

## Bob Ferguson ATTORNEY GENERAL OF WASHINGTON

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April 3, 2020

**VIA UTC WEB PORTAL** 

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
Lacey, WA 98503

Re: Tariff Revision, Schedules 92 and 192, Emergency Low-Income Bill Assistance,

Dockets UE-200307 and UG-200308

Dear Mr. Johnson:

On April 2, 2020, Avista Utilities ("Company" or "Avista") filed a tariff revision for low-income bill assistance programs in response to the ongoing COVID-19 public health crisis and related economic hardship. The Company seeks a less than statutory notice to revise their low-income bill assistance programs to support customers facing financial difficulty in light of the ongoing national emergency and global pandemic. Public Counsel appreciates the Company's efforts to collaborate closely with stakeholders to develop programmatic responses to the crisis on a very short timeline. Public Counsel respectfully offers the following comments in support of the Company's tariff filing, as considered by the Utilities and Transportation Commission ("Commission").

## Public Counsel's Recommendation

Public Counsel recommends approving Avista's proposed revisions to low-income bill assistance programs in response to the global pandemic.

## I. PROVIDING CRISIS BILL ASSITANCE

The Company called an emergency meeting of stakeholders from the Low-Income Rate Assistance Program (LIRAP) Advisory Group on March 26, 2020, at the request of Shawn Collins of the Energy Project with the support of Public Counsel and Commission Staff ("Staff"). Attendees also included representatives from Community Action Agencies ("Agencies") responsible for administering LIRAP funds to income-qualified customers. The Company provided advisory group members with a comprehensive proposal to respond to an anticipated wave of customer need in light of the COVID-19 public health crisis and subsequent economic impacts. The Company's proposal is intended to complement changes

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made to the Low Income Heating Assistance Program ("LIHEAP") as administered by the state Department of Commerce. Avista's proposed changes, include:

- Hardship Assistance: The Company is offering a one-time grant to customers with a past due balance who indicate that they cannot pay their bill due to COVID-19-related hardship. Customers are eligible for a grant of up to \$350, so long as it does not result in a positive account balance. However, the Company has provided Agencies with the freedom to request an exception and allow a positive account balance on a case-by-case basis. This hardship assistance does not require income verification like the existing LIRAP program.
- <u>Increased Eligibility for Emergency Assistance</u>: The Company is temporarily suspending restrictions on Emergency Assistance grants from Project Share funds. Customers would be eligible for two, rather than one, Emergency Assistance grant per program year.
- Amended LIRAP Eligibility Requirements: In line with Commerce's emergency LIHEAP eligibility guidelines, Avista will only require one month worth of income verification for customers seeking bill assistance through the LIRAP program. Under current requirements, customers must provide three months' worth of income information. This change reflects the sudden change in income many customers may be facing due to a rapidly rising unemployment rate.

The proposed changes are set to expire at the end of the current program year on September 30, 2020. The Company has committed to working with the Advisory Group to assess if an extension of the emergency provisions is necessary beyond the proposed expiration date.

At the suggestion of Staff and Public Counsel, the Company also includes a budget "soft cap" provision in the tariff filing. This would allow an additional disbursement of LIRAP funding, up to a total of 110 percent of the current approved budget. Although the Company believes that scheduled LIRAP funding increases on April 1, 2020, in addition to existing program budget balances, should be sufficient to cover the forthcoming need, the soft cap provides additional flexibility and security to ensure that Agencies can administer funds to customers in need.

Public Counsel appreciates the Company's willingness to work with stakeholders on short notice and provide a robust response to an evolving public health and economic crisis. Questions can be directed to Corey Dahl, at (206) 464-6380 or corey.dahl@atg.wa.gov.

Sincerely,

/<sub>S</sub>/ Corey J Dahl COREY J. DAHL Regulatory Analyst Public Counsel Unit Washington State Office of the Attorney General.