



**SIERRA
CLUB**



August 19, 2022

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Docket U-210800, Notice of Opportunity to Comment on Rulemaking to consider potential long-term changes and improvements to customer notice, credit, and collection rules, including permanent elimination of late fees, disconnection and reconnection fees, and deposits.

Dear Ms. Maxwell:

The Sierra Club and the NW Energy Coalition appreciate the opportunity to provide comments in this rulemaking to improve customer notice, credit, and collection rules. We thank Staff for their thoughtful exploration and broad questions aimed at protecting access to essential utilities, particularly for vulnerable populations. Universal access to energy is essential to meeting basic needs, from heating and cooling to accessing school and work. Maintaining this access is therefore in the public interest. The Utilities and Transportation Commission (UTC or Commission) and utilities can help ensure universal energy access by permanently eliminating disconnections for nonpayment and investing in effective outreach and access to assistance programs, which are a much more appropriate option for addressing arrearages.

We provide these comments in response to the Notice of Opportunity to File Written Comments issued August 3. Generally, these comments are responsive to Questions 1.e., 1.f., and 1.g.

I. Effective community outreach is at the heart of access to assistance

Wherever possible, educating customers and helping them enroll in bill assistance and arrearage management programs is the best way to address arrearages. However, utilities face several barriers to providing effective outreach and help navigating enrollment in these programs, from lack of trust and language barriers to difficulty providing information in the times, places, and communication channels that will effectively connect with many communities. Trusted community organizations have the experience, expertise, regular contact, and foundation of trust with energy insecure customers needed to help overcome these barriers. The Commission should center input from these organizations as it addresses the questions in this docket, allow them to play a central role in efforts to enroll customers in assistance programs, and provide funding for community organizations that do this work.

Over the course of the past two years, we have heard a lot about utilities' efforts to communicate with the public about access to assistance programs. Utilities have made an effort to translate their materials, advertise on multiple platforms and in multiple languages, contact customers on the phone about payment plans, and more. When these initial efforts fail, utilities are left to assume that customers just don't want to be enrolled in assistance programs. At the same time, we are still hearing from community organizations (like the NAACP Spokane, who spoke about this at a workshop earlier this year) that people who are trying to get help with their bills are consistently not able to access bill assistance. How do we understand this discrepancy?

These stories show us that people trying to access assistance might need more or different support than is currently available. This is real data that shows that people *do* want support -- they just don't know how to or can't access it when they try. These lived experiences show us exactly where the issues in our systems are. Directing people to a website won't work for populations who don't use the internet. Giving someone a phone number isn't the same as actually walking someone through the enrollment process. Waiting on a hotline for multiple hours (as described by a volunteer from the WA Immigrant Solidarity Network at an earlier workshop) is not realistic for working parents with limited time to sit on hold.

Looking at the wide gap between outreach efforts and customers' lived experiences can help us understand the divergence between eligibility and enrollment in assistance programs. A report by Puget Sound Sage developed before the COVID-19 pandemic found that "an alarming number of our low-income households do not receive

low-income energy assistance.”¹ The report found that many eligible households do not receive bill assistance, including 28% of eligible households in Seattle (Seattle City Light service area) and 77% of eligible households outside of Seattle (Puget Sound Energy service area). The reason many of these households (50%) had not enrolled in bill assistance was that they believed they didn’t qualify, even though many of these households may actually have qualified. Additional reasons for not receiving bill assistance included not having heard of it (33% of respondents) and enrollment being too much hassle (15%). Only 3% of respondents said they would not take assistance. These results are consistent with the data reported from PSE that many more customers who paid deposits and late fees lived in highly impacted communities or areas with high concentrations of vulnerable populations (30-54.6%), than received bill assistance (3.5-12.7%).² And these results suggest that lack of effective outreach is the explanation for under-enrollment in assistance programs, rather than PSE’s assertion that these customers “are not seeking the energy assistance available to them.”³

We appreciate the Commission taking steps to understand the barriers faced by community members who are in crisis and at risk of disconnection. However, without lived experience, it is challenging to understand the specific barriers that some energy insecure customers face. For example, most or all people participating in this proceeding so far are employed, speak English, and regularly use the internet, which may not be the case for all customers in Washington. To help overcome this limitation, we need to base our understanding of the situation on the direct experience and knowledge of people experiencing energy insecurity and the prospect of disconnection, as well as the trusted organizations that work directly with these people. Instead of leaning heavily on our ideas about what *should* work, we need to see what actually *is* and is not working.

To support the needs of energy burdened and energy insecure customers, we encourage the Commission and utilities to work directly with -- and provide funding for -- community organizations that work with families and individuals in need of energy assistance. These organizations, like the aforementioned NAACP Spokane, the WA Immigrant Solidarity Network, and many others, could either do direct outreach to members of their own communities or help utilities identify exactly where their communications efforts may be falling short.

¹ Puget Sound Sage, *Powering the Transition: Community Priorities for a Renewable and Equitable Future*, at 44 (2020), https://www.pugetsoundsage.org/wp-content/uploads/2020/06/PugetSoundSage_PoweringTransition_June2020-1.pdf.

² Washington UTC Docket U-210800, Comments of Puget Sound Energy, at 8-9, 11 (April 29, 2022).

³ *Id.* at 1.

Moreover, based on the data collection efforts instituted in the last several years, we have identified and mapped the most indebted ZIP codes in Washington state.^{4,5} While broad outreach strategies may be good enough for many people and areas, different strategies may be needed to best help the most impacted areas in our state. We suggest that these ZIP codes are where we ought to focus most heavily on connecting with trusted people and organizations who already serve those communities. When we fund trusted community organizations to do outreach, we will be reaching people with resources and the support they need to actually access it.

II. Access to energy utility service and the role of disconnections

Disconnecting people from access to essential utilities is a damaging, imprecise, and often ineffective response to the challenges these people face in making payments. Ending this practice would prompt utilities to focus their efforts on better solutions, including partnering with community organizations to provide the outreach needed to enroll struggling customers in bill assistance and arrearage management programs.

The National Consumer Law Center's Customer Bill of Rights concludes that safe, reliable, and affordable access to utilities is an essential human need, and that "[n]o household should be disconnected from these essential utility services based on the inability to pay."⁶ The Center further notes that "[r]eliance on disconnections as a collections tool has the effect of punishing people for being poor, and ignores the longstanding racial and economic discrimination that have created the disparities that fuel poverty and the unaffordability of utility services."⁷ Disconnections disproportionately harm People of Color.⁸ And there is evidence that utilities can

⁴ The Energy Project, *Summary of the Effects of COVID-19 on Washington's Investor-Owned Utility Residential Customers (Docket U-200281)*, at 13-17 (June 24, 2022).

⁵ Washington Department of Health, Environmental Health Disparities Map.

<https://fortress.wa.gov/doh/wtnibl/WTNIBL/>

⁶ National Consumer Law Center, *Essential Utility Services During the COVID-19 Pandemic and Beyond: A Roadmap to Utility Service as a Human Right* (2021),

https://www.nclc.org/images/pdf/special_projects/covid-19/IB_UTILITY_Service_Principles.pdf.

⁷ National Consumer Law Center, *Implementing a Roadmap to Utility Service as a Human Right*, at 1 (2021), https://www.nclc.org/images/pdf/special_projects/covid-19/IB_UTILITY_Bill_of_Rights.pdf.

⁸ Trevor Memmott et al., *Sociodemographic Disparities in Energy Insecurity Among Low-Income Households Before and During the COVID-19 Pandemic*, 6 *Nature Energy* 186 (2021),

<https://www.nature.com/articles/s41560-020-00763-9>; Gabriela Sandoval & Mark Toney, *Living Without Power: Health Impacts of Utility Shutoffs in California*, The Utility Reform Network (2018),

http://www.turn.org/wp-content/uploads/2018/05/2018_TURN_Shut-Off-Report_FINAL.pdf; Marcus

Franklin & Caroline Kurtz, *Lights Out in the Cold: Reforming Utility Shut-Off Policies as If Human Rights Matter*, at 9-14, NAACP Environmental and Climate Justice Program (2017),

<https://naacp.org/resources/lights-out-cold>.

successfully manage customer arrearages without resorting to high disconnection rates.⁹

Rather than focusing efforts on disconnections—and the disconnection/reconnection fees, deposits, and credit and collection impacts that can accompany them—utilities should do much more to connect struggling customers with assistance programs, starting with meaningfully engaging with community organizations as described above. By permanently eliminating disconnections for nonpayment and associated charges, the Commission would provide utilities with a strong incentive to sincerely pursue these fairer, less harmful, more effective alternative approaches. While this will require a significant near-term effort to develop and implement these alternatives, it will better align utilities' incentives with the public interest and ultimately lead to better long-term solutions.

III. Recommendations

Based on the observations above, we recommend that the utilities, with Commission support:

- **Continue to develop and expand assistance programs** that provide alternatives to disconnections, including low-income weatherization and efficiency programs (which can reduce bills and help prevent arrearages), bill assistance programs, percentage of income payment programs, and arrearage management plans.
- **Lower barriers to enrollment in assistance programs, through approaches like** auto-enrollment in arrearage management programs for people who are in arrears or who receive other forms of assistance,¹⁰ and self-attestation of income (instead of requiring extensive documentation that people might not have access to).¹¹

⁹ Gabriela Sandoval & Mark Toney, *Living Without Power: Health Impacts of Utility Shutoffs in California*, at 29-30, The Utility Reform Network (2018),

http://www.turn.org/wp-content/uploads/2018/05/2018_TURN_Shut-Off-Report_FINAL.pdf.

¹⁰ NCLC reports that this approach seems to have had a positive impact in Massachusetts. See Anna Kowanko & Charlie Harak, *More Can and Must Be Done to Prevent Utility Consumers from Losing Service Due to Mounting COVID-Driven Arrearages in Massachusetts and Other States*, at 12, National Consumer Law Center, (2021),

https://www.nclc.org/images/pdf/special_projects/covid-19/Rpt_More_Covid_Util_Arrearage_Svc.pdf.

¹¹ Seattle City Light has had extremely promising experience with self-attestation, which was found to be “6x as effective as marketing alone,” and “8x more effective than the status quo [enrollment] method. Seattle City Light, *Using Behavioral Science to Increase Program Enrollment* (2020),

https://www.seattle.gov/Documents/Departments/Performance/IP%20Case%20Study_UDPSelfCertification.pdf.

- **Partner with, support, and fund community organizations** to identify barriers to effective outreach and help customers access assistance.
- **Permanently eliminate disconnections for nonpayment** and the connection/reconnection fees, deposits, and credit and collection impacts that can accompany them, so that the Commission, utilities, and partner organizations can focus on the more effective responses above.

Thank you for the opportunity to comment.

/s/

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