

1 **Q. Please state your name, business address and present position with**
2 **PacifiCorp (the Company).**

3 A. My name is Rebecca M. Eberle. My business address is 825 NE Multnomah
4 Street, Suite 800, Portland, Oregon. My present position is Low Income Program
5 Manager.

6 **Q. Briefly describe your educational and professional background.**

7 A. I received a B.S. degree in Business Administration, with a minor in Sociology
8 from Oregon State University. I joined the Company in June 1980 and have held
9 positions in the Customer Service, Regulation and Demand-Side Management
10 Departments. I began managing residential energy efficiency programs including
11 low income weatherization programs in 1991. I currently manage a variety of
12 programs available to PacifiCorp's customers with limited incomes including low
13 income weatherization, low income bill assistance discounts, fuel funds such as
14 Project HELP, and the energy education in schools program that is administered
15 by the Company's partnering community action agencies.

16 **Q. Please expand upon your background related to low income programs.**

17 A. I regularly work directly with local agency staff on the programs mentioned
18 above. I have managed the low income weatherization program since 1991, and
19 the low income bill discount and energy education in schools programs through
20 their development and implementation. I also began managing the Project HELP
21 program in 2001.

22 **Q. Please describe the purpose of your rebuttal testimony.**

23 A. My rebuttal testimony responds to the testimony filed by the Washington Utilities

1 and Transportation Staff (Staff) witness Mr. Thomas E. Schooley on the Low
2 Income Bill Assistance Program (LIBA) and The Energy Project witness, Mr.
3 Charles M. Eberdt's testimony on the Company's LIBA and Low Income
4 Weatherization programs.

5 **Response to WUTC Staff Recommendations**

6 **Q. What recommendations regarding the Low Income Bill Assistance Program**
7 **(Schedule 17) did Mr. Schooley include in his testimony?**

8 A. Mr. Schooley recommends the Commission accept the rates filed by the Company
9 to increase the Low Income Bill Assistance Surcharge (Schedule 91). Mr.
10 Schooley also recommends the Commission accept the following program
11 changes discussed in the direct testimony of Company witness Mr. William R.
12 Griffith:

- 13 • Increase the number of participating customers;
- 14 • Increase the qualifying income cap to 150 percent of federal poverty
15 guidelines;
- 16 • Increase the rate credit; and,
- 17 • Revise the recertification process.

18 **Q. Did Mr. Schooley provide a recommendation that was not included in the**
19 **Company's direct testimony by Mr. Griffith regarding the Low Income Bill**
20 **Assistance Program (Schedule 17)?**

21 A. Yes. PacifiCorp proposed to increase the Schedule 91 Surcharge by the same
22 percentage amount as the price change realized by residential customers, which
23 totaled 21 percent in the filing. Mr. Schooley recommends the Commission

1 approve the increase to Schedule 91 rates by 21 percent as filed, even if the
2 percentage increase realized by residential customers is lower.

3 **Q. Does the Company support this recommendation?**

4 A. Yes. The Company is willing to support this larger than average increase in order
5 to allow the program to help further assist low income customers.

6 **Response to The Energy Project**

7 **Q. What steps did the Company take to review the Low Income Bill Assistance**
8 **Program prior to filing its general rate case?**

9 A. On March 24, 2010, Company staff attended a meeting in Toppenish,
10 Washington, with staff from the three agencies (Blue Mountain Action Council,
11 Northwest Community Action Center and Opportunities Industrialization Center
12 of Washington) that certify PacifiCorp's customers as income eligible, to discuss
13 the Low Income Bill Assistance program. Mr. Eberdt and Mr. Karp, representing
14 The Energy Project, also attended this meeting. As discussed in the direct
15 testimony of Mr. Griffith, two recommendations by agency staff were
16 incorporated into the Company's initial filing.

- 17 1. Apply seventy percent of the increase to the Schedule 91 collections to
18 increasing the Schedule 17 credits realized by participating customers, and the
19 remaining 30 percent to increasing the customer cap.
- 20 2. Revise income eligibility from 125 percent to 150 percent of federal poverty
21 guidelines.

1 **Q. Were Mr. Eberdt's recommendations consistent with the agencies'**
2 **recommendations?**

3 A. No. Mr. Eberdt proposes that the increase in funds collected through the
4 Schedule 91 Surcharge be used to increase the discount while serving the same
5 amount of customers and that income eligibility remain at or below 125 percent of
6 federal poverty guidelines.

7 **Q. Did Mr. Eberdt propose any other changes to the LIBA program?**

8 A. Yes. Mr. Eberdt also proposes that the increase in the Schedule 91 Surcharge be
9 tied to the residential class and not the overall rate increase, that participants
10 should continue to be required to recertify as income eligible annually, and that
11 the agency administrative fee be increased from \$48 per income certified
12 participant to \$65. Mr. Eberdt also proposes to increase the funding for the low
13 income weatherization program which is not part of the LIBA program.

14 **Income Eligibility Guidelines**

15 **Q. What comments does the Company offer with respect to Mr. Eberdt's**
16 **recommendation to maintain the income eligibility guidelines at or below 125**
17 **percent of federal poverty guidelines?**

18 A. This recommendation appears to contradict the consensus reached at the March
19 24, 2010 meeting. The local agency staff members specifically asked the
20 Company to increase income eligibility to at or below 150 percent of federal
21 poverty guidelines. They stated that they would like to have a form of assistance
22 available to households with incomes that were a bit higher than allowed for Low
23 Income Home Energy Assistance Program (LIHEAP) funds.

1 **Q. How does the Company respond to Mr. Eberdt's recommendation regarding**
2 **the income guidelines?**

3 A. The Company can accept Mr. Eberdt's recommendation because it understands
4 that there are many households with incomes at or below 125 percent of federal
5 poverty guidelines today that are unable to enroll in the program due to the
6 maximum annual cap of 4,475. Moreover, if a different poverty guideline
7 threshold were applied to this program than the one that is in place for LIHEAP, it
8 could increase the agencies' administrative costs. For these reasons, the
9 Company can agree that maintaining the income eligibility at or below 125
10 percent of federal poverty guidelines could be appropriate. But, at the same time,
11 the Company wants to reiterate that it highly respects the opinions of the local
12 agency partners who work directly with its income eligible customers on a daily
13 basis.

14 **Application of Increased Funds**

15 **Q. What comments does the Company offer with respect to Mr. Eberdt's**
16 **recommendation to use the increased funds provided through an increase to**
17 **the Schedule 91 Surcharge solely to increase the discount without increasing**
18 **the cap on the number of program participants?**

19 A. The Company does not believe that this recommendation is consistent with the
20 recommendations from the agencies that certify its low income eligible
21 customers. As previously mentioned, the agencies' consensus was to apply 70
22 percent of the funds to increase the discount rates and 30 percent to increase the
23 number of participants. The Company highly values the opinions of the agency

1 staff that work directly with its customers, and incorporated their position into the
2 filing.

3 **Increase in Surcharge**

4 **Q. Does the Company accept Mr. Eberdt's recommendation that an increase to**
5 **the Schedule 91 Surcharge be tied to the residential class rate increase?**

6 A. The Company is willing to accept Mr. Eberdt's recommendation which is the
7 same as the Company's initial proposal in this case. Although, as discussed
8 previously in more detail, the Company is willing to accept Staff's
9 recommendation to increase Schedule 91 rates by 21 percent as filed, even if the
10 percentage increase realized by residential customers is lower.

11 **Certification Process**

12 **Q. Does the Company support Mr. Eberdt's recommendation to continue to**
13 **certify customers as eligible to participate in the Low Income Bill Assistance**
14 **program annually?**

15 A. No. As mentioned by Mr. Griffith in his direct testimony, "in order to decrease
16 program costs and to provide greater benefits to customers, the Company
17 proposes that participating households be recertified every other year." If
18 administrative costs can be decreased, more households will receive program
19 benefits. During the past program year, agency administrative costs accounted for
20 21 percent of total program costs and the discount realized by participants
21 accounted for 79 percent.

22 The Company offers bill discounts to income eligible customers in
23 California and Utah. The California Public Utilities Commission allows

1 customers to self-certify bi-annually through the completion of a one page form
2 forwarded directly to PacifiCorp, resulting in low administrative costs. And, the
3 local agencies in Utah enroll customers in the program annually during the
4 process of providing them with LIHEAP assistance so their costs are considerably
5 lower. The total reimbursement for income certification in Utah during the past
6 program year was \$20,110.10 and accounted for 0.5 percent of program costs.
7 The Company believes it is in the best interest of its low income and non-low
8 income customers to streamline the enrollment process in order to reduce costs.

9 **Certification Fee**

10 **Q. Does the Company support Mr. Eberdt's recommendation to increase the**
11 **agency administrative fee by 35 percent, from \$48 per income certified**
12 **household to \$65?**

13 A. No. The Company does not believe that this is in the best interest of its
14 customers. However, PacifiCorp recognizes that its partnering agencies are
15 providing a variety of valuable services often with minimal funding. Instead of
16 increasing administrative costs, the Company requests Commission staff convene
17 a collaborative meeting of interested parties to determine how the certification
18 process can be modified in order to lower agency costs and increase benefits to
19 people in need.

1 **Low Income Weatherization Program**

2 **Q. What observations does the Company offer with respect to Mr. Eberdt's**
3 **recommendation for the Company to increase funding through the low**
4 **income weatherization program by 50 percent, or approximately \$500,000?**

5 A. The Company does not agree with this proposal because the funds currently
6 budgeted are not fully utilized. The Company budgets \$1.0 million annually for
7 reimbursements to its partnering agencies for the services they provide through
8 PacifiCorp's Low Income Weatherization program, Schedule 114. This budget
9 has been in place since 2001. The Company recently incorporated revisions to the
10 program based on recommendations by agency staff, with tariff revisions
11 effective in March 2009. The changes are intended to improve upon the services
12 they are able to provide to eligible customers and to increase the reimbursements
13 they request from PacifiCorp. These revisions include an increase in funding
14 available for home repairs and eliminating the cap on the Company's 15 percent
15 reimbursement for administrative costs. The Company committed to have a
16 program evaluation completed in July 2012 when these changes were filed.

17 The agencies do not bill PacifiCorp for the full budgeted amount.
18 Reimbursements billed by the agencies in recent years include \$617,263 for 185
19 homes completed in 2007, \$532,700 for 253 homes completed in 2008, \$491,986
20 for 131 homes completed in 2009 and \$346,523 for 80 homes completed during
21 January through September, 2010.

22 The Company believes that it would be reasonable for the agencies to
23 increase completions over the next two years in an effort to use more of the

1 current budget. If agencies use the current budget in full, they will realize an
2 increase in funding of about 45 percent. The Company suggests that the current
3 program components and funding remain in place until the program evaluation is
4 completed in mid-2012. The evaluation results could be reviewed with
5 Commission staff and interested parties, and any warranted revisions be
6 incorporated at that time.

7 **Q. Is low-income weatherization funding generally addressed outside of a**
8 **general rate case?**

9 A. Yes. As previously mentioned, the Company recently worked with the low-
10 income advisory group and other interested parties to initiate program revisions
11 which were approved in 2009. Future funding for the low-income weatherization
12 program can therefore be addressed outside of a general rate case as necessary,
13 once the evaluation results have been considered.

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

15 A. Yes.