

From: Shawn Collins [mailto:shawn_collins@oppco.org]
Sent: Monday, November 9, 2015 5:00 PM
To: King, Steve (UTC)
Subject: Re: Dockets UE-151871 & UG-151872

November 9, 2015

Mr. Steven V. King

Executive Director and Secretary

Washington Utilities and Transportation Commission

1300 S. Evergreen Pk. Dr. S.W.

P.O. Box 47250

Olympia, WA 98504-7250

Re: Dockets UE-151871 & UG-151872, Puget Sound Energy proposed electric and natural gas equipment lease tariff filing

The Energy Project (TEP) appreciates PSE's efforts to include a variety of stakeholders early on in the development this leasing program. PSE staff have been responsive to TEP's questions and while we have a number of concerns pertaining to the proposed program, we value the time and attention staff have given to the process of its development.

One specific concern we have regarding the lease program offering is the potential impact on low-income customers. The potential for low-income households to utilize the PSE leasing program in order to finance an energy efficient equipment upgrade is a concern for us, especially because these households may be eligible for a fully subsidized equipment upgrade through the Low-income Weatherization (LiWx) program. Low-income households already struggle to pay all of their bills and adding an additional one in order to replace energy appliances could negatively impact that household for many years. We would like to ensure that all households eligible for the fully subsidized LiWx program are able to enroll in it. At this point in the

program design, TEP does not see how customers potentially eligible for LiWx would be referred to that option.

Households not eligible for LiWx services in addition to not qualifying for traditional financing through a banking institution may benefit from the proposed leasing program if PSE elects to allow customers with lower credit scores to participate in the program. TEP sees this as a potentially positive aspect of the program depending on the minimum credit rating that PSE utilizes.

Another concern pertaining to the terms and conditions of the leasing program that PSE has outlined is related customer payments. As stated in the proposed Lease Terms and Conditions, a customer will be in default of the agreement if a “Customer is more than sixty (60) days late on any other payments due from Customer to PSE.” TEP’s is concerned that a customer who falls behind in their payments for their energy bill would then technically default on their lease agreement after two months of nonpayment. This would lead to multiple difficulties for a low-income customer in this situation, including potential utility disconnection and the repossession of the heating equipment.

Again, TEP would like to express our appreciation for PSE’s inclusion of us in the development of this leasing program. We hope to provide feedback that allows for the inclusion of more energy efficient equipment in households throughout that Washington State, while at the same time protecting the specific needs of low-income households.

Sincerely,

Shawn Collins

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Director

The Energy Project

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