

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET NO. UE-090205
TRANSPORTATION)	
COMMISSION,)	
)	
Complainant,)	
)	
v.)	
)	
PACIFICORP D/B/A/ PACIFIC)	
POWER & LIGHT COMPANY)	
)	
Respondent.)	
.....)	

DIRECT TESTIMONY OF
CHARLES EBERDT ON BEHALF OF
THE ENERGY PROJECT
Exhibit No. ____ (CME-1T)

1 **I. Introduction**

2 **Q. Please state your name, address and employment?**

3 A. My name is Charles Eberdt and I am the director of The Energy Project, 1322 N. State
4 St., Bellingham, WA 98225.

5 **Q. Please outline your educational background and professional experience?**

6 A. I have an M.A.T. from Harvard University. Since 1993, I have been working with all
7 agencies that provide energy assistance and energy efficiency services to low-income
8 households in Washington. Prior to that I supervised training on energy efficient
9 construction for building code officials and builders for the Washington State Energy
10 Office and provided other public education on energy efficiency. I am a Board member
11 of the National Center for Appropriate Technology and A World Institute for a
12 Sustainable Humanity (A W.I.S.H.). I have participated in several proceedings before this
13 Commission over the last sixteen years, including rate cases for all the energy utilities the
14 Commission regulates.

15 **Q. On whose behalf are you testifying in this proceeding?**

16 A. I am testifying for The Energy Project, an intervener in this proceeding on behalf of the
17 OIC of Washington, the Northwest Community Action Council, and Blue Mountain
18 Action Council, which provide low-income energy efficiency and bill payment assistance
19 in the utility's service.

20 **Q. What specific issues do you address?**

21 A. I address the Stipulation provision regarding low income assistance and rate design for
22 the basic customer charge.

II. The Stipulation

1
2 **Q. Does the Energy Project support the Settlement Stipulation already filed in this**
3 **proceeding?**

4 A. Yes, it does.

5 **Q. Please provide some background on the low income issue you have identified.**

6 A. For some time The Energy Project has been working to get recognition that the impact of
7 utility rate increases are particularly troublesome for low-income customers. We have spent
8 considerable time over the last nine years working with investor-owned utilities to create bill
9 assistance programs that will mitigate these impacts. PacifiCorp stepped up to that challenge
10 early on creating, I believe, the first program that this Commission accepted. That's the Low
11 Income Bill Assistance program, or "LIBA." However, programs such as LIBA generally only
12 serve the poorest of the low-income customers. For example, despite the federal government's
13 increasing the eligible income to 75% of state median income, Washington's LIHEAP program
14 remains pegged at 125% of the federal poverty level, which is significantly lower. PacifiCorp's
15 program eligibility works at the same level to make the program simpler to administer and
16 because we want to target that population most. Even then, the bill assistance doesn't cover the
17 total cost the customer sees. There is always a part of the bill that the customer must pay. When
18 rates are increased, the portion customers have to cover out of pocket is greater as well. Since
19 these families are at the bottom of the ladder economically, their incomes are not increasing to
20 cover that additional cost.

21 **Q. How does the Settlement Stipulation resolve this issue compared to PacifiCorp's**
22 **direct case?**

23 A. In its direct case, the Company proposed to split the increased LIBA funding between
24

1 additional customers and increased funding to the existing number of customers. By
2 contrast, as the settlement agreement indicates, PacifiCorp has agreed to dedicate all of
3 whatever increased funding it makes to the LIBA program to serve the existing number
4 of customers. One effect of this is to deepen the discount level which is preferable to the
5 Energy Project. In addition, the Company has expressed an interest in working out these
6 issues ahead of time in the future. I think it would be an excellent idea to sit down before
7 the next rate case to discuss ways to achieve greater penetration from the program or
8 make other improvements. We look forward to discussing this with the Company in a
9 collaborative process.

10 **Q. Is this resolution acceptable to the Energy Project in a settlement context?**

11 A. Yes. The Energy Project's consistent policy position before this Commission is that
12 LIBA funding should be increased. This resolution more closely matches this policy
13 position than the Company's direct case. It is for this reason, and others, that The Energy
14 Project supports the settlement.

15 **Are there any other matters you would like to comment on?**

16 A. Yes. I'd like to say we are pleased the Company agreed to keep the basic monthly charge
17 to \$6.00 at this time.

18 **Q. Does this complete your testimony?**

19 A. Yes, it does.
20
21
22
23
24