

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-170033 & UG-170034  
(Consolidated)**

**TESTIMONY OF**

**SHAWN M. COLLINS (EXH. SMC-4T)**

**DIRECTOR OF  
THE ENERGY PROJECT**

*In Support of Multiparty Settlement Stipulation*

**SEPTEMBER 18, 2017**

**I. INTRODUCTION**

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

A: I am Shawn Collins. My business address is 3406 Redwood Avenue, Bellingham, WA 98225.

**Q: By whom are you employed and in what capacity?**

A: I am the Director of The Energy Project (TEP), a program of the Washington State Community Action Partnership housed at the Opportunity Council in Bellingham, WA.

**Q: How long have you been employed by the Opportunity Council.**

A: I have been employed by Opportunity Council since 2006.

**Q: Would you please state your educational and professional background?**

A: I have a BA from Eastern Illinois University and have been working on issues impacting low-income populations since 2002 through Community Action Partnership organizations and a variety of other nongovernmental entities. I have been the Director of TEP since August of 2015. I have previously provided testimony on behalf of TEP before this Commission, including in Docket UE-161123 (PSE Microsoft Special Contract), Dockets UE-150204/UG-150205 (Avista's 2015 General Rate Case), and Docket UE-152253 (Pacific Power 2015 General Rate Case).

Prior to my involvement with TEP, I was the Associate Director of a division at Opportunity Council responsible for the implementation of a number of weatherization programs benefitting low and moderate-income households

1 throughout northwest Washington State. Through my involvement with the  
2 energy efficiency/regulatory sector, I have attended and presented at numerous  
3 national conferences, participated in sector specific workshops and trainings, and  
4 was a board member for Home Performance Washington from 2013-2015. A full  
5 statement of my qualifications is contained in my Exh. SMC-2.

6 **Q: On whose behalf are you testifying?**

7 A: I am testifying for TEP, an intervenor in this proceeding, on behalf of the  
8 Community Action Partnership (CAP) organizations that provide low-income  
9 energy efficiency and bill payment assistance for customers in Puget Sound  
10 Energy's service territory. These agencies include: Centerstone; Community  
11 Action Council of Lewis, Mason, Thurston; Community Action of Skagit County;  
12 Hopelink; Hopesource; Metropolitan Development Council; Multi-Service  
13 Center; Kitsap Community Resources; Opportunity Council; Pierce County  
14 Community Action, and Snohomish County Community Action.

15 **Q: Have you previously filed testimony in this proceeding?**

16 A: Yes. I filed Response Testimony (Exh. SMC-1T) on June 30, 2017, Revised  
17 Response Testimony (Exh. SMC-1Tr), on July 31, 2017, and Cross-Answering  
18 Testimony (Exh. SMC-3T), on August 9, 2017.

19 **II. PURPOSE OF TESTIMONY**

20 **Q: Could you please summarize the purpose of your testimony?**

21 A: The purpose of my testimony is to provide support for approval of the Multiparty  
22 Settlement Stipulation and Agreement (Settlement) in this docket. My testimony

1 focuses on the elements of the Settlement that impact low-income populations  
2 within PSE's service territory and explains why The Energy Project believes the  
3 Settlement is in the public interest.

4 **III. DISCUSSION OF LOW-INCOME ISSUES**

5 **Q: Can you provide an overview of the key elements of the Settlement that**  
6 **address low-income issues:**

7 A: The Settlement includes the following components specifically benefitting low-  
8 income customers. The provisions are found in Section III E (Low-Income  
9 Issues):

- 10 ○ Increased HELP bill assistance funding
- 11 ○ Continuation of existing low-income weatherization funding  
12 commitments, including a shareholder contribution
- 13 ○ \$2 million in increased low-income weatherization funding over current  
14 levels
- 15 ○ HELP eligibility improvements
- 16 ○ Establishment of a PSE Low-Income Advisory Committee
- 17 ○ Consultation agreements regarding program modifications

18 PSE has a long-standing commitment to its bill assistance and weatherization  
19 programs for low-income customers. This is reflected in the fact that many of the  
20 low-income provisions included in the Settlement were proposed by PSE in its  
21 initial filing in the case.

1 **Q: Please describe the increase to HELP funding provided for in the Settlement.**

2 A: Paragraph 102 of the Settlement adopts PSE's proposal for an increase in the  
3 annual level of low-income electric assistance under the HELP program by  
4 double the overall percent electric rate increase to the residential class that is  
5 approved by the Commission in this proceeding. The specific amount of the  
6 increase will be determined after the contested issues in the case have been  
7 resolved. An additional benefit of the Settlement is that, although natural gas  
8 rates will fall under the terms of the Settlement, there will be no reduction in  
9 HELP bill assistance for natural gas customers as a result of the rate reduction.  
10 These provisions of the Settlement will help to address the substantial level of  
11 need for bill assistance in PSE's service territory, as described in the Pre-Filed  
12 Direct Testimony of PSE witness Sasville,<sup>1</sup> and in my Revised Response  
13 Testimony.<sup>2</sup> In addition to PSE and The Energy Project, an increase in HELP  
14 funding was supported by testimony from Commission Staff and the NW Energy  
15 Coalition.

16 **Q: How does the Settlement address support for low-income energy efficiency  
17 and weatherization?**

18 A: The Settlement addresses low-income weatherization in three ways. First, in  
19 paragraph 109, PSE agrees to continue an increase of \$500,000 in low-income  
20 weatherization funding that was initially implemented in connection with the

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<sup>1</sup> Exh. SMS-1T, at 3.

<sup>2</sup> Exh. SMC-1Tr, at 2-5.

1 adoption of decoupling in the Rate Plan. Because PSE is proposing to continue  
2 decoupling in this case it has committed to maintain this increased level of  
3 funding.<sup>3</sup>

4 Second, in paragraph 110, PSE has agreed to continue a \$100,000 annual  
5 shareholder contribution to low-income weatherization that was first instituted in  
6 connection with the Rate Plan. Absent PSE's agreement, this contribution would  
7 have expired with the end of the Rate Plan.

8 Finally, paragraph 108 of the Settlement provides a substantial additional  
9 commitment of up to \$2 million for PSE's low-income weatherization programs.  
10 This is a one-time commitment that is in place until June 30, 2019. This will  
11 benefit the programs by making additional resources available for installation of  
12 Department of Commerce approved cost-effective energy efficiency measures.  
13 The funding can be applied to project coordination, health and safety measures,  
14 and repairs necessary for the installation, adding to the flexibility and  
15 effectiveness of weatherization program delivery.

16 **Q: Please describe the HELP eligibility improvements contained in the**  
17 **Settlement.**

18 **A:** There are two areas of improvement. First, PSE's existing HELP tariff includes  
19 an eligibility determination calculation involving the Area Media Income (AMI).  
20 Use of AMI results in fluctuations in the income ceiling for eligibility within the  
21 service territory and introduces unnecessary complexity for agencies and

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<sup>3</sup> Exh. JAP-1T at 146:2-5.

1 unfairness for customers. No other regulated utility bill assistance program uses  
2 AMI to determine eligibility. Community Action agencies had specifically raised  
3 concerns about the continuing use of AMI with both PSE and The Energy Project.  
4 Removal of the AMI factor, under paragraph 111 of the Settlement, will simplify  
5 the process by allowing eligibility to be determined by a straightforward metric of  
6 150 percent of Federal Poverty Level. It is expected that this change will extend  
7 eligibility to some additional households.

8 Second, paragraph 104 allows agencies to certify customer eligibility for a  
9 two-year period. This is designed to benefit customers with a steady income, for  
10 example, senior and disabled customers with mobility issues, by reducing  
11 required trips to the agency. This should also reduce agency administrative  
12 burden.

13 **Q: Please explain the Settlement provision regarding allocation of HELP**  
14 **funding between electric and natural gas assistance.**

15 A: The Settlement provides that HELP funding will be allocated 80 percent to  
16 electric and 20 percent to natural gas. The current tariff uses a 75/25 allocation  
17 but, as PSE explained in testimony, this is no longer consistent with the  
18 anticipated utilization of funds in PSE's service territory.

19 **Q: Why does The Energy Project support the establishment of an Advisory**  
20 **Committee?**

21 A: Establishment of a stakeholder Advisory Committee, as set out in paragraph 107,  
22 will provide a forum for ongoing collaborative interaction between stakeholders

1 and the Company regarding program improvements, operations issues and  
2 customer needs. Similar advisory committees for Avista and Cascade Natural  
3 Gas have proven beneficial. Issues that would be helpful for the Committee to  
4 address include expanded program offerings, improved outreach and enhanced  
5 access for customers. The Settlement adopts four goals for the Committee's  
6 work: (1) Keep customers connected to their energy service; (2) Provide  
7 assistance to more customers than are currently served; (3) Lower the energy  
8 burden of PSE HELP participants; and (4) Collect data necessary to assess  
9 program effectiveness and inform ongoing policy discussions. These are  
10 consistent with the goals adopted for the Avista and Cascade Advisory  
11 Committees. In order to ensure that the Committee begins work promptly, the  
12 Settlement provides that the Committee will be formed by January 1, 2018, with  
13 the first meeting to occur no later than March 1, 2018.

14 **Q: Please describe other aspects of the Settlement that benefit low-income**  
15 **customers**

16 A. The Settlement includes an agreement by PSE to consult with low-income  
17 stakeholders, including The Energy Project and the agencies regarding new  
18 initiatives that affect the agencies' operation of their programs. Its important for  
19 PSE to work closely with TEP and the CAP agencies on any potential changes in  
20 the management and deployment of the HELP and Low-Income Weatherization  
21 Programs.



1 **Q: Are there other aspects of the Settlement Agreement that you wish to**  
2 **address?**

3 A: While The Energy Project would have preferred to see an electric rate reduction  
4 as proposed by several parties, the Settlement results in a more modest electric  
5 rate increase than requested, reducing the impact on residential and low-income  
6 customers. Natural gas customers will see a larger reduction in their rates than  
7 proposed by PSE. As detailed above, the Settlement contains a number of  
8 benefits for low-income customers that will help to offset the effects of the  
9 electric rate increase, maintain bill assistance levels for natural gas, and increase  
10 weatherization funding.

11 **V. CONCLUSION**

12 **Q: Does The Energy Project support approval of the Settlement?**

13 A: Yes. The Energy Project believes that the Settlement is in the public interest and  
14 recommends that it be approved by the Commission.

15 **Q: Does this conclude your testimony?**

16 A: Yes.