where disconnects are happening. As the company resumes, seeing the where may help this group see what neighborhoods to reach out to.

Corey Dahl: Thank you for sharing this. You mentioned the update to the limit on \$1000 Dunning process. What is the rationale behind decreasing that?

- We increased the threshold a couple times during the pandemic. We started with a \$70 for residential and \$250 for commercial customers. We'll work through our data team to analyze whether or not we reduce the thresholds back to those starting points or if there is another threshold we should be at. Right now, the \$1000 in arrears enters the customer into Dunning. 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.
- Corey: We're concerned that attempts at disconnection or disconnection letters are threats, not outreach.
- We are hearing from our CAP agencies that they've seen a slow down even though this time of year they tend to see a backlog. They are telling us that the customers aren't taking action despite a need because they haven't received that final notice. We have funding for this program year that we want to get out to customers who need it and the Dunning level may be hindering this.

Shawn Collins: We have a long standing practice or communication to customers that they expect that a final notice is required for assistance. We're trying to change that and it will likely take years to get customers to come in at any time of year and without a past due balance or final notice. To the extent that we can communicate together to customers to get them to come in. There may also be some confusion because of differences between CACAP and other assistance programs. So more communication will be good.

Jing Liu: I would like to compliment PSE for doing what they can to screen customers and do highest arrearage first. UTC customer protection group is actively processing the list. What I've heard anecdotally is that the customer has done everything they can in most cases and the customers were just not responding. I am interested to understand more about the customer's journey. So if they get disconnected, what type of customer are they (someone who moves out of service area or someone who calls you next day and reestablishes services) and what percent of customers fall into which categories.

- Maybe there are questions we can have our CAP agencies ask when customers go in for assistance after disconnection.
- Once we start disconnecting again, we'll put together those data points for you and report back to you.

Corey Dahl: Understanding customer journey through disconnection journey, will you be capturing size of arrearage? Also, it would be helpful to know what amount of CACAP the customer received and if it was automatically granted. Does PSE charge an additional fee if customer pays at the door?

- Yes, we can include arrearage amounts and CACAP information. There is not a different fee for if we are paid at the door or online. For now, our late pay and deposit fees are on hold until 180 days post the moratorium ending. Manual reconnection fees are currently also on hold.

### **CACAP Update**

#### **Send out current report for each program**

We have helped over 80,000 customers with over \$53 million paid across the three programs.

CACAP2 still has \$4.9 million in electric funding available and \$4.6 million in gas funding available.

Supplemental CACAP, which was entirely automated, is \$22 million in electric and \$3.7 million in gas to roughly 46,000 accounts. We are still working through some customers whose application failed in the system to get them assistance.

- Many of these customers were just unaware that they would qualify for anything.
- We are working on the survey that we will send to all customers who received assistance who have an email
- We did have an opt out option and did have about 60-70 opt outs of people who wanted to get out of their arrearage on their own

Sean Collins: Are your customer service representatives, particularly for folks still with an outstanding balance after assistance, presenting LIHEAP as an option for them to pursue?

- Yes, they are sharing about PSE HELP and LIHEAP. If customer applies online for CACAP2, the customer is automatically referred to the agency. For customers who have arrearage after maxing out 2500, we are actively reaching out to them about payment arrangement and other assistance programs. If a customer applies for PSE HELP online and has a past due amount, the system automatically creates a CACAP2 application that our team can then start to work. **We can also remind our customer care center to be encouraging people to look into assistance programs and wording that they can use to do that.**

Sean Collins: It would be interesting to know the amount of traffic through the website versus calls

- That would be an interesting data point for us to track, but we don't have that available right now

Marie Stangeland: we had a customer tell us that they asked PSE for Covid Bill Assistance, and CS told them that they didn't know what they were talking about.

- We're sorry that happened to this customers. We'll reiterate to the call center about Covid bill assistance.

### **AMP and bill discount rate**

In December, we put together our proposal to the UTC and are filing this month. These are programs that will help keep customers connected and lower energy burden. We expect 10-11 months of communicating with the UTC about these programs.

We proposed to launch October 1, 2023

We anticipate the first half of 2022 will be PSE analysis, requirements gathering, and working with a small work group with reports out to the larger LIAC

**We will meet with the small work group in the next 30 days.** So far that group consists of Shay Stokes, Shawn Collins, Oksana Savolyuk, Marie Stangeland, Robi Robertson, Misty Velasquez, and Hanna Navarro. Is there anyone else who would like to join? If so, reach out to Suzanne.

- Shay Bauman, Corey Dahl, Aaron Tam: Interested in joining
- Lisa Saili and Michael from MDC: Interested in joining

Fine details, like contracts, will be discussed with the agencies – so the small group will discuss broadly but how contract negotiations work and the fine details of them will be done directly with the agencies. The small work groups will focus more on the customer journey and how the programs will operate.

Shawn Collins: We have a couple outstanding topics on current contracts so wanted to put a placeholder for me to follow up with you offline about those. One thought I have about required data insurance and background checks is that there may be some regulatory concern and we may benefit from Public Council or UTC comments on those.

- The 2022 PSE HELP contract with our CAP agencies included many charges based on input from IT, legal, and procurement. Some of these were update verbiage as well as other changes based on current technology and what we use in other contracts. All agencies have signed the contract but there are perhaps two areas that they didn't understand what was asked. One is that their insurance certificate they provide us needs \$1 million cyber security added to that policy. We've gotten 3 or 4 agencies back with that addition. **We're planning a meeting with the agencies to discuss this requirement and I need to schedule that.** The other change was to require background check of employees operating PSE HELP. We've had one question from an agency regarding equity on that; we decided that the agency is the decision maker on what criteria was acceptable for them to operate PSE HELP. Our ask was they do the check but that they decide if the person was okay to operate the program.
- Shawn Collins: This impacts program costs and part of the discussions we have are around costs of delivering the program so think it is part of the discussion.

Corey Dahl: Public Council appreciates concern by agency on equity in hiring. Any hire, regardless of background check isn't risk free so that is something to keep in mind.



**LOW INCOME ADVISORY COMMITTEE JULY 12, 2022**

**MEETING NOTES**

# 220712\_PSE- Low Income Advisory Committee

Tuesday, July 12, 2022

**Meeting Date:** 7/12/2022 10:00 AM

**Location:** MS Teams

**Link to Outlook Item:**

**Invitation Message**

**Participants:**

## Notes

- Safety Moment 10:00 – 10:03 Suzanne Sasville
  - Summertime, don't forget hydration whether you are indoors or outdoors, recommended half of your weight in ounces daily. Caffeine dehydrates the body.
- Advisory Committee Stakeholder assessment 10:03 - 10:15 Kara Durbin
  - Assessment done by MFA
  - Goal was to assess across all four of our advisory committees
  - Created at different times with different structure and expectations
  - Give us ideas of areas where we may be able to improve
  - Appreciate many of you participating and making time to give your input
  - Specific to the LIAC...feedback was a bit mixed as far as if feedback is heard by PSE
  - Sometimes it appears that it's not always intended to be collaborative. We are reflecting on this feedback
  - Most thought meeting agendas were reasonable, structure and met needs
  - Wanted meeting materials well in advance particularly if it's technical in nature
  - Number of recommendations that MFA made, continue to identify ways to further build trust between the company and stakeholders
  - Share information with you all and do it in a timely way
  - Set a standard for how far in advance we will share materials with committee members, could help with meeting prep and give more time to digest it before the meeting
  - Providing summary material when the information is complex or lengthy, make it a little more digestible.
  - Work towards implementing a more detailed feedback loop, here is what we heard and what we are doing with it. Been working on this with the EAG and IRP groups as well. Integrate a slide or two
  - Look for opportunities to share information across all the advisory groups through e-mail updates or report outs from one to another
  - Suggested that PSE consider some facilitation training for its group leads to promote good conversation
  - Reviewing findings and thinking about next steps we can take in the coming months. Will come back to you with more as we go through it.
  - Suzanne - benefited a lot from it, more cohesiveness between advisory groups. I see us internally collaborating in a way that informs all of us. Facilitation training is a great tool, there is room for growth. As we work through this internally we will let you know what measures we will be taking.
- PSE Spanish Campaign for LI customers 10:15 -10:40 John Inge/Andres
  - Found that 10% of our qualifying customers were not bilingual, only Spanish speaking

- Goal was to bring awareness to all of our assistance programs that we have, including payment and weatherization. In addition to that a community solar program which for this income group they can participate and receive a credit on their bill for that participation
- Make messaging short and concise to avoid verbiage and communications hurdles
- Previously created flyers that are localized by county so the cap agencies and Salvation Army contacts are mentioned for that county, rather than have people go through the ten counties to find out what is appropriate for them
- Whole campaign is Spanish language. Go through ways they can learn more about which program best suits their needs
- Community events and CBO partnerships, walk through what is in our schedule and how we plan to do it
- Goal is to be at three or four events that are relevant to the Spanish community where we can find Spanish speaking customers, and focus on geographic areas that are a priority
- Partner with community leader to help promote them
- Leverage those flyers at these events
- Paco Diaz is the community leader, he has been guiding us through the execution of these events
- First event if July 30th, Fiesta Premio Esmeralda 2022. Happens every year, estimated 10k attendees. Ticket cost is very low, opens the door for a lot of people. Focusing on day one
- Second event is July 31st, new event. Grammy style event where there will be awards given out, big section for booths. Free event in Mount Vernon.
- Another two events in September we are working on
- Focusing now on host training of the event staffers and attending the events
- CBO partnerships, want to secure with up to three. Work with them to host 3 -4 educational sessions and spread the word

Recommended Organizations	Outreach Area
Latino Community Fund (LCF)	Auburn, Federal Way, Mt. Vernon
St. Vincent de Paul/Centro Rendu	Kent, Auburn, Renton
SeaMar	Kent, Federal Way, Auburn

- Misty asked who is the partner in Mount Vernon
  - Seeing what opportunities we have, know we will be at an event there
  - Will be with Latino Community Fund if we reach out to Mount Vernon
- See attached deck for more details on timeline, etc.

- How our customers would be engaging with CAP agencies, print flyers that we will be giving out we have the county for which these events are held it but also for all of the counties
- We will also be driving attendees of these presentations to an 800 number that PSE has that will be staffed by a native Spanish speaker so that people contacting with questions can receive further information. The person will provide your agency contact information to them for the appropriate agency
- Want to make sure you are comfortable and equipped to receive calls from these Spanish speaking customers
- Two and half months of engagement with the community. Kind of a steady stream of customers contacting the CAP agencies
- Misty - Would it make sense to have a Spanish speaker from our org at your event to answer questions directly?
  - YES that would be excellent! John will follow up with Misty. That is exactly the connection we want
  - Misty would rather have someone there, the more numbers they call they are going to get tired of calling
- Suzanne - for MSC do you feel you have the resources to accommodate?
  - Oksana - we do have Spanish speaking employees. Not as many as Misty but we do. Our system does have Spanish and English. Other languages it's a google translate and it's not the best. We get a report and a lot of people are using that google translate
- In addition to the profiling the Spanish campaign, PSE has created flyers in Vietnamese, Mandarin, Hindi, Russian, Ukrainian. A multitude of languages so that it's not a barrier.
- If a customer called the agency did I understand that they would have the option to connect in Spanish?
  - That was the case before I need to run it by my team to see if it's still working. Best way is online, it's easier and a lot faster. I can get back to you on the Spanish
- Cap & Invest 10:40 -11:00 Valerie Newman
  - Making sure everyone is aware of what the program is, Climate Commitment Act that was passed last year. Reduces greenhouse gas emissions
  - Still working on the rulemaking but it's set to start January 1, 2023. Coming up quickly
  - On the electric side we need to mitigate the burden that will be placed on low income households, on the gas side it is to eliminate the burden
  - Using the CETA definition that is also used for PSE HELP
  - As of Jan 1 PSE will have to be capable to have a 'per therm' or 'per KWH' charge on bills. That is the cost of the program. The PSE participates in auctions to buy credits and if it results in PSE having received money from the auction to distribute back, it will give the customers a refund back prioritizing low income customers.
  - Working through a lot of internal things like how will know that customers are low income, how can they tell us that they are low income.
  - Using receipt of PSE HELP makes it a little bit easier on that piece of it
  - This wasn't a PSE decision, we supported the legislation this is state proposed. It's not a rate increase by PSE
  - Also not funds that we keep so when we collect money we give that money back to the state and it's invested in greenhouse gas reductions
  - If customers see this charge to signal them and encourage them to reduce their usage. A second way that cap & invest greenhouse gases.

- Lots of internal meetings about how this will work and making sure low income customers are informed and how they can get prioritized for those credits
- For those operating PSE HELP, today the usage history is part of that grant. We have a way that we are looking at the usage history and it will reflect any additional cap & invest charges so that in the formula it will be an accommodation that takes that into account
- These customers can't afford nice housing and often times can't do anything to reduce their usage
- Hope is that if customers are charged and the credit coming back will be prioritized to our low income customers
- Question from the chat:  
 [10:49 AM] Dale Lewis  
 Will the PSE bill reflect that the State "fee" is a surcharge by the State and not a rate increase? Seems important that voters know about these additional taxes built into their bills.  
 [10:51 AM] Newman, Valerie  
 Yes, PSE plans to have the cap and invest charge as its own line item so that customers can easily see how much of their bill is due to the cap and invest charge. Cap and invest credits will also be their own line item.

- Disconnection prevention efforts and outcomes 11:00 – 11:10 Nicole Eagle

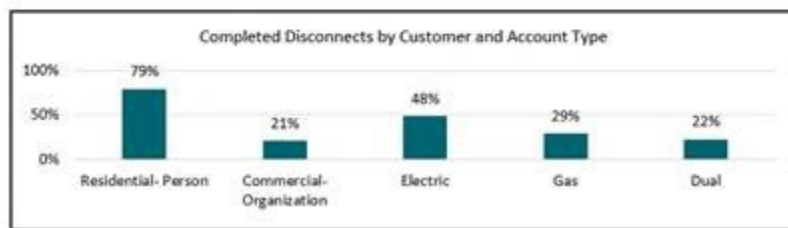
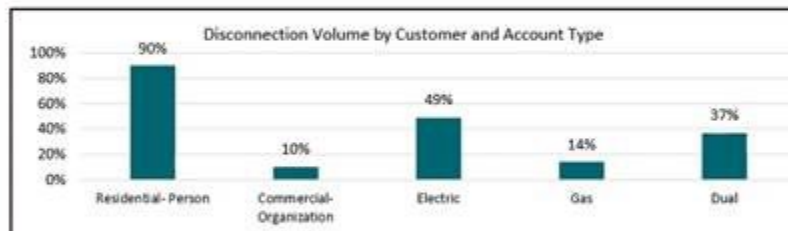
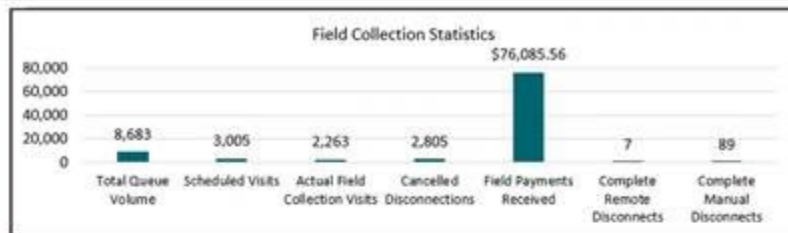
- Data through end of last week
- Reported over 17k accounts, have returned a little over 16k
- Still about 96% returning as company upheld so they are reset and go through the dunning process again
- 626 accounts were consumer upheld. They are reported back to the UTC a second time, they might seek assistance but if they do not they are reported again
- This reporting will go through the end of Sept 2022

### Field Collection Data

PSE has begun collection field visits again, effective May 11th. We're still currently making a field visit to all customers where we are attempting to collect along with promoting options available for the customer to prevent a disconnection, extended payment plan or Energy Assistance. If the customer is unable to take action the service may be disconnected, remotely or manually after our 24 hour notice timeframe. This process will change in the future with customers with AMI remote eligibility we may not make a visit, with the exception of our customers who have received energy assistance in the prior two years or who have a medical condition and certificate.

- Customer journey: What type of customer (disconnected then reconnected or moved out of territory)- what we will see are customers disconnect for non-payment (prior obligation) and they have all so far called/self served to request service to be reconnected
- Arrearage size: Average total account balance has been \$3,500, with an average past due amount of \$3087 (amount we are out to collect on).
- PSE HELP, LIHEAP, CACAP funding (received or automatically received) – currently on 3 customers where service was disconnected had received PSE HELP, LIHEAP or CACAP in the past 12 months

2



- Back out in the field since May 11th
- Still currently visiting all customers, attempting to collect, promoting options to prevent disconnect, extended payment plans, energy assistance

- Leaving a 24 hour note still to all customers we are visiting
- If the customer is unable to take action in the 24 hours the customer may be disconnected remotely or manually
- Had 8600 accounts reach the queue, about 3000 were scheduled for someone to go out
- We have only reached about 2200 as an actual visits
- Had 2800 cancelled disconnections which is great, means the customer is doing some sort of positive action. Some are doing it on their own, but doing something and it is cancelling for us so we don't go back out
- 7 remote disconnections completed and about 89 manual ones
- Very high percent, about 90%, is residential
- This has been a standing agenda item, some questions that had come up Jing and Hanna asked for this. What type of customer. Most of the 96 is a disconnect for non-pay and then they are calling in for a reconnect.
- Average total account balance has been about \$3500, with just over \$3k being past due, for customers currently in the queue
- 3 customers disconnected received CACAP3
- Shay - you mentioned that the reporting to the UTC ends in September. Is that the end? What happens after that
  - As far as we are aware just this disconnect reporting requirement ends, so customers that go through the process would not stop to be reported they would just proceed to the disconnect queue if they didn't take some action. Would be just PSE's outreach, UTC outreach would stop.
  - Do we expect the pace to increase at that time?
    - Yes, we are starting to see more customers get disconnected because we implemented remote. But now that includes a 24 hour note so that might change going forward unless they are low income or medical. At the end of the day we are still looking at \$1000 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. Want to go out and have a robust conversation with the customer so we want our queue to be a manageable volume
  - We will inform the CAP agencies when we lower that threshold, we will add the tentative plan to the notes from Nicole. But it is very subject to change based on customer volume.

#### COVID bill assistance

- CACAP2: PSE planned to respond to all customers by July 8 with existing CACAP2 applications to close out the program. We did have one yesterday that we honored because the customer was delayed. The dollars that were left unspent were dollars not yet collected from customers.
- We are still waiting to hear about funding we might receive from the state assistance. That would be for customers that are known low income with an arrearage fitting this program's criteria.

Reviewed feedback from previous meeting (5/23). Please see feedback report slides for full details.

Recap of small workgroup

- PSE put together prior to meeting then during the meeting, we reviewed the current process flows for PSE HELP.
- We are still in the rate case so can only do so much planning at this point in time and the project will start in full in January 2023. Between now and then will continue to meet with the small work group to do what we can to prepare.

The next scheduled meeting is for September 13.

Michelle at Commerce:

- IE is no longer serviced by Microsoft so we suggest you use Firefox or Edge Chromium. The Commerce system works on both of those.
- For CAP agencies, our due date is still July 18 for the new interface and that is still looking like it will be the case.

**LOW INCOME ADVISORY COMMITTEE MEETING NOVEMBER 8, 2022**

**MEETING NOTES**



## Low Income Advisory Committee Meeting

Date: 11/8/2022 at 10:00 AM - 12:05 PM

Location: MS Teams

### Attendees:

+12532216705

Suzanne Sasville-PSE	Anne Marshall - PSE
Mackenzie Martin – PSE	Jared Riley – Tamazari/PSE
Stephenie Arnold-CAC-LMT	Charlee Thompson-NWEC
Jeffrey Tripp- PSE	Manu Morgan-SNO
The Energy Project: Yochi Zakai, Ross Quigley	Melissa Brown- Opportunity Council
Jessica Lynn Zahnow-PSE	Michael Nomura- Byrd Barr Place
Nicole Eagle- PSE	Allison Mountjoy-PSE
Valerie Newman –PSE	Robi Robertson- Pierce Co.
Jacob Roney- Byrd Barr Place	Andrew Roberts (UTC)
Hanna Navarro (UTC)	Corey Dahl (PCU)
Lorena Shah- Opportunity Council	Wendy Gerlitz - PSE
Ray Outlaw –PSE	Mark Lenssen - PSE
Kate Sander- HopeSource	Shaylee Stokes- Hopelink
Rhonda Jo O'Brien-Farrar-CACLMT	Kelima Yakupova- PSE
Oksana Savolyuk MSC	Misty Velasquez- CA Skagit Co.
Theresa Burch-PSE	Andrew Sellards- (UTC)
Takahashi, Jeffrey (COM)	Dale Lewis-CACLMT

### Notes

Suzanne Sasville reviewed the agenda (0:0:0.0 - 0:0:55.640)

Suzanne Sasville provided a safety moment on winterizing your home (0:0:56.470 - 0:2:55.890)

Suzanne Sasville presented on the LIAC goals and objectives (0:2:56.740 - 0:4:5.390)

Suzanne Sasville: First of all, just to level set for everyone here today who is new and those that are presenting today just to go over what our Low income Advisory Committee goals and objectives are. The

reason we're here we're here is to work together to keep customers connected to their energy service, meaning avoiding disconnections at all cost for customers that we know are low income customers, providing bill assistance to more customers that are currently served, lowering the energy burden of PSE HELP participants, and ensuring that we're collecting data necessary to determine program effectiveness and inform ongoing policy decisions. Currently, we're meeting every two months and in times of projects setting a monthly meeting has been our protocol for this group here. We'll speak about whether that's going to be a necessity coming up in the next year.

[Mackenzie Martin, Jeffrey Tripp and Anne Marshall presented on the community engagement plan \(0:4:45.450 - 0:25:31.870\)](#)

Mackenzie Martin: I'm a Community Projects Manager on the Clean Energy Solutions team at PSE working on community engagement related to our future programs and services. And in order to design equitable and accessible distributed energy resource products and programs, we are providing our highly impacted communities, vulnerable populations and the community based organizations, government agencies, and tribal entities that serve them a seat at the design table. So we're working on community engagement that will be structured to seek input from a diverse set of customers to really try to understand what types of products or programs our communities would find most beneficial, what barriers might exist when accessing those products, and then how we can better design our solutions to alleviate any barriers and maximize benefits the customers feel are most important.

Mackenzie Martin: So today we're going to be sharing a bit about the current state of distributed energy resources at PSE, our community engagement plan, and then ask all of you for any feedback you may have on the strategy or any community members we should be including. I am joined by my colleagues Anne and Jeff today and I'm going to pass it off to them to give the current state of Distributed Energy Resources (DER) at PSE.

Jeffrey Tripp: I'm Jeff Tripp, Manager of Strategic Program Initiatives in the Customer Energy Management team at PSE, focusing on demand response, one of our distributed energy resources. Demand response is basically shifting usage from a high usage periods peak to lower usage periods off peak to make the grid safer, save energy, and cut down on carbon; All of those good things that that happen when you work within your limit. So that's what demand response is about and we are focusing as a winter peaking utility on morning peak periods during those coldest mornings where we want to be able to shift load away from when everybody is turning their furnace on or using their water heater early in the morning. We're doing this or going to be doing this in really three different ways. Direct load control, where customers voluntarily sign up to with a smart thermostat, and then we communicate with the thermostat, do a little preheating so it's up a couple degrees and then during that peak period we lower the temperature and the customers are really unaffected from a comfort level but we save on the peak. We'll try doing that with water heaters as well. We're going to be doing that residentially as well as commercially. So large commercial customers, small commercial customers, evenly distributed around our service territory will be participating in similar type activities. The third is behavioral demand response and this is an opportunity for a number of households who either don't have connected devices or want to participate beyond just their heating and water heating to reduce their usage simply by receive a message that it is time to do so and then going ahead and cutting back on their usage during peak times.

Ann Marshall: I am a Strategy Development Manager on the New Products team. In addition to demand response, there are two other types of distributed energy resources, distributed solar and distributed batteries, and PSE is thinking of both of these categories as resources that can be either sited at a customer's home, so think solar panels on someone's roof or a Tesla Powerwall in someone's garage, or it could be interconnected to PSE's distribution system. That would be more similar to our community solar program. With distributed solar, the main benefit for PSE is the clean energy that we get onto our grid. But for batteries, they have a lot of other use cases kind of similar to what Jeff was describing for demand response. Distributed batteries can help manage system peaks and they can be either standalone or paired with solar. So this is just a little history of the DER development at PSE. Last December, PSE filed its first clean Energy implementation plan, and that included targets for the three distributed energy resource types that we just described. It's 80 megawatts of solar, 25 megawatts of batteries and 24 megawatts of demand response. And that's all by 2024. And in the CEIP we detailed a few different types of programs that we're anticipating could roll up to those targets and they have different structures like incentives. And community solar as well, and we'll get into a little bit more details about the programs on the next slide. The next step that PSE took was PSE issued a DER RFP back in February of 2022 and we're moving into contract negotiations from the selected vendors now. To fill in the gaps of what we didn't get back through the RFP, PSE has started internal product development for these different types of resources. So this is an ever evolving conversation and as Mackenzie described, we'll really be tailoring this list based on what we hear back from the communities. But this is a sampling of the types of products that we're expecting to launch specifically for solar and batteries. We have a mix of residential, commercial and industrial, and utility. I keep wanting to say utility scale, it's not really utility scale because it's still interconnected to the distribution system and smaller scale. But some of the residential type programs that we are anticipating launching include add-ons to our existing community solar program for multifamily solar and storage incentives and battery incentives, and then we'll also have kind of analogous programs for the commercial and industrial space.

Jeffrey Tripp: As we're looking at our schedule here, don't be confused by the dots. There are six months increments in between them. We just started yesterday. The first item on there, a targeted demand side management program which is targeted demand response on Bainbridge Island, part of an effort to help defer some infrastructure needs there. So that's our first foray into demand response and we're going through the testing process with our virtual power plant, which is going to be used to dispatch those services. So it's very exciting, lots and lots of testing going on right now. The next effort we anticipate is our behavioral demand response or BDR, which I mentioned is the communication to customers to please do whatever you can inside your residence or small business to help shift your energy usage. By the third quarter of next year, we hope to start with residential direct load control with smart thermostats and water heating. And then later in that quarter also hopefully bringing our commercial and industrial customers online as well as starting out with our electric vehicle dispatchable charging programs.

Mackenzie Martin: So while Anne and Jeff were talking about potential program concepts, I think something may touch on again is that not all of these are final, so we really want to improve our process by bringing customer voices in much earlier in the program design process so that we can design better products to meet community needs. So I believe I last presented to this group when we were conducting community engagement for our transportation electrification programs. So while the topic will be different, it will be following the same general process. And then, keeping in mind that we'll stay flexible

to be responsive to community requests or findings from various stages of the engagement, at this time we're planning to conduct interviews with community based organizations, conduct focus groups that are talking about high level benefits and barriers related to DERs, conduct workshops that test draft program concepts with a focus on ownership structures, incentive levels and citing considerations among others, and then distribute surveys that further test hypothetical future programs. So all this engagement will be cascading in nature. So as each engagement tool is used, the team will synthesize feedback and incorporate it into the next stage of engagement to inform the questions asked and dive continually deeper with participants. So as an example, the focus group will typically ask for high level benefits and barriers, but we'll also ask, if you do have any ideas about how we could solve for those barriers, what are those ideas? Then we'll take those ideas and put them into the draft program concepts used in the workshop and then we are planning to conduct some engagements in languages other than English. These engagements will include commercial as well as residential customers. So again, from the residential space, looking at low to moderate income households and commercial, looking at the community based organizations, government agencies and tribal entities that are serving named communities. We do compensate all engagement participants at the rate of \$50.00 per hour for their time or \$25 for completion of a survey.

Mackenzie Martin: So as you'll see in the schedule, we're still in the early days of engagement. We plan to conduct all those interviews, focus groups, workshops and surveys from the end of this year until the end of Q1 2023, with the ultimate goal of using all this feedback to develop any new tariff filings in mid-2023. And so all of this brings me to some questions we have for all of you. If you have feedback, we're looking to hear if you have any suggestions for improvement on our community engagement strategy or if you or anyone you know in the Community would like to participate in this engagement, and then we're also open to any general questions you have of us. I will also say don't feel pressured to think of something today. You can certainly let Suzanne know if something else comes to mind or I can put my e-mail (mackenzie.martin@pse.com) in the chat as well so you can reach out to me directly, but I will pause there for any thoughts or feedback.

Yochi Zakai: This is Yochi with The Energy Project. I had one question as I was looking at the presentation, would you mind flipping back to Slide 4? Thank you. So yeah, I guess I was wondering looking at the battery storage concepts is there a thought of, you know, engaging low income customers or vulnerable populations in a program that would use battery storage to improve reliability in areas where there have been, you know demonstrated, you know, reliability problems?

- Anne Marshall: Yeah, that's definitely something that's on our mind. And I think one thing that that my color coding is not showing that well is that for the solar and storage incentives, one idea for that was to have part of a carve out for equity focused customers for that as well. And that would be focusing on areas that have had historical reliability issues stunningly on our mind.
- Yochi Zakai: OK.
- Ann Marshall: Yeah, thanks for that question.
- Yochi Zakai: Great, thanks. Yeah, it's an interesting concept and I definitely think it's worth exploring and glad to hear that's on your list. And I tried to figure out what was being said in the slide the best I could when going over it.

- Anne Marshall: Yeah, it's very fast. We can share these slides out as well. If that's part of your kind of normal cadence of sharing notes after the meeting that would be great.
- Suzanne Sasville: Sure.

Yochi Zakai: In terms of, you know, participation and consultation, The Energy Project can bring it back to our team and chat about our ability to engage. But because you're asking if we want to engage, I guess my question to you is what kind of a commitment from us will it be if you know, if we say we want to engage?

- Mackenzie Martin: Typically we start with an intro call. I should also say we're working with a third party neutral community engagement consultant. And so we usually start with an intro call to talk more about the expectations going forward, set the stage a little bit. Those are usually 15 to 30 minutes. And then, for lack of a better word, it's sort of a 'choose your own adventure' from there. So we tell folks, you know, if you only have the capacity to schedule a one-on-one interview, we're happy to do that. The focus groups are typically 1.5 to 2 hours. Again, if you can't make any of those, we can always do a one-on-one conversation and then like I mentioned, the focus groups lead into workshops. Those are usually again about 1.5 to 2 hours. But we're open to folks, you know, dropping off at any part in the process, jumping in at any part of the process. So it can be as little as one to 1 1/2 hours. I've seen some folks go through the whole process with us and then it's been more like fixed to 7 hours total.
- Yochi Zakai: Thanks, that's really helped [give me an] overall sense of what you're looking for and I don't think The Energy Project is probably going to be able to respond today, but we'll certainly take it back and consider it.
- Mackenzie Martin: Wonderful, thank you.

Mackenzie Martin: Are there any other anyone else with any thoughts or feedback? And if not, I dropped my e-mail in the in the chat, so feel free again to reach out to me directly, but you can also filter it through Suzanne if that's easier. Sounds like she'll be sending out the slides again if your viewing that after the meeting jogs any ideas, but we appreciate your all time and feedback.

[Nicole Eagle presented the disconnection update \(0:25:50.310 - 1:10:34.690\)](#)

Nicole Eagle: Good morning, everyone. If I don't know anyone, I will just do a quick introduction. I'm Nicole Eagle. I'm our Manager of Credit Collections. And then I also manage our Meter Network Services department, which is our field collections team. So I'll just provide some field collections stats for you today.

Nicole Eagle: Just a reminder, PSE is still currently out making a field visit to all customers that enter into the disconnection process. We are attempting to collect along with still promoting options available to the customer, you know, to prevent a disconnection, whether that's setting up a payment plan, seeking energy assistance, whatever works for the customer. And then as we're out making those visits, we are also leaving a 24 hour notice for all customers in the event we don't have a discussion with the customer. After the 24 hour notice timeframe has lapsed, our process then will take over if the customer was unable to take some action. We will then either remotely disconnect the service or will head back out for another visit to disconnect the service manually.

Nicole Eagle: So just some field steps for you. We had about 5900 orders hit the queue. It says September, sorry, this is October data. Of that, we had about 2000 or so cancel which is ultimately what

we want to see. That did prevent a disconnection. Either we had a robust conversation with the customer in the field and they said they plan on taking some action, payment plan assistance or with the 24 hour notice that we're leaving, they then either went and self-served and set up something or called the call center. And so we cancelled the disconnection document for them because they took some action. We had a little over 2800 expire, which is just that we ran out of time, which is the 10 business days to get out for the visit and that is partly because we are visiting all customers. So we simply just ran out of time to get to them and also we are hiring some staff to ensure that we can get through the volume that is reaching us. Total disconnects that we've done thus far since May 11th we've had about 767 remote disconnects completed and about 280 manual disconnects completed. I just wanted to show you guys just a little bit of our payments that we've collected thus far, which is fantastic. We've collected from about 181 customers for about \$209,000 and then we break it out by kind of what did we see checks, cash, credit card. Credit card is the higher of the bulk that takes about 150,000 collected there.

Nicole Eagle: Uh, I think it came up uh, I was not able to provide stats in the last meeting, but I believe the question came up around what of those that we have disconnected. What are we seeing for reconnection? So we pulled some quick stats on this and if this is something that we want to see ongoing as a static item, just let me know. But of the 1047 customers that we've disconnected thus far, which is only about 4% roughly of all the orders that have reached field collections, we've seen about 82% of those customers have requested reconnection. And just a reminder, reconnects are absolutely customer initiated. But after they do request a reconnection, we will get it completed within 4 hours if it's a remote meter or within 24 hours if it's a non-remote meter, although we typically also get those done same day as the request in most cases at least.

Nicole Eagle: 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 \$1000 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.

Nicole Eagle: And then I just wanted to reiterate, rulemaking is still underway for fees. So obviously we don't have any fees going on right now and that rulemaking is to determine if all, some or none of those fees are resumed. And that includes deposits collected, reconnect disconnect fees and also late payment fees.

Nicole Eagle: This should be the last time that I report on this, but I did just want to go over one last time our disconnect reporting requirement that we had with the UTC. This data is through 9/30 and that reporting requirement did also come to an end at the end of September. Overall, we maintain this percentage pretty much throughout the reporting requirement time period, but about 96% were company upheld and about 4% were consumer upheld. Just a reminder the consumer upheld were customers that the UTC did reach and the customer said they do plan to take some action whether that was setting up a payment plan, seeking assistance or even maybe making a payment or said they have just recently made a payment. Uh, so now that that has come to an end, all accounts have been reset in the Dunning process and they will flow as normal. So they will get our, you know, proactive phone outreach, they will get the urgent notice and final notice, and then if they don't take action, if they reach the disconnection queue, we will head out and make a field collection visit then do what's needed, whether that's have a conversation with the customer or dropping a 24 hour notice.

Nicole Eagle: That's what I have for you today. Any questions? Anything else that folks would like to see reported on?

Corey Dahl: Just a few questions. I don't want to dominate the conversation too much since I see that Andrew also has his hand up but since, uh, the company's planning to move into a new phase and, you know, there's a pretty significant number of company upheld accounts here, when the Dunning threshold is lowered, what sort of projections does the company see in the number of disconnections? I know there's a number of factors that can affect that and no one has a crystal ball, but perhaps what does the company expect? Because that's a really significant number of customers that could be facing disconnection in the next several months.

- Nicole Eagle: Yeah, it is, Corey, that that is a great question and one that you are asking right as we are starting to investigate that data. As we pull together this kind of final plan of how we're going to stagger the phases of reducing that threshold, we're looking at how many more customers are going to be entering the process and then what we predict may ultimately reach the disconnection queue. So we are still doing that analysis. Once it's ready, we're happy to share it. Like I said here, it'll be part of the overall plan so folks can see it.

Corey Dahl: As part of your analysis, are you considering the fact that we are entering the heating season and any past due amounts that customers have might be increasing significantly, not only because of increased customer usage due to heating season but because of the recent PGA filing that went through that will increase gas bills significantly and the forthcoming ruling on the GRC? There's a number of factors that are coming through that will increase customer bill significantly, which will likely push a lot of customers into that threshold for disconnection even if it's capped at that \$1000 amount. Are you doing anything to stave off disconnections for customers who will be left in the cold otherwise?

- Nicole Eagle: I mean, yeah, very good points there, Corey. I mean, I think ultimately right now we are still going to continue with our approach of visiting all customers, which again I think is ultimately helping us a great deal. Again whether it's us having a conversation with the customer in the field or by leaving that 24 hour notice before taking action, we're seeing a great deal of these disconnection orders cancel, which is ultimately what we want. You know, as we start to stagger some of these changes, hopefully we can reach some of these customers earlier in the process prior to them even getting to the disconnection queue. But ultimately if they do, you know we're doing what we can to prevent that disconnection and we've been staying pretty consistent with the amount that are getting cancelled every month. So hopefully we continue to see that. But I think we've got pretty good measures to do what we can to try to help the customer avoid that disconnection and will continue to do this. Hopefully that makes sense.
- Corey Dahl: Yeah.

Corey Dahl: I have a few more questions I don't know if you want me to ask them now or if we want to move on to others.

- Nicole Eagle: Go ahead.

Corey Dahl: And just for clarification, with a field visit, how much is it that customers are expected to pay to prevent a disconnection?

- Nicole Eagle: We have the \$1000 setting right now - that is the past due balance that is that is due that they enter into the Dunning process so we go out. We do work with customers out in the field. We are not expecting that they are going to necessarily have the exact past due balance at the time of our visit so we do work with them whether it's collecting a partial payment, you know a certain percentage of it we can take and recoup a good faith payment and then we say, if you need a payment plan, let's set up the rest on a payment plan. We're not just out saying you must pay this today. We do work with the customers on what payment amount they can pay.

Corey Dahl: OK. And I assume that any of that outreach, obviously prior to a field visit, but also at the field visit customers are being made aware of payment arrangements, they're being made aware of assistance options.

- Nicole Eagle: Absolutely, yep, that's part of our process. If we are able to have a conversation with the customer, we will provide them with, hey, here's some ways to prevent the disconnection we offer, whether that's an extended payment plan that works for them, we go over energy assistance with them. And then if we do leave that 24 hour notice, it does have some of that information as well and the customer can either self-serve or call into the call center and then we will discuss the same things. They get that really throughout the entire process so upstream and once it reaches us.
- Corey Dahl: OK. Yeah, that's what I guessed I just wanted to make sure that was still happening.

Corey Dahl: Also as far as uptake of subscription in payment plans, any form of bill assistance based on these statistics you have, what sort of subscription rates are you seeing based on field visits or the 24 hour notices?

- Nicole Eagle: Sorry, I don't have that handy right now but I know we are seeing an uptick in the amount of payment arrangements that are getting set as far as energy assistance. I mean, I know a great deal of these that we are canceling the disconnection order is one or the other - customer says I'm going to go seek assistance or they've actually set up a payment arrangement. One of those has to happen in order to cancel it. So we know a great percentage of these are doing that. The breakout, I unfortunately don't have handy right now. I certainly could get it pulled and when Suzanne send stuff out, we could add it to the notes if that's helpful.
- Corey Dahl: Yeah, ok.

Corey Dahl: Yeah. OK. And then just a couple final questions here. Do you have statistics on the number of no answers at the door? I mean, there's a lot of reasons why someone might not answer, but I can imagine someone who is home sees a PSE vehicle roll up to their door, they know they have a large past due balance and they don't want to answer. Umm, how often do you see that happening?

- Nicole Eagle: You are absolutely on to something, right? Whether that's because the balance is, you know, pretty substantially high right now and they know they're not going to be able to pay it. We do have customers that simply just do not come to the door and some of our staff has mentioned, you know, as soon as they got back to the truck, they're seeing the customer come out and grab the notice. So you know, we know that some customers are not wanting to come to the door or for whatever reason, right. But tracking that breakdown might be hard right now for us.



Misty Velasquez: So on the notes that you guys are leaving on the door, is there energy assistance information on those notices?

- Nicole Eagle: Umm, so it says go to. I'd have to pull it up for the exact language, but yes, it says please visit [pse.com](http://pse.com) for more information around energy assistance and payment plans or call us. It doesn't have specific breakdowns, like specific CAP agency information.

Misty Velasquez: And then one more quick question. When you are talking to those individuals, I know that we have gotten a few people come in here who are like panicking because they've had somebody come talk to them at their house. They're saying they're going to get disconnected. We try to explain to them that we can schedule you an appointment but the clients are getting very angry, saying that they're being told that if it's not paid within 24 hours, they're going to get disconnected. So I know that you guys are telling them about our program, but are your staff telling them that if they come in and just make an appointment that will help them? Because we can't accommodate 24 hours like that. I mean, there's no way.

- Nicole Eagle: No, that's not our field approach. If we're offering to prevent a disconnection, we say here's a couple options for you. If a payment plan would help or seeking energy assistance and one or the other helps the customer out, all that we really ask is that they either go self-serve and set something up or call the call center and they will then put a credit hold on the account. That or the payment plan getting set up will cancel it. The notice does state 24 hours is maybe scaring some customers but ultimately we just need something done on the account to basically just cancel the order for us. Does that make sense?
- Misty Velasquez: It makes sense. I'm just trying to figure out if there's some other wording that might be said or could be said to clients to let them know that when they come and talk to us and we schedule an appointment, that's going to make it to where they're not disconnected because they come in here and when we tell them, well, we can make you an appointment, they get very angry with us when it's not within the 24 hour period of time.
- Nicole Eagle: OK. Well, certainly we could look to see if there's anything that we can adjust or modify in the field. As far as our conversations, Suzanne hate to put you on the spot, not quite sure how the call center is handling those. I know we do see quite a bit of the customers that we are visiting where we're canceling it. We're simply just putting seeking assistance which also will cancel the disconnection for us. But I'm not quite show how the call center is handling that conversation.
- Suzanne Sasville: Yeah, they are. If the customer responds in some way, meaning calls the call center to say, what can I do or calls an agency and then calls the call center, our call center is holding it until whenever they can have an appointment. And I had one example yesterday where the customer's appointment isn't until February 22nd and we're holding it. This has been since COVID, where we are going to hold until whenever their appointment is. So I guess it's responding to the notice within that 24 hour period of time that the customer needs to be responding in some way. We removed all the barriers for time limits. It used to be that, you know, they needed to pay something if their appointment was not within 60 days and right now we're just holding it beyond the 60 days to when that appointment is, which makes me nervous because their bills are only going to get bigger but we're going to prevent the disconnect until the appointment.

Andrew Roberts: Good morning. Thank you. I had a couple of questions on this slide. The first is regarding that first bullet point. 82% have requested reconnection, do you have any idea what's going on with that 18% who haven't requested reconnection?

- Nicole Eagle: Great question, Andrew. One that I don't know if I can, you know, explain. I mean reconnection is always customer initiated. Perhaps the source we disconnected they could manage to keep it off. You know I'm not really sure it would really just be speculating.

Andrew Roberts: Are these residential accounts or are there commercial accounts mixed in?

- Nicole Eagle: It's both; yeah, it's a mixture of both.
- Andrew Roberts: OK.
- Nicole Eagle: And some of that 18% also could, now that you pose that, could simply be we disconnected a service that was vacated or vacant at the time of our visit. And we are seeing, you know, quite a few commercial businesses that we have been visiting where maybe at some point they left the premise and just didn't let PSE know. So some of that 18% could just simply be there is no one at that service location to even need to be reconnected.

Andrew Roberts: And next question is on that second bullet point, bringing the Dunning thresholds down, do you have any kind of road map of what that looks like? It's set at \$1000 now, what's the next step and maybe the step after that?

- Nicole Eagle: Yeah, we do. It's just, unfortunately, not finalized but once it is, we will share it with this group.
- Andrew Roberts: OK

Andrew Roberts: And one last question. So the bar showing the expired disconnections, what's the process for the customers with the expired disconnections?

- Nicole Eagle: So if the order expires for whatever reason, whether it's that we just were unable to get to it, it resets back into the Dunning process and starts back over, assuming that the customer, you know, doesn't take some action in between there. If they're still at or above the limit, whatever that's set at the time, it will just restart.
- Andrew Roberts: OK, thank you.

Yochi Zakai (via chat): Can you please provide an image of the door hanger with the notes?

Theresa Burch (via chat): Also keep in mind the door hanger is after they have received all of the other notices which do include details on every option for assistance.

Shaylee Stokes: Thank you. Good morning. So I'm really glad you addressed that question. The 18% who didn't request reconnection, was one of my questions too. Also, it's such an interesting number. You'd think it would be higher in general and I'm just curious is that a symptom of the transience and the shifting around that's happening as a result of the economic place that we were in or I'd be curious if you have that data from prior years and if it's always around that number of if it's higher or lower.

Shaylee Stokes: My main question is regarding the current process. The current process is that households that have a history of receiving assistance are not being entered into these disconnect queues. That's still happening, right?

- Nicole Eagle: So I think Suzanne or Theresa covered that maybe last time when I was unable to attend. So at the point in time when we moved the customers out, they were either known low income or estimated low income. They are also still out of the process. Keeping in mind that was a snapshot in time; it was a one and done process pull. As we start in the phased reducing of that limit threshold, those customers will also move back into the process. That is at least our plan. Once it's finalized, we'll share it with you all. I believe that it is the approach that we're going with.
- Shaylee Stokes: I see, OK. That's good to know.

Shaylee Stokes: And so once you have that it's like a timeline right?

- Nicole Eagle: Yep.

Shaylee Stokes: But it's not likely to be in the next month if you haven't shared it already, right?

- Nicole Eagle: It very well may be. We do have some plans prior to the end of the year.
- Shaylee Stokes: OK.
- Suzanne Sasville: So what you can expect is that I would inform everyone, you know, on the LIAC and all agencies of what that threshold will be and when ahead of time.
- Shaylee Stokes: It's quite a crunch time for us. Just feedback from an agency perspective. Approaching holidays at the beginning of the season where we're trying to finish up all of our fixed income targeting while absorbing the peak interest of the community as bills start to go up. It's a hard time to have to shift resources around to accommodate more emergency appointments, which is essentially what I expect to happen or to need to happen if we have the majority of our like historically communities who have received energy assistance in the past go into the Dunning queues, especially in a big group, I think that's going to be hard to absorb in the next 6 or 8 weeks.
- Theresa Burch: I just want to weight in really quickly on that. It won't be in a big group for starts. And, Nicole correct me if I'm wrong, but everyone who goes in on a daily basis will start at the beginning and so nobody's going to be in a disconnection situation right away because it's a month or so of process before they would even get there. At which time Nicole's team is reaching out to get them into something prior to even getting to that point, right?
- Nicole Eagle: Yep, you're correct, Theresa.
- Shaylee Stokes: That is some help, thanks.

Yochi Zakai: Thanks. I guess I'll follow up on what we were just talking about then. So it sounds like you're talking about implementing change in which known low income customers would end up being eligible for disconnection without further consultation with this group. And that has the potential to happen within the next 8 weeks. I just want to understand that that's what I just heard.

- Nicole Eagle: So when we make the Dunning limit threshold changes, we have that bulk of customers that have been out of the process since very early on in the pandemic. So as we start to stagger down that balance, yes, we will be adding them back into the process, but then it basically just meets exactly what Theresa just covered. They start at the beginning of Dunning assuming their balance is still above the threshold. They get our proactive outreach throughout the upstream process. They will also then get notice outreach and then ultimately yes, if they were unable to take action for whatever reason, if it reaches our field staff, we will go out for

the collection visit. But keep in mind what we're still visiting all customers. We will either have the robust field conversation or we'll leave them that 24 hour notice.

- Yochi Zakai: Thanks.
- Nicole Eagle: So they don't just go straight to subject to this connection if that's what you were kind of referring to.
- Yochi Zakai: I understand. But you're talking about putting known low income customers who for the past several years have not been eligible to even start the process and to have them start the process now. And I guess, I, yeah, to restart to be eligible to end up in the disconnection queue. And I guess that brings me a lot of discomfort because it's, you know, a change from what we've been doing in the past couple years and is occurring at the same time that the Commission has the credit and collection rulemaking where they're reevaluating if, you know, that's something that should even be done in the future at all. And so I guess I just want to express concern. It feels like it might be a little premature to be entering known low income customers back into the Dunning queue.
- Nicole Eagle: So I know on the agenda Theresa and Suzanne are covering that there may be a great deal of these customers that may get served by the state funding that is coming available. And I think that's analysis that we will do in advance to ensure that if these customers will be served by that program that they're left out, right. But I think adding them back into the process, you know, whatever limit we're at, keeps some consistency with all customers that are eligible being back into the process. And I do think that there's a few favorable things for us, although Shay brought up a very good point that we need to consider, but we do know that as these customers have been left out, they've really received nothing/very minimal proactive outreach from us. They have not been getting notices etc. So I do think that may allow some more customers to know, there are options out there for you, and it may push some urgency for them to actually seek the assistance, but to Shay's point, we need to be very cognizant of the volume impact that we may see. But I do think that it will push more customers to take some good action as opposed to disconnection.

Yochi Zakai: Yeah, speaking of volume, can you move to the next slide? Again, I didn't have a chance to really absorb those numbers yet.

- Nicole Eagle: Sorry, are you talking about the UTC reporting slide? These were just our numbers that were reported during the process.
- Yochi Zakai: Oh sorry, I thought that was the number of outstanding folks that would be eligible to return.
- Nicole Eagle: No. So yeah, they've actually all been reset. This was just the overall total that we reported during the reporting period.

Yochi Zakai: So what's the total? I guess because you don't have the threshold set, you don't even know the number of customers that could potentially be entering the queue as a result of the change?

- Nicole Eagle: We don't. Yeah. So that will be part of the plan that we share with this audience that Suzanne or Theresa can share, whether it's before the next meeting, I assume it will be if we end up making a change prior to year end. We've got a plan put together we just need to run it by call center so that they are aware of some of the changes. Suzanne will share it with this audience, but it will include as we start to reduce, here's the number of new customers we

expect to enter the process and then a rough estimate of how many we expect to reach the disconnection queue. We have prior stats. I think it's just a little challenging right now not knowing; you know it's a different world now coming out of the pandemic so are we going to continue to see those same statistics? You know, we certainly can give you guys an estimate but we may see something vastly different as we adjust the limits. I can totally appreciate that, I guess.

- Yochi Zakai: I have a lot of discomfort and part of the discomfort around this is really the fact that the plan is not being shared with this group in a way that we can provide feedback on it before it's implemented.
- Nicole Eagle: But we will.
- Yochi Zakai: Well, what I was hearing was that you were going to share it and then implement it perhaps before the next meeting of this group.
- Nicole Eagle: So Suzanne will share it with this audience before a change is made. You guys will get advance awareness.
- Yochi Zakai: And will we have a meeting to discuss it?
- Nicole Eagle: I'll leave that up to Suzanne and Theresa.
- Suzanne Sasville: \$75 is what it was pre-pandemic and yes, we have kept them out of the queue. We can take it internally to think of, you know, if there's any communication that could maybe be done for these customers. The disconnect notice each time will inform them of what the amount of disconnection is. But yeah, it would be just notifying, and it's not going to be too dramatic, I don't think, because we have to have staff.
- Nicole Eagle: We're not just going back to what it used to be. We're doing it in a staggered approach. And I do just want to mention, you know, since Suzanne mentioned, you know, the \$70.00, we are not going back down to that balance. We're going to be reevaluating what our new target balance will be. And ultimately right now the plan, although it is not finalized, which is why I have not sharing it yet, but we've got it going down to perhaps \$150. It may not even go down to \$150. There are a lot of unknowns here especially, as I mentioned, just coming out of the pandemic, there are a lot of these customers that have not seen the process for a while. We really are unsure of what their, you know, actions or abilities etcetera will be. So we really need to just watch it as we start to make some changes and see how things go. And I think we're going to need to adjust on the fly if needed.
- Yochi Zakai: So I guess I'm going to stop talking and see queries. I have a couple other questions. It seems like the most important thing to focus on though is that I think it would be helpful after we get the report if either a meeting was scheduled or we had the opportunity to request the meeting, you know, to discuss before the changes are implemented.
- Suzanne Sasville: I've got that noted. Thank you.

Corey Dahl: So I want to get a clear answer. You're going to tell us what you're doing and then are going to do it or you're going to tell us what you're doing and would like our feedback to perhaps change it? So is this just informative or is this actually seeking feedback? That's not clear and that's something that I need clarity on.

- Suzanne Sasville: I think, you know, internally the decision would be made with speaking to the necessary departments and directors and then a decision would be made. If I'm hearing that you would like a meeting to know when the amount is going to change, what the amount is going to

go to, we can set a meeting for that prior to changing the Dunning threshold. PSE HELP is going to respond and continue to give energy assistance information, etc.

- Corey Dahl: Yeah, that is a meeting I would like to have. But to be clear, a yes or no answer here. Would this just be informational or is this an opportunity to actually offer feedback that could be or would be implemented? I think the answer is no on that second part but I would like a clear answer.
- Suzanne Sasville: Feedback is always welcome. I guess I'm wondering what feedback you're thinking of - to change the amount or would it just be anything?
- Corey Dahl: Yeah, it's hard to say because we don't have a plan in front of us. So it's really hard to say what we would be offering feedback on. I guess it could be amounts, could be timeline, etc. but we don't have anything in front of us so it's hard to say what we would actually be providing feedback on.
- Nicole Eagle: Corey, we're close to getting it finalized. Once it is, let's share it with this audience to let you guys take a look at it. I think Suzanne can get a meeting set up. I think, ultimately, it will be more informational but like Suzanne said, I think we're open to feedback. But again, we'll share it with this group very soon.
- Corey Dahl: OK. Well I guess I have some pretty strong reservations and grave concerns about that process without allowing us to offer feedback on that because that's a big change and, again, especially as we're heading into the heating season that's very concerning.
- Suzanne Sasville: So we'll definitely do that (schedule a meeting). And then I think we can transition right after this into explaining about the state funds that we're going to be utilizing between now and December to assist with arrearages. So that is something that we know is going to be greatly helpful to decrease arrearages for low income customers.
- Yochi Zakai: If I could just chime in. I totally appreciate that there are going to be more resources that could be applied but without having a view of the plan, an estimate of the number of customers that would be impacted and being able to compare, you know, the number of customers that would be impacted by this change and who would be eligible for that, there are way more questions than answers in my mind right now about how this all plays out. You heard from Shay that scheduling and timing, especially at this time of year, is a really big concern. All of that is to say I join Corey in expiring serious reservations and would request the opportunity for feedback that should be heard before a change is made.
- Manu Morgan: Yeah, I'm just going to ditto everything. I just looked at what we did in October. We processed over 400 files. 400 of those were crises. So my concern is what's the outcome in adding in everything else from this.
- Suzanne Sasville: Thank you. Yeah, those are good questions to ask - the number we anticipate that would end up going into the queue based on our threshold, etc. and then taking into account our arrearage funding that we have \$21 million for. We'll talk about that in just a moment.

Lorena Shah (via chat): Oppco echoes the concerns and questions brought forward.

Charlee Thompson: NWECA agrees with Corey and Yochi here. We'd like to be a part of a feedback conversation.

Corey Dahl: This is moving off of this specific talk topic we've been chatting about for the last several minutes and it might actually dovetail well with the next conversation. It was mentioned earlier that in the absence of hard numbers and evidence, there is at least anecdotal evidence that customers are not answering a knock on the door but they're coming out to see the notice after the PSE field representative leaves their door. Has the company considered, and I guess I would strongly encourage the company to consider working with community partners, perhaps contracting out to trusted community partners, to go to the door to do that outreach. It's a lot less threatening because customers have seen notices from the company telling them that they're going to get their power cut off. A trusted community partner coming to the door or some other form of outreach to say hey, this is available for assistance/whatever other options exist, I feel, is probably going to be a bit more welcoming than, you know, threats.

- Charlee Thompson: Corey, that's a great idea. I was thinking about that actually a little bit earlier in this meeting.

Charlee Thompson: I put in the chat and it looks like Lorena Shah did too, I agree with the statements and concerns that Corey and Yochi have been discussing here. When this feedback conversation occurs, we would like to be a part of that as well. So thank you.

- Suzanne Sasville: Definitely.

#### [Electrification Pilot \(1:10:35.190 - 1:11:50.310\)](#)

Suzanne Sasville: We're going to shift a little bit. We had on our agenda a segment to talk about the electrification pilot. I'm going to reschedule that. It is involving our general rate case and a pilot PSE is going to be doing as a result of that approval in December. We can either set a separate meeting in December to speak to you on that or in January.

#### [State Assistance Funding \(1:11:50.310 - 1:30:4.30\)](#)

Suzanne Sasville: We're going to speak to what we're looking at as far as resources to help customers with bills that have accumulated arrearages from a certain period of time - so from March of 2020 through December of 2021.

Theresa Burch: Thanks, Suzanne. We think this will help. We do have some outstanding questions as far as eligibility goes so I want to start by saying that us, as well as many of the other utilities that are working to get this money out the door, are trying to maximize the number of eligible customers that can receive it while still meeting the interpretation of the proviso. This was \$100 million of the COVID State Fiscal Recovery Fund that's being provided to all utilities - water, sewer, garbage, electric, gas, etc. to address low income customer arrearages that were new or compounded financial hardship as a result of the pandemic. So the interpretation of who the money can go to is that the arrearage must still be active, for lack of a better word, and has to have been accrued, as Suzanne said between March 1st of 2020 in December 31st of 2021. So that's the first question. Did the customer accrue an unpaid balance during those dates? Did the customer receive qualified assistance, which includes LIHEAP, weatherization, and any ratepayer funded utility assistance? So for us that would be our COVID assistance programs, as well as our PSE HELP program, and then does the customer have a current unpaid balance. So PSE is being provided a minimum of \$21 million under this program. We're in the process of doing our contract signatures with the Department of Commerce this week, our director Carol Wallace is the signer and has submitted the paperwork. So now we're just waiting to hear back.

And then, as I said, I don't have a number of customers for you that would be eligible yet because we have some outstanding questions. For example, we want to see if our Warm Home Fund can also be utilized as a source. We're waiting to get that answer back. We're also waiting to see if we can use our estimated low income customers. We learned during COVID that that data was over 90% accurate. And so that would really maximize the number of customers we could help and wipe out quite a few arrearages. So we're running a small project to get this off the ground. We should know in the next couple of weeks how many customers will get assistance and our goal, actually our requirement, is to have it out by the end of the year. Our hope is to do it as soon as possible to beat the holiday rush. And as Nicole alluded to earlier, this would take a lot of customers out of any type of Dunning situation as well, depending on how that ends up rolling out. We're going to do a one time upload to our SAP system to pay whatever the eligible balance is. When we get our final answers from Commerce as to, you know, how far we can go with this, we do also know that customers that went on payment arrangements, if they're meeting their payment arrangement, they don't technically show up as past due, but we are also allowed to include that balance. So we're trying to figure out if our data scientists can parse that out of kind of the complicated billing structure that's in our SAP system.

Misty Velasquez: Yeah. So you answered part of that because I was going to say in the system [EnergyHelp] when a person goes into a payment arrangement, we can't even see their past due amount anymore because it goes back down to 0. My question to you is there an income guideline with this or is it open to anybody that has a past due amount?

- Theresa Burch: Well, the income guideline is that they have to have received qualified assistance. There is really no limit as to how far back we can go in what assistance they received [*correction: we're checking in on whether there is a limit*]. I mean our plan is, like I said, to get as many as possible, but we're also hoping that we can use our estimated low income data because we only have a year of going up to 80% of AMI for the income guidelines and it could leave some customers out that should qualify. So we're doing everything we can to get approval. This is federal money so it is a little strict and we have to follow it but we're not alone. When we were on a Q&A call with the Department of Commerce, many, many other utilities were saying this is too stringent. We have people that are still in trouble and you know, we want to get as many as we can. So that's what we're working to do.

Misty Velasquez: So people who have never received any kind of low income assistance before and are behind don't qualify for those funds, but are those people being told about our program and if they come in and get our assistance, will they then be eligible for that?

- Theresa Burch: Well, that's a tough one because we have to have this money distributed by December 31<sup>st</sup> so we don't have a lot of time to include others, which is why we're trying to include customers showing up in our estimated low income data. We want to get approval to go ahead with that.
- Suzanne Sasville: And that estimated low income data again is when we use the company Experian that has the data and we can cross reference and we are asking Commerce if that can be used. We're still awaiting a response on that.

Hanna Navarro: When you say estimated low income, are you referring to the analysis that you did last year when you distributed leftover PSE HELP funding?



- Theresa Burch: Correct
- Hanna Navarro: OK.

Hanna Navarro: And then at the other two questions I think you probably don't have answers to right now, Theresa. But whenever you do have an answer, I would be curious to know about a maximum award per household. And also if you have more arrearages for customers that are eligible than you have funding for, how would you prioritize that funding?

- Theresa Burch: Great questions. So the first one is the proviso does not include a maximum per customer and so that is something that we need to figure out with Commerce if they want to implement a maximum. However, they did ask each utility to send in a prioritization, to your point. If we don't have enough funding to cover everyone, there is a list that was submitted to commerce of how we would prioritize, and I don't have it in front of me, but I can give you an example. What they asked us was to rank somethings one through 6 and it was, you know, things like customers who have received assistance, income level, longest held balances, largest balances. And so we ranked those and we can we can probably share that. I'll find what was submitted. I know that our priority was to give to all customers with qualifying debt 1st and then if that doesn't use up all the money, then we would probably go to things like income level and longest held balances.
- Hanna Navarro: Thanks.

Andrew Roberts: The funds only apply to balances occurred during a certain date range. Do you know what the amount of need there is?

- Theresa Burch: Well, what we know and what I can share is that what the Commission asked for, sorry, not the Commission, what Commerce asked for when we submitted to receive this was all residential customers with balances that were accrued during the qualifying time period. It didn't specify if they were low income or not, just all arrearages that were still left from that period and PSE had about \$24 million at that time. That's what we submitted. Where it gets a little tricky is when we have to narrow it. Like I said, this was a concern shared by many of the other utilities who submitted - how to narrow it to only customers that had received assistance. It's actually a much lower number, which is why we're trying to work with Commerce to maximize it. The trick is, can we get the data, you know, because we would be subject to audit and we have to report on this by March of 2023. So we want to make sure and Commerce advised that we ensure that whatever we have is traceable. I will throw in one other thing that I didn't mention, which is we could actually ask customers to self attest and say was this arrearage due to the fact that you were impacted by COVID and they seemed to think that that would cover it as well. So we're still exploring. We have a communications plan outline that we're working on and hopefully in the next week or so, we'll kind of have more answers and can get more information out to you.
- Andrew Roberts: OK. Yeah, that's a bit of a concern because we know that there's a lot of customers who qualify that don't end up applying. So there's a big group of people who could potentially be missed here.

Andrew Roberts: And my second question is when someone is disconnected, according to our Commission rules prior obligation applies, right. So that account balance isn't in effect anymore. Does that impact whether or not a customer can receive these funds?

- Theresa Burch: No.
- Andrew Roberts: OK, great.
- Suzanne Sasville: And in fact, keep me honest Theresa, wasn't a question from one of the agencies towards Commerce can it pay if the customer went prior obligation because it accumulated during that period of time? I think that's a question we're still waiting on.
- Theresa Burch: It does not impact them being able to receive the funds. It's kind of a conundrum because we weren't disconnecting at all during that entire qualifying time period so the prior obligation dollars we're seeing, and as you saw from Nicole we've still only disconnected about 1000 customers in total since May, for this year are pretty small compared to pre COVID numbers. But just because they had gone prior obligation does not impact their eligibility to get a current arrearage covered by this.

Shaylee Stokes (via chat): Does the state funding have a cap per hh [household]? And is the balance paid the amount remaining from 2021 and prior only? Or the total balance?

Valerie Newman: Shay has a question in the chat. The first part was already answered. The second part is, is the balance paid the amount remaining from 2021 and prior only or the total balance?

- Theresa Burch: Yeah, that's one of our questions to Commerce Shay and it's a great one. We want to pay the total balance. We don't want to just give them a small amount from the period and in particular because COVID assistance helped so many customers that had accrued balances during that time. However, starting at the beginning of this year, they were still struggling and ended up past due again within a month or two of receiving that assistance. That has been that question has been posed to Commerce to reply back and get an answer for us.

Kelima Yakupova: Theresa, this is Kelima. Thank you so much. This is really helpful to understand the process better. Sounds like a lot of questions are going to Commerce. What is your estimated, you know, next step in terms of hearing back from Commerce?

- Theresa Burch: Well they haven't given us a date. We're moving forward with getting the contract signed and doing our data analysis and so we'll have multiple options, hopefully, when they do respond we'll just be ready with a data set that our data scientists are working on. Actually, we have a meeting this afternoon to look at some data. So that's kind of where we're at. So it's a little bit early but we just wanted to let you know it's coming and it's a minimum of 21 million and depending on what we can get approved, if other utilities underspend, we could actually get more. Our goal is to maximize every penny that we can get out the door.

Kelima Yakupova: When does this money have to be given out?

- Theresa Burch: By the end of the year.
- Kelima Yakupova: And the next LIAC meeting is?
- Theresa Burch: In January.

- Kelima Yakupova: But you would expect to hear back on your clarifications from Commerce before the end of the year, right?
- Suzanne Sasville: Yeah.
- Theresa Burch: Right, yeah, I would imagine we're going to hear back in the next week. So just to give everybody a little bit of color around this, this is complex and I don't know if anyone from Commerce is on the phone, but this is a lot of work for them as well and, you know, they were tasked with pulling all of this data together. And I think this is just, this is Theresa's opinion and not a fact, but based on the Q&A meeting, there were a lot more questions probably than were anticipated and they want to give us the right answers being that we're distributing federal funds. So I appreciate them taking the time to really dig into some of these before they respond. So I expect that they'll need a few days to do that.
- Suzanne Sasville: Yeah, we hope that there is going to be maybe a Q&A that will go out to all the utilities because it was, you know, all the utilities in the state and so I think they were trying to formulate one how to respond to the questions and then what their medium for communication would be. So we're just kind of waiting in the wings for them to figure that out. And yeah, I sure hope it is soon - within the week or so. We'll let you know what that ends up being, you know, with decisions being made and what we can and can't do with the funding. I know they weren't too keen on having a credit left on anyone's account. We were, you know, telling them that customers have since paid and in some cases they did have that balance sitting there well into 2022 and when this funding came down to the utilities and it took, you know, Commerce awhile to arrange how they were going to do this. We felt that if we can know what that dollar amount was in spring of 2022 that was still outstanding, could that dollar amount be put on their account. Again, we're waiting for an answer on that. Probably not but we know that energy assistance came along and, you know, they had to pay some. And so anyway, we just asked some really good questions.

#### [Bill Discount Rate \(1:29:58.810 - 1:57:37.600\)](#)

Suzanne Sasville: We're going to go through some slides just to kind of recap for you where PSE is at with our bill discount rate proposal. We all met about it in 2021. In January of 2022, the general rate case had the filing of what we decided in 2021. Throughout 2022, we communicated with the Utilities Commission and external parties to answer questions around how PSE had submitted our bill discount design and now we are awaiting approval of the order. What we do know is that they have requested some changes to the three tiers that we submitted and it's to increase the number of tiers to probably 5 or more. And so we know that we are going to be taking this back and redoing a little bit of our design from what we had decided. So I am not at liberty to speak about those details until the order is finalized, so what I can say is that we are gearing up for engaging our small work group from the this LIAC to begin in the process of this project which is going to be speaking about all the requirements, the design, and then, you know, what's going to be necessary for rolling this out and having it go into place on October 1st of 2023. So I have some slides here just to recap for you. So before I get started, are there any? Are there any questions?

Suzanne Sasville: All right, so the main reason for this bill discount rate is it's going to be helping PSE customers in lowering their energy burden. And so this program was designed to work in tandem with our PSE HELP program and the LIHEAP program and Warm Home Fund, you know, and in the future, the Arrearage Management Program to lower energy burden. And again, energy burden is defined as that

percent of the household income that's spent on the energy bills, gas and electric. The threshold to be considered high energy burdened is the household has 6% or more of their household income paying their energy bills. So that is what, you know, PSE is of course looking at - what customers of ours are energy burdened and knowing details on that. We did a study back in June of 2021 and this analysis, you've all seen these slides and I'm just kind of going over them to recap real quickly, it was from data that was in 2020 and we have this representation here of the circles where of our total residential customer base of 1.1 million, 496,000 were defined as low income, 44%. Energy burdened was 152,000 of that 496,000 and here's the breakdown of those that were determined energy burdened. So the electric only customers were 60% of that group, gas only were 24% of that group and the combination customers were 16% of those that were energy burdened.

Yochi Zakai: Could I ask a question about that before we move on?

- Suzanne Sasville: Certainly.
- Yochi Zakai: Thank you. So I want to apologize if this has been answered before as I've only recently begun digging into PSE's energy burden analysis here. But I noticed the note at the bottom that says that the study covered about 80% of the total customer base. And I'm wondering if you might be able to elaborate on what the challenges were in getting the other 20% of the customer base in there. And if we have a sense on who was not counted.
- Kelima Yakupova: Suzanne, perhaps I can take that question.
- Suzanne Sasville: Yes, thank you Kelima.
- Kelima Yakupova: Hi Yochi, this is Kelima from the pricing and customer service team at PSE. We collaborated with the Customer Insights team to prepare the energy burden analysis that was part of the GRC. So we went through almost a year, you know, to determine the methodology for this. We put together several data sources to, you know, come up with the best possible analysis as well as methodology. And so some of the data challenges that we came across were, one of them was missing income estimates. So even though we leverage the Experian third party data set that provides estimates, still there were customers that were missing an income estimate. The other challenge we came across was we had to filter the data for one to one. That's what we called the analysis where you have one business partner ID to one customer account ID. Whenever we had one business partner to many customer accounts, it was posing challenges on to the data because for various reasons. One to many could represent, for example, an apartment building and the customer who holds the account represents many apartments. And so the data would not be representative about an actual customer's energy burden. So I think these two would for the most part cover the remaining 20% of the customer base.
- Yochi Zakai: Thank you. I appreciate that and I appreciate all the work that went into it. It did look like a great analysis that really dived into a lot of a lot of detail. And so, so great job putting it together. So can you draw any conclusions based on that about who is unrepresented in here? Because if you're missing an income estimate from Experian, does that mean that you know, that group of customers might be largely unbanked and therefore potentially low income? And if your filter is looking at problems matching with, you know, folks in, you know, multi-unit buildings then, you know, again perhaps you're again skewing, you know what could be a little bit more low income on the side of those that were excluded. I don't know if you'd feel

comfortable, you know, drawing any conclusions around that, but just based on the two examples, it seems like it could be.

- Kelima Yakuova: Yeah. So I think let me address one concern that the one to many would probably take the majority of that missing data. So the missing income estimates was a small proportion. It's a much smaller proportion; it's not the exact numbers, but to give you a feeling it would be closer to 19% versus 1% would be the missing income, you know. So it's just to give you an understanding, but we, you know, as you realize, it took a lot to put this together. And so we have been aware of that one too many issue we have not had time to dive back. It's something to do down the road, maybe to try and address how those can be captured and what the potential biases might be. But at this stage, just because, you know, we needed to complete the analysis in the best way possible, we did it. Note this is an estimate, right but at the same time it really illuminated so many insights about low income customers that we were missing. It was unknown what is this estimated pool of low income customers and then on top of that, adding energy burden aspect really gave so much more understanding of what these customers are and it's not to say that these numbers are used, you know, just for targeting these customers. No, it's giving us the understanding of the low income customers. But when the implementation team takes it, they go to our customers, known low income customers and estimated, and when we target them, we, in some cases, like Suzanne said, we would do a survey and ask, you know, while we in CACAP3 for example, while we provided the assistance, we also asked whether they did fall indeed into low income bracket or not, right? So we are putting into place additional levers to help with getting better estimates of customer incomes. And so just to reiterate the main takeaway is really according to the new CETA definition, which was implemented for this analysis, which is customers up to 80% of AMI or 200% FPL, whichever is greater, are now defined as low income. And there's an estimate that is almost 500,000 customers with PSE's base or about 44%. And this is huge. It's almost half of PSE customers that defined as low income now. Umm, but what's interesting is about 13% are estimated to be energy burdened, which means they spend more than 6% of their income on energy costs and as you will see on the slide one other very important aspect is that energy burdened customers are already expected to be in more vulnerable areas or they are already vulnerable customers. So we see that based on ethnicity, education, home ownership, type and age, the energy burden analysis shows that low income energy, burdened customers make up a bigger proportion which would tell you that the energy burden statistic would capture a lot of the vulnerable customers. Could you go to the next slide? And so then we took that and we disaggregated the data. So first was higher level and now we went into AMI brackets. Here we're filtering just low income customers and we divided it by deciles. The green bars show you the number of estimated low income customers within each cell bracket. And then next to it are the orange bars which show you the number of energy burdened, low income customers within each decile bracket and what's interesting, it has the inverse relation. It actually decreases and that mathematically makes sense because as your income rises, which is in the denominator, your percentage of your bill as a percent of income would decrease. So the higher your income, the less energy burden you would have. And so we see that being a low income customer doesn't necessarily mean being energy burdened, especially in the higher income brackets. That is of course not to say that they aren't, you know, experiencing disproportionate burdens in other aspects, right. It's simply to show why this is important in the context of the bill discount rate design. It

highlighted the importance of tiering the bill discount rate so that those customers who are most in need are assistance first and prioritized because funding is limited. And also an increase in the funding for low income customers means cost shifting to non low income customers which pretty much make up the other half of PSE's customer base. And with all you know, with all the rate increase pressures that are coming/that we are expecting in the future, both low income and non low income customers are seeing a lot of pressure. So we have to keep that in mind. And so Yochi and stakeholders, this is the foundation for understanding the low income customers and went into designing of the bill discount rate.

- Suzanne Sasville: Thank you Kelima, that really gives us some good information. The income guidelines, you know, changed from being a cap of up to 150% of FPL to the greater of 80% AMI or 200% FPL in 2021. So now you know that's what we're going to be looking at when we look at brackets for where our customer base is income wise.

Suzanne Sasville: Our vision for the bill discount rate is to work with the LIAC, and our small workgroup of course, to make sure that we are impacting the customer's bill with every energy assistance that is going to be possible from various programs - PSE HELP, LIHEAP, BDR - with the goal in mind of lowering their energy burden/keeping the energy burden below 6% for those whose income is within the income guidelines. I will be sending these slides to you, and they are ones that we did see in the past, so you can review them again. Uh, you can review them again. I don't want to take too much more time going over these bullets here, but what I wanted to go to here real quickly is just, you know, our considerations and what's really important is making sure that equity is a component of our decisions when we begin this project. And you know, looking at who are our income qualified customers. What are their languages? You know, where can we support them in use of, you know, languages that they can access information through. And making sure that the tiers that we do set are going to be ones where, you know, customers are having their energy burden lowered and really, you know, balancing how we can help the most number of customers with the money that we will have, using other programs to assist in that. Regarding the cost, really our bill discount rate is going to be funded through our Schedule 129 which is our low income program rate today.

- Kelima Yakupova: Oh Suzanne, my apologies. It would be Schedule 129 D, a separate schedule.

Suzanne Sasville: So we anticipated beginning the bill discount rate with unspent PSE help dollars from previous program years that were left unspent and then collecting through rates the difference that ends up being the outcome. Rates would adjust up 1% for every 21 million and 1% for every 10 million gas based on our filing in January of this year.

Suzanne Sasville: This is a diagram of all of PSE programs that today help with lowering someone's energy cost, reducing energy burden. It's our goal that our bill discount rate, our PSE HELP program and LIHEAP are going to work to do that for our customers once we institute the bill discount rate. For customers that maybe are over income or didn't benefit from one of these programs, payment arrangements are always there. Our Warm Home Fund is a safety net for those customers that are income qualified, actually up to the same definition of low income today, to help with a disconnect notice they have. COVID bill assistance is out of the picture now, this is a slide from during our COVID program. In 2024, we will be putting into place an Arrearage Management Plan. So in the long term, keeping that bill down, you know, ensuring we are educating our customers with what energy efficiency programs are available for them, we have a low income weatherization program and then splitting out

someone's bill into equal payments sometimes makes all the difference in our budget payment plans. So this is kind of the whole portfolio. Bill discount rate is going to be part of that going forward.

Suzanne Sasville: The goal for PSE is in December we hear from the UTC as to the final order, what we are allowed then to work with and to talk about is we go forward and I will turn this slide over to Theresa to tell you what this project is going to entail and where we are today. In summer of next year, we are then going to submit again to the UTC.

Theresa Burch: I'll be super brief here. We'll send this out so you can see the schedule. We have pulled this project forward; it initially was going to launch in January because of the general rate case and with the complexity of sort of doing some rework, we've gotten approval to start now. So we are getting ready to do our kickoff. We have a project manager who I will introduce you to in just a second. So this is a formal capital project that PSE is running through our normal corporate spending authorization process. We are going to do some very detailed requirement sessions between now and the end of the year that will help inform our project design when we get to that stage. That will include keeping the LIAC informed as well as a lot of collaboration and feedback through our small work group that will also be included in the appropriate requirement sessions. Then the current schedule, just to fast forward is that we will go live by October 1<sup>st</sup>, 2023. That will align with the next PSE HELP program, which works nicely for customers and the current settlement states that we will resubmit a bill discount rate proposal to the UTC no later than July 1st, 2023. If we have it vetted by then, we will submit earlier because we want the UTC to have plenty of time in order for us to go live by October 1<sup>st</sup>.

- Yochi Zakai: Yeah, more of a comment. I'm just going to say thank you, really looking forward to the small group discussions and digging into all of this. And I just wanted to note that the rate case settlement also looked at designing the arrearage management program on that same timeline with the filing no later than July 1st, even though the Arrearage Management Program would not be implemented until October 1<sup>st</sup>, 2024 so might want to look at that. In this timeline, I don't see the discussion of the Arrearage Management Plan so I just want to make sure that we can have time to talk about that as well.
- Theresa Burch: I will have to go back and look at that. That actually was not part of the plan to propose in the same timeline. So I will take an action to go talk to regulatory about that.
- Yochi Zakai: Thanks.

Theresa Burch: And so quickly since it's 12:00, I just want to introduce Jared Riley. Jared is our current lucky winner of the project management role for the bill discount rate. He is not new to working with PSE and working on projects. You've been around with us for over 15 years. Jared, do you just want to quickly introduce yourself before we close out?

Jared Riley: Certainly, thank you Theresa very much. As Theresa just said, I'm the going to be the project manager for bill discount rate. We are just now getting the project spun up on the PSE side, putting together all the preliminary PMO documentation and getting the kickoff scheduled, those requirement sessions scheduled. And getting the kickoff scheduled, those requirements sessions scheduled. As Theresa said, we're looking to, we're targeting by end of year to get the requirements sessions in. There may be a little bit of a push into the early week or two of January, we'll see, but the goal is to get as much done by the end of year as possible. I do believe we have kickoff scheduled at this point with the

small group. And so we'll talk more about scope, schedule timeline and all those components and all the people involved during that kickoff and looking forward to working with many of you on this.

Suzanne Sasville: All right. I will send out this deck that we've had today and there are a few extra slides in there of, you know, the overview of the project, then our role, the role of the LIAC. I think we still have our meeting scheduled every two months. I'm probably going to make them monthly so that those that can come and show up can have an update as we move through this process with our small work group. So look for that on your calendars. Any questions before we close out today's meeting? Packed with a lot of good conversation.

[Supplemental PSE HELP \(1:57:41.220 - 1:59:19.300\)](#)

Suzanne Sasville: One thing I want to say, I want to thank the agencies that are here today. You'll be included in all the LIAC meetings going forward. One of the things PSE has decided to do with the PSE HELP formula for this program year is to incorporate the rate increase (*correction: the Purchased Gas Adjustment*) for gas customers that is taking place between November 1st and our end of the program year, September 30th. That rate increase is going to be done in two parts, half of it starting on November 1st, the other half April 1st and it's a net 15% increase in gas rates. And so for the PSE gas grant, the usage of a customer over the last 12 months is taken into consideration in our formulas and so we are going to be instituting a 15% addition in that cost on to the usage. So that when plugged into the formula, the gas grant is inflated to help with accommodating those bills that might ensue. So just wanted to let you know we're getting contract amendments done right now and PSE will give the green light for folks to start very soon and we're making some progress with programming our system to accommodate that, so that will help with all the gas dollars that have oftentimes been left unspent. I'm very happy about that.

[Closed the meeting \(1:59:21.60 - 1:59:45.440\)](#)

Suzanne Sasville: Alright, and anything else before I close the meeting? Thank you very much for attending today and we'll get some notes out from the meeting and have a wonderful rest of your day. Thank you so much.

Charlee Thompson: Thanks, Suzanne. Thank you.

Yochi Zakai (via chat): Thank you for some great presentations. I look forward to more frequent discussions with this group and the small group.

Manu Morgan (via chat): Thank you