

December 18, 2020

VIA ELECTRONIC FILING

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Washington Utilities and Transportation Commission
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RE: Docket UE-200629—PacifiCorp's Comments

PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) provides these responses to the questions set forth in the Notice of Opportunity to file written comments issued on November 18, 2020, related to Energy Assistance in the Clean Energy Transformation Act (CETA). The Company appreciates this opportunity to provide these comments and looks forward to continued discussions with the Washington Utilities and Transportation Commission (Commission) and other stakeholders.

- 1. RCW 19.405.120(2) includes three distinct requirements regarding (1) programs and funding, (2) demonstrating progress, and (3) prioritizing low-income households with the highest energy burden. Which of the principles provided by stakeholders in response to the September 15, 2020, notice should the Commission include in its guidance? Are there any other principles that were not addressed, but should be included?**

PacifiCorp agrees with stakeholders that the following areas should be reviewed in demonstrating progress:

Effectiveness:

PacifiCorp believes that engagement with low income advisory groups is an essential part of designing programs that are effective in reaching the population in need. In collaboration with the advisory groups, utilities can design programs that will reduce barriers to enrollment and increase the percentage of customers that are served.

Outreach:

Utilities should plan to discuss outreach activities with its low-income advisory group, and possibly other local organizations and tribes. Outreach communications and programs should be tracked, evaluated, and reported regularly.

Funding:

Under CETA, utilities will need to increase their low-income assistance budgets and expand existing programs. In some cases, it may be necessary to create new programs to assist customers.

2. Regardless of the total number of utility programs, how many programs must be available to all low-income households (*i.e.*, household incomes the greater of 80 percent AMI or 200 percent FPL, adjusted for household size)?

PacifiCorp recommends that utilities be required to have one program available to all low-income households that meet the greater of 80 percent Area Median Income (AMI) or 200 percent Federal Poverty Level (FPL), adjusted to household size.

With the minimum requirement of having one program available to all low-income customers, utilities should be allowed the flexibility to implement or continue additional programs that are more targeted. Energy efficiency programs and donation-based assistance programs should be evaluated in a larger context to ensure that these targeted programs are effective with a holistic view. Currently, these programs leverage utility dollars with state or federal dollars to provide services to customers at 60% of State Median Income (SMI) or 200% of FPL, whichever is greater. While utilities may not have the ability to change the income guidelines set in these programs, it is helpful to understand these as we evaluate the programs within our control.

3. How should the Commission interpret “short-term and sustained energy burden reduction” in RCW 19.405.120(4)(a)(i)?

Commission should interpret “short term” programs as those programs that provide benefits on a non-regular basis. These would be one-time or perhaps even a multiple-time bill relief for customers who find themselves in temporary challenges with their bills.

Sustained energy burden reduction should include energy efficiency programs and bill assistance programs in which customers receive a regular or monthly bill assistance for a period of a year or longer.

4. How might energy assistance programs be structured to prioritize low-income households that have the highest energy burden without delaying provision of assistance to applicants?

At the December 1, 2020 workshop, there was a discussion of how utilities can prioritize assistance for the customers with the greatest energy burden. PacifiCorp suggests that our current practice of using a tiered assistance approach in our Low-Income Bill Assistance (LIBA) program may be a simple and effective way to accomplish this goal. The LIBA program currently has three assistance levels based on income, with the lowest income category (0-75% FPL) receiving a greater monthly bill credit on a kwh basis. Customers in the second tier (76-100% FPL) and third tier (101-150% FPL) have gradually smaller monthly bill credits. Consistent with the new definition of low-income customer, PacifiCorp is planning to consult with our low-income advisory group to review and consider changes to the program so that customers with incomes up to 200% FPL may also benefit.

Having a tiered approach to bill assistance allows customers with the greatest need to receive a higher benefit, while also alleviating the need to place customers in the higher income tier on hold while prioritization is taking place.

Other options may be to strategically offer programs for customers with the greatest need that may not be available for other income levels. Programs such as the Fuel Fund donation program may perhaps remain at 150% FPL and continue to give priority to households with elderly, disabled, veterans or children under the age of 5. These various programs may work complementarily and synergistically together to reduce the energy burden on the most vulnerable.

Having multiple programs does, however, increase complexity. For PacifiCorp customers, there are currently already multiple programs that are available for customers. Adding endless new programs, at a certain point, would reach a place of diminishing returns where the complexity overwhelms customers and reduces participation. To that end, PacifiCorp encourages the Commission to consider the full menu of programs in a holistic view in efforts to keep the assistance information as simple and straightforward as possible.

5. For each of the three requirements (*i.e.*, programs and funding, demonstrating process, and prioritizing assistance), when and in what type of proceeding should the Commission determine compliance for investor-owned utilities?

PacifiCorp recommends that the Commission review these programs as part of existing low-income reports or within the context of a rate case.

6. Are there any topics not covered in the September 15, 2020, notice or the workshop discussion questions that you think the Commission should consider as it develops guidance on energy assistance as that term is used in CETA?

PacifiCorp requests that the Commission provide guidance on how Low Income Home Energy Assistance Program (LIHEAP) benefits should be considered as part of this process. LIHEAP is an established program and represents a significant portion of benefits received by customers. How should these benefits be factored into the assessments and demonstrating progress?

PacifiCorp appreciates the opportunity to provide comments on this important effort, and looks forward to continuing to work with the Commission and stakeholders through this process. If you have any questions about these comments, please contact Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

Washington Utilities and Transportation Commission

December 18, 2020

Page 4

Sincerely,

/s/

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