



December 18, 2020

SUBMITTED VIA PORTAL

Mr. Mark L Johnson
Executive Director and Secretary
Utilities and Transportation Commission
621 Woodland Square Loop Se
Lacey, Washington 98503

RE: Related to Energy Assistance in the Clean Energy Transformation Act, Docket UE-200629

Dear Mr. Johnson;

The NW Energy Coalition thanks the Commission for the opportunity to respond to questions posed by staff regarding energy assistance program requirements, Docket UE-200629, issued November 18, 2020.

The NW Energy Coalition (“NWECC” or “Coalition”) is an alliance of approximately 100 organizations united around energy efficiency, renewable energy, fish and wildlife preservation and restoration in the Columbia basin, low- income and consumer protections, and informed public involvement in building a clean and affordable energy future.

The Coalition has addressed low-income issues in comments submitted previously in rulemaking aligning CETA and the Energy Independence Act and participated in various workshops. Since the investor-owned utilities (IOUs) already provide assistance programs and funding, our responses here are meant to help refine and strengthen existing efforts. We thank the Commission and staff for the intentional and thoughtful approach taken so far to developing the framework and rules for meeting the equity and assistance requirements in CETA.

Staff posed questions

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?

The intent of the section to provide energy assistance funds to low-income households; the overarching principle is utilities must demonstrate progress towards the goals, by helping to actually reduce customer energy burdens. The Coalition supports a number of key principles that have been suggested for each of the three requirements in earlier comments. While we list some of the key principles, current assistance programs funded by the IOUs provide concrete examples of how to reduce customers' energy burdens and prioritize those with the highest energy burdens.

Programs and funding: One principle should be that utility programs *increase funding* of low-income assistance programs. The biennial assessment of funding that will be provided to the Department of Commerce per 19.405.120(4) should be able to provide the basic data to assess the trajectory of the amount of assistance spending, as should reports that are currently filed with the Commission regarding tariffed monetary bill assistance and low-income weatherization programs. The amounts should be generally increasing over time for the utility to meet 60 percent and 90 percent of current energy assistance need by the target dates.

Another principle concerns the number and types of assistance. Utilities should also make progress on *expanding the number and kinds of assistance programs offered*. As has been discussed at several workshops, utilities must offer at least one tariff-based bill assistance program (such as rate discounts, modified rate designs, modified billing) *and* energy efficiency/low-income weatherization assistance. One program of each type should not be treated as a cap on assistance offerings, but a floor. Funding or discounts for assistance for other strategies, such as DER, could also be offered if those strategies achieve reductions in energy burdens for low-income customers above that achieved by other available assistance measures.

Demonstrating progress: Effective programs should be able to *demonstrate the positive impact they have via a number of metrics*. Progress can be measured in the change/increase in the number of households that have reduced their energy burdens or achieved energy burdens less than six percent over both the short and long term. Progress can also be demonstrated by reducing the number of shut-offs, increasing on-time payments, increasing measurable and meaningful engagement with highly impacted and low-income communities, and increasing participation in energy efficiency programs. Improvements in contacting and connecting with harder-to-contact communities, can be demonstrated by increased participation in programs by those communities. Outreach strategies need to account for the concerns that will be reported under 19.405.120(4)(a)(ii).

We expect that much of the data needed to demonstrate progress and effectiveness will be collected by the Department of Commerce as described at 19.405.120(3), but anticipate the utilities will still need to compile some additional information to fully describe program progress.

Prioritizing low income-households with the highest energy burden: The IOUs have addressed the prioritization principle in their existing program. There is always room for improvement in

any program and the utilities will, we presume, refine how that prioritization works. The intent to reduce the number of households with high energy burdens will require increased and intentional targeting on a granular level.

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)?

All of the programs, both for energy assistance for weatherization and conservation/efficiency services and for monetary bill assistance should be available to all low-income households. However, CETA does not require one hundred percent participation to start; it makes sense to prioritize assistance on based on need – those with the highest energy burdens, the lowest incomes or who are the most vulnerable, targeted first. This is already addressed in some existing programs.

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

Since energy burden is defined in terms of annual income compared to the amount spent on energy over a year, sustained energy burden reduction would apply to programs that reduce energy burdens, often permanently, over longer periods, such as weatherization programs. Short-term programs would encompass monetary programs that reduce energy burdens over shorter time periods, such as LIHEAP, especially when the household does not own the residence and cannot make structural changes that would result in permanent long-term energy burden reductions.

In contrast, emergency or crisis payments that generally do not change the energy burden facing the household, but simply “plug a hole” for the moment and would not be either short term or sustained.

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?

We appreciate the concern behind the question, but are not sure what problem it references. Existing programs already prioritize the neediest customers; while some refinements might be made, that discussion might be most productive with the program providers and recipients.

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?

The Commission could determine compliance on a biennial basis, based on a review of the program assessment each utility will submit to the Department of Commerce every two years. The contents of that biennial assessment are detailed in 19.405.120(4); relying on the same report will minimize duplicative reporting for the utilities. The Commission may want to coordinate with Commerce to ensure any particular details desired by the Commission are included in the report format Commerce will develop.

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?

The Coalition looks forward to further work with other stakeholders on this docket.

Respectfully,

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