BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. CASCADE NATURAL GAS CORPORATION, Respondent.	DOCKET UG-240008

RESPONSE TESTIMONY OF SHAYLEE N. STOKES

DIRECTOR OF THE ENERGY PROJECT

EXHIBIT SNS-1T

September 25, 2024

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I. Introduction

Q. Please state your name and business address.

A. My name is Shaylee Nicole Stokes and I use the pronouns she, her, and hers. My business address is PO Box 7130, Olympia, WA 98507.

Q. By whom are you employed and in what capacity?

A. I am employed by the Washington State Community Action Partnership as the Director of The Energy project (TEP).

Q. How long have you been employed by the Washington State Community Action Partnership?

A. I became TEP Director in September 2023. Prior to this, I was the Senior Manager of Energy Programs at Hopelink, a Community Action Agency that serves low-income families, children, seniors, and people with disabilities in King County.

Q. Would you please summarize your professional background as it relates to low-income programs?

A. I have been involved in the administration and design of low-income programs for more than a decade. Hopelink hired me in 2010 to screen customers for energy assistance, review customers' energy assistance applications, and award energy assistance grants to low-income customers. Over time, I moved into a management role, training front-line staff in the administration of energy assistance procedures and approving payments. By the time of my departure in 2023, I was the Senior Manager of Energy Programs, leading a staff of more than 30 in the day-to-day administration of energy assistance programs. In 2024, I was selected to serve on the Governance Board of the National Energy & Utility Affordability Coalition. I hold a Bachelor of Arts from the University of Washington in

Seattle, WA. I have been a member of Cascade Natural Gas's (Cascade's or Company's) low-income advisory group since 2023.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of TEP, an intervenor in this proceeding that represents the interests of low-income customers and vulnerable populations. TEP works with Community Actions Agencies (CAAs or agencies) that provide low-income weatherization and bill payment assistance for customers in Cascade's service territory.

Q. Have you previously testified before the Washington Utilities and Transportation Commission (UTC or Commission)?

A. Yes. I previously provided testimony concerning PacifiCorp's 2023 General Rate Case, Docket UE-230172; PacifiCorp's Clean Energy Implementation Plan, Docket UE-210829; Puget Sound Energy's 2022 General Rate Case, Docket UE-220066/UG-220067; Puget Sound Energy's 2024 General Rate Case, Docket UG-240004/UG-240005; and Avista Corporation's 2024 General Rate Case, Docket UE-240006/UG-240007. I also previously provided public comments at UTC meetings and have worked closely with Commission staff on numerous occasions.

Q. Are you sponsoring any exhibits?

A. Yes. As described the exhibit list, I am sponsoring exhibits SNS-2 through SNS-11.

Q. Please describe the scope of your testimony.

A. My testimony primarily concerns Cascade's low-income customer service, including issues related to equity, affordability, and rates.

Q. Could you please summarize your testimony?

A. Yes. My testimony touches on seven issues related to equity, affordability, low-income customer service, and Cascade rate and recovery proposals.

First, I discuss the need for energy assistance in Cascade's service territory, and how inflation has amplified affordability concerns for low-income Cascade ratepayers. I also praise Cascade's implementation of the Cascade Arrearage Relief and Energy Savings (CARES) program.

Second, I explain that Cascade's existing disconnection policies are inequitable. The Commission applies an equity lens in all public interest considerations and uses energy justice tenets to evaluate utility policy. Cascade subjects customers to disconnection based in part the time an account has been in service, a metric unrelated to present arrearages which disproportionately burdens renters.

In addition, Cascade subjects customers to disconnection based in part on historical factors unrelated to a customer's present arrearages, including prior obligations and utility debt, which are closely linked with past disconnections for non-payment. People of color, families with young children, low-income customers, renters, formerly incarcerated customers, and other Named Communities are disproportionately likely to face utility debt and related disconnection burdens that make them eligible for disconnection under Cascade's policies. By penalizing customers for a history of debt, Cascade exacerbates cycles of disconnections and poverty and inordinately burdens historically marginalized and vulnerable populations. In this proceeding TEP for the first time presents to the Commission academic research showing the disproportionate impact of disconnections on formerly incarcerated customers,[1] and that neighborhoods with the highest utility debt rates are also those with the highest poverty and unemployment rates, the lowest incomes, and higher shares of residents of color.[2]

I further note two other issues related to Cascade's disconnection policies. First, I describe how Cascade's current disconnection thresholds are inequitable. These thresholds make a customer with over $50 past due for over 35 days eligible for disconnection, disproportionately burdening low-income customers. Second, I describe strengths in Cascade's communications with past-due customers and also identify concerns with Cascade communications that may threaten disconnection for customers who are not eligible to be disconnected.

To rectify the disconnection policies' inequities, I recommend the Commission order Cascade to (1) remove criteria related to other debt and account in service and undertake an equity review, (2) prohibit disconnection for customers owing less than $250 or who are less than 90 days past due, (3) eliminate any disconnection threats toward ineligible customers, and (4) include information about how to access energy assistance programs in communication with past-due customers.

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[1] Exh. SNS-3 (Ginapp et al., Exploring the Relationship Between Debt and Health After Incarceration: A Survey Study, J. Urban Health (Feb. 2023), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9918653/).

[2] Exh. SNS-4 at 4 (Ong, P. et al., Keeping the Stove On: COVID-19 and Utility Debt, UCLA Luskin Center for Innovation (Nov. 2021), https://innovation.luskin.ucla.edu/wp-content/uploads/2021/10/Keeping-the-Stove-On-COVID-19-and-Utility-Debt.pdf); Exh. SNS-5 (Cicala, S., *The Incidence of Extreme Economic Stress: Evidence from Utility Disconnections*, 200 J. Pub. Economics 104461 (Aug. 2021) https://www.stevecicala.com/papers/disconnections/disconnections.pdf) (finding that the likelihood of disconnection for non-payment is four times higher for disproportionately Black and Hispanic zip codes even after controlling for income).

Third, I detail how Cascade can improve the language access needs of its customers. Cascade has taken several good first steps to improve language access, including requesting and tracking language needs and communicating with customers in preferred languages. Nevertheless, data show that Cascade likely still undercounts customers who would prefer services in a language other than English, and Cascade has no comprehensive plan to expand language access services. I recommend the Commission order Cascade to adopt a language access plan to proactively meet its customers' language access needs.

Fourth, I recommend Cascade regularly provide a more detailed bill burden evaluation. Cascade has not formally assessed affordability and bill burdens since its 2022 LINA, and I recommend that the Commission order Cascade perform an annual bill burden analysis to ensure data availability.

Fifth, I recommend the Commission order Cascade to begin tracking affordability and equity performance metrics. Specifically, I recommend several metrics related to affordability and equity, many reflecting the Commission's recommendations in the Policy Statement. These metrics will provide a robust baseline for Cascade's future performance metric reporting and reveal key data that the Commission, Cascade, and interested parties may use to assess affordability and equity.

Sixth, I urge the Commission to reject Cascade's proposal to more than double its basic charge, which will adversely and disproportionately affect low-income customers. Low-income customers tend to be low-use customers and also frequently reduce consumption to make their bills more affordable. Consequently, low-income customers are doubly harmed by a basic charge increase, as the basic charge will both comprise a greater percentage of their bill and make it even more difficult for these customers to reduce their bills. I recommend the Commission reject the proposed increase.

Finally, I recommend the Commission reject Cascade's proposal to recover deferred costs from (1) late payment and reconnection fees not charged to customers and (2) other direct costs, like COVID-19 costs related to personal protective equipment and cleaning supplies. Cascade's proposal would result in thousands of customers paying an apportioned late fee on charges that were already waived, directly contrary to the Governor's and Commission's past actions. Moreover, Cascade's proposal to recover direct costs related to COVID-19 measures is fundamentally inequitable, as it requires customers who already bore those costs for themselves to additionally cover Cascade's costs.

Q: Please describe the status of Cascade's weatherization program.

A: TEP supports the current design of Cascade's low-income weatherization program and does not request any changes to the program at this time. TEP thanks Cascade for its collaboration and partnership with Community Action Agencies in delivering Low Income Weatherization services.

II. There is an unmet need for bill assistance in Cascade's service territory.

A. Available data shows that Cascade's has a large number of low-income customers in need.

Q. How would you describe the low-income population in Cascade's service territory?

A. Cascade's energy assistance program uses the same definition of low-income as the other investor-owned utilities in this state. Customers can access low-income programs if their household income is at or below 200% of the Federal Poverty Level (FPL) or 80% of Area Median Income (AMI), whichever is higher. While more current and detailed data is needed, the Company's 2022 low-income needs assessment shows that 19% of Cascade's residential customers have incomes at or below 200% FPL,[3] and 29% of Cascade's residential customers have incomes below 80% AMI.[4] While there is likely significant overlap between these two groups, it is reasonable to assume that over 30% of Cascade's customers qualify as low-income.

Q. Please explain the concepts of energy burden and bill burden.

A. Energy burden is the percent of a household's total income spent on all energy expenses. Energy expenses typically include only electric and natural gas bills, but sometimes also include wood, fuel oil, bottled gas, or other heat sources.[5] By contrast, a bill burden is the percent of a household's income that is spent on a particular bill.

Q. How do you assess the level of need for low-income energy assistance in Cascade's service territory?

A. Cascade only provides natural gas service, therefore its affordability is appropriately measured by examining customers' natural gas bill burden. Through the Department of Commerce' Clean Energy Transformation Act rulemaking, the state has standardized a measure of high energy burden at 6 percent. However, the state has not standardized a measure of single-fuel natural gas bill burden. In early efforts to meaningfully examine bill burdens for Cascade, TEP took an approach that roughly split a 6 percent energy burden in half between electric and gas bills. This approach is an accessible and defensible first step, but our thinking has evolved somewhat since then. Examining data

[3] Exh. DLT-6 at 14 (cites to DLT-6 in this testimony use page numbers on the top right corner).

[4] Exh. DLT-6 at 36.

[5] Exh. DLT-6 at 13.

specific to Cascade's service territory, it is clear that electric bill burdens are typically much higher than natural gas bill burdens. For example, at the average household income, customers in 10 of 16 counties in Cascade's service territory have electric bills that are more than double their natural gas bill.[6] And in only 2 of 16 the counties in Cascade's service territory are natural gas bill burdens equal to or higher than electric bill burdens.[7] Overall, according to Cascade, "Electric and Gas costs contribute roughly 60% and 40%, respectively, to household total energy burden."[8]

Accordingly, an even split of the 6 percent energy burden to determine a single-fuel natural gas bill burden utility likely obscures energy burdened households. Accordingly, TEP characterizes a 2 percent natural gas bill burden as a high burden. Following the income categorization found in Cascade's low-income needs assessment, average natural gas bill burdens are at or above 2% for customers with incomes between zero and 60% of AMI,[9] or if using FPL, incomes between zero and 150% of FPL.[10] Because this data relies on average bill burdens, there are some customers more in need, and some less so. Regardless, it is clear that there continues to be a substantial need to help Cascade's low-income customers meet their energy needs.

[6] Exh. DLT-6 at 16.

[7] Exh. DLT-6 at 16.

[8] Exh. DLT-6 at 16.

[9] Exh. DLT-6 at 38.

[10] Exh. DLT-6 at 38.

B. When setting Cascade's rates and return on equity, the Commission should consider that inflation disproportionately impacts low-income households.

Q. Is there a particular concern about the impacts of higher bills in today's economic environment?

A. Yes. Inflation in today's economic environment is disproportionately affecting lower-income households. Given the Commission's obligation to balance the interests of investors and ratepayers in setting a reasonable return on equity, the Commission should consider the greater adverse impacts that inflation has imposed on low-income ratepayers when setting rates.

Q. Does inflation have a particularly adverse impact on lower income households?

A. The impact of inflation is felt most severely by low-income households. Research by the U.S. Department of Labor's Bureau of Labor Statistics, the agency that calculates and reports the "rate of inflation" (i.e., the Consumer Price Index [CPI]) each month, reports that "consumers with different incomes experience inflation quite differently."[11] According to this research, households earning lower incomes spend a higher share of their household budget on household necessities such as rent, food and medical care.

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[11] Klick and Stockburger (December 2022). Spotlight on Statistics: Inflation Experiences for Lower and Higher Income Households, U.S. Department of Labor, Bureau of Labor Statistics, https://www.bls.gov/spotlight/2022/inflation-experiences-for-lower-and-higher-income-households/home.htm

Table 1. Household budget shares of expenditure items for lowest and highest income quartiles, 2017–2018[12]

Expenditure	Lowest Income Quartile	Highest Income Quartile
Rent or owner's equivalent	34.93%	27.93%
Food at home	9.44%	6.58%
Medical care	8.36%	8.09%
Household utilities	4.36%	2.73%
Motor fuels	3.46%	3.42%
Motor vehicle operation	3.44%	3.40%
Telephone service	2.32%	2.00%

While low income households pay more of their budgeted income for this basket of essential goods, it is also important to note that the BLS researchers found that "prices for motor fuel, medical care, fuel and utilities, and shelter rose faster than the overall average. . ."[13] Thus, "[b]ecause the lowest income households dedicate more of their spending on these categories," the BLS researchers found, "their overall inflation rates grew faster than highest income households."

[12] *Id.*

[13] *Id.*

Table 2. Average price change by item, 2005–2020

Item	2005–2020 average 12-month change (%)
Tuition, other school fees, and childcare	4.03
Motor Fuel*[14]	3.45
Medical Care*	3.28
Rent*	3.06
Food away from home	2.86
Fuel and utilities*	2.71
All items	2.00
Food at home*	1.89
Lodging away from home	1.16
Recreation	0.74
New and used motor vehicles	0.43
Apparel	-0.10
Telephone services*	-0.20

The Federal Reserve Bank of Dallas similarly found that

> Families have grappled with surging prices over the past 18 months, as the cost of meeting basic needs rose. Consumer prices were 7.1 percent higher in November 2022 than one year earlier.
>
> Although inflation may have peaked, prices remain elevated, with food costs up 10.6 percent, gasoline rising 10.1 percent, rent increasing 7.9 percent and medical care services up 4.4 percent.

[14] Starred (“*”) items defined by BLS to be household necessities.

> Drawing upon recent household survey data, we show that high inflation is disproportionately hurting low-income households, including Black and Hispanic households and renters.[15]

Q. Do low-income households have the same tools to adapt to higher prices, resulting from inflation, as non-low-income households?

A. No. The Federal Reserve researchers found that the "stress" being placed on households by high inflation is much greater for low-income households. They explained:

> Prior research suggests that inflation hits low-income households hardest for several reasons. They spend more of their income on necessities such as food, gas and rent—categories with greater-than-average inflation rates—leaving few ways to reduce spending. When prices rise, middle-income households may react by consuming cheaper goods and buying more generic brands. Low-income households do not have the same flexibility; in many cases, they are already consuming the cheapest products.
>
> Additionally, many low-income households lack the ability of higher-income households to stock up when prices are discounted, buy in bulk and save, delay purchases if there is an opportunity to save in the future or buy more cheaply online. Low-income households are also likely to have smaller cash buffers to tide them over a period of high inflation.
>
> The recent Household Pulse Survey data confirm these tendencies. Households with incomes ranging from $25,000 to $35,000 in 2021 were about 19.3 percentage points more likely to be very stressed by inflation than households with incomes in the $75,000 to $100,000 range.[16]

The data is clear and consistent. Lower income families expend a greater share of their income on necessities (which tend to have higher inflation rates); have smaller financial cushions to mitigate the impact of inflation; and may have less of an ability to

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[15] Jayashankar and Murphy (January 2023). High inflation disproportionately hurts low-income households, Federal Reserve Bank of Dallas, https://www.dallasfed.org/research/economics/2023/0110.

[16] *Id*.

switch to lower-priced alternatives. As Lael Brainard, a member of the Board of Governors of the Federal Reserve System, concluded, "All Americans are confronting higher prices, but the burden is particularly great for households with more limited resources."[17]

Q. What do you conclude?

A. The Commission is obligated to balance the interests of investors and ratepayers in setting reasonable rates. That balancing might occur in setting a return on equity. It should also occur in deciding upon rate design issues involving the fixed monthly customer charge, financial incentives for shareholders, and upon other issues. In so doing, the Commission should consider not merely the affordability impacts of Cascade's request for higher rates, also, the greater adverse impacts that inflation has imposed on low-income ratepayers I discussed.

C. The Cascade Arrearage Relief and Energy Savings program is available to help meet low-income customers' needs.

Q. Please describe the implementation of the Cascade Arrearage Relief and Energy Savings (CARES) program for low-income customers.

A. On October 1, 2023 Cascade launched the CARES program, a multi-tiered bill discount rate and arrearage management plan that provides varying benefits based on a customer's income, and ended its existing grant-based Washington Energy Assistance Fund (WEAF) program. At the program launch Cascade automatically enrolled customers in the bill

[17] Brainard (April 2022). Variations in the inflation experiences of households, https://www.federalreserve.gov/newsevents/speech/brainard20220405a.htm

discount if they have received other qualifying energy assistance in the 2022-2023 program year.

Customers currently enroll in CARES by declaring their income to a Community Action Agency or Cascade, with a subset of customers chosen for post-enrollment verification of eligibility. Allowing customers to declare their income reduces barriers to enrollment by eliminating the requirement for all customers to locate and provide extensive income documentation before receiving assistance. It also ensures the efficient use of program funds by reducing the administrative burden associated with obtaining and reviewing documentation for every customer.

The random selection of customers for post-enrollment verification protects program integrity by providing a mechanism for accountability and measurements of incorrect program enrollments. Community Action Agencies and Cascade started the new post-enrollment verification process. CAAs have worked to verify 5 percent of enrolled customers' incomes. In the event customers do not respond to a request for income verification, they are disenrolled from the discount. However, customers can receive a credit of up to 3 months for missed discounts, if they reenroll within 90 days of removal by providing their CAA appropriate income documentation. This is a laudable protection for deserving customers who do not receive the initial notice or are slow to respond and eventually produce the required income documentation.

Every customer contact also provides CAAs the opportunity to enroll customers in other assistance programs they offer, such as LIHEAP, weatherization, housing, childcare, banking, and water assistance programs, among others.

Q. What is TEP's opinion of the program rollout process for CARES?

A. TEP is very pleased with the implementation of CARES. It has been a year of change for the Community Action Agencies in Cascade's service territory as they worked to redesign processes and train employees to administer the new bill discount rate. This work was made easier because Cascade worked closely with its advisory group and Community Action Agencies to enhance its online portal and address unanticipated issues that came up in the process. TEP thanks Company Witness Tillis and his team for their collaborative approach to designing and implementing the new program.

III. Cascade's Disconnection Policies are inequitable and the Commission should order reforms to rectify them.

Q. What is your understanding of the rules and procedures Cascade follows when determining whether to disconnect a customer?

A. Cascade follows three sets of rules for determining whether to disconnect a customer for non-payment. First, Cascade is subject to Washington's rules and regulations governing disconnection, including WAC 480-90-128.[18] Second, Cascade follows the disconnection rules outlined in Rule 5 of Schedule 9 of its tariff.[19] Third, Cascade implements internal policies and procedures that it uses to determine when it will disconnect a customer for nonpayment. These policies are outlined in internal documents, not Cascade's tariff. Throughout this testimony, I will refer to these policies as Cascade's "Disconnection Policies."[20]

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[18] WAC 480-90-128 contains rules regarding utility disconnections, including a requirement to give customers at least 3 days advanced notice prior to disconnection.

[19] WN U-3, Rule 5, Disconnection and Reconnection of Service.

[20] Exh. SNS-6 (Cascade Response to TEP DR 11).

Q. Please describe Cascade's Disconnection Policies.

A. Cascade uses an internal process to determine whether to disconnect a customer for non-payment. If a customer owes more than $50 in arrears 35 days after billing, Cascade assesses a set of criteria to determine a customer's "risk classification."[21] Cascade categorizes each customer in collections as Low, Medium, or High risk. This categorization occurs at a single point in time; Cascade does not retain the categorization for use in other future processes. Customers that Cascade deems High risk are eligible for disconnection, whereas customers deemed Medium or Low risk are not.[22] From August 2023 to July 2024, an average of 35 percent of customers entering collections were deemed High risk, 10 percent were deemed Medium risk, and 55 percent were deemed Low risk.[23]

The first two steps in Cascade's risk classification process consider whether a customer is enrolled in Auto Pay and whether a customer has prior utility debt.[24] If a customer is enrolled in Auto Pay, the customer is placed in the Low risk classification.[25] Customers, however, may choose not to enroll in Auto Pay, i.e., because they are unsure if a particular account will have sufficient funds each month, or may be disenrolled from Auto Pay by Cascade due to payment problems. If a customer is not enrolled in Auto Pay, Cascade then assesses whether a customer has prior utility debt.[26] Customers with prior

[21] Exh. SNS-7 (Cascade Response to TEP DR 01).

[22] Exh. SNS-7 (Cascade Response to TEP DR 03 at 3).

[23] Exh. SNS-7 (Cascade Response to TEP DR 16).

[24] Exh. SNS-7 (Cascade Response to TEP DR 01 at 4).

[25] Exh. SNS-7 (Cascade Response to TEP DR 01 at 4).

[26] Exh. SNS-7 (Cascade Response to TEP DR 01 at 4).

utility debt are automatically classified as High risk.[27] Prior debt includes a prior obligation, *i.e.*, a prior disconnection for nonpayment, at a current residence or a debt from another account in Cascade's service territory.

If a customer does not have prior debt (nor Auto Pay), Cascade determines risk classification by implementing a weighted calculation of four criteria: days past due, days since last payment, last payment amount, and number of days in service.[28] Then, Cascade's internal classification system checks for "other account criteria" that adjust the risk classification up or down before the customer enters a collection path.[29] These criteria include whether other service agreements exist on accounts past due, whether a customer's most recent payment was a not-sufficient-funds payment, whether a customer has a paid deposit on the account, and whether a customer has a phone number linked to the account.[30]

Q. Do you have concerns with Cascade's Disconnection Policies?

A. Yes. Compared to the Total Solutions Inc. credit coding used by other utilities, Cascade's credit coding is a less problematic system to determine whether a customer is eligible for disconnection for non-payment.[31] Nevertheless, the risk classification methodology and its role in the Disconnection Policies are inequitable.

[27] Exh. SNS-7 (Cascade Response to TEP DR 01 at 4).

[28] Exh. SNS-7 (Cascade Response to TEP DR 01 at 1).

[29] Exh. SNS-7 (Cascade Response to TEP DR 01 at 2-4).

[30] Exh. SNS-7 (Cascade Response to TEP DR 01 at 2-4).

[31] *See Washington Utilities and Transportation Commission v. Puget Sound Energy*, Dkt. UE-240004/UG-240005, Exh. SNS-1T at 23-27 (Aug. 6, 2024).

Q. How does the UTC typically evaluate the equity implications of utility policy?

A. The Commission applies an equity lens in all public interest considerations.[32] An equity lens provides consideration to characteristics "for which groups of people have historically, and are currently, marginalized."[33] The Commission specifically seeks to ensure that utility policy is "addressing historic underinvestment and exclusionary policies and practices that have allowed inequity to flourish."[34] Regulated companies must assess whether proposed modifications to their practices correct or perpetuate inequities.[35]

Q. What frameworks or concepts does the Commission use in applying its equity lens?

A. Energy justice and its core tenets, including distributional, procedural, recognition, and restorative justice, are integral standards and sources of insight as the Commission applies its equity lens.[36]

Q. Do Cascade's Disconnection Policies violate the Commission's equity lens?

A. Yes. The Disconnection Policies violate the Commission's equity lens and the principle of distributional justice through the risk classification process. Policies that put an "inordinate share of the burdens on or [deny] access to benefits" for marginalized and Vulnerable Populations violate the principle of distributional justice.[37] Whether the

[32] *Washington Utilities and Transportation Commission v. Cascade Natural Gas Corporation*, Dkt. UG-210755, Final Order 09, ¶ 58 (Aug. 23, 2022).

[33] *Id*. (citing RCW 43.06D.010(4)).

[34] *Id*. ¶ 57 (citing Executive Order 22-04: Implementing the Washington State Pro-Equity Anti-Racism (PEAR) Plan and Playbook).

[35] *Id*. ¶ 58.

[36] *Id*. ¶ 56.

[37] *Id*. ¶ 56.

Disconnection Policies violate distributional justice therefore depends on whether they (1) generate significant burdens that (2) inordinately fall on marginalized and Vulnerable Populations.

First, the Disconnection Policies create and perpetuate significant and unreasonable burdens. Cascade's risk classification system immediately marks a customer as High risk and eligible for disconnection if the customer has prior utility debt, including prior obligations at current residences and utility debt at other residences. In effect, this criterion punishes a history of disconnection, as prior obligations occur after a disconnection of nonpayment. For customers with this history, prior debt is the deciding factor in determining whether they are subject to disconnection, regardless of the present arrearage amount or time. This criterion effectively penalizes customers with a prior history of energy insecurity.

Consequently, the Disconnection policies generate significant burdens and perpetuate energy inequity. Basing current disconnection practices on a customer's past arrearage and debt challenges accelerates the vicious cycle of crisis and disconnection, creating new and significant burdens for the customer.

The Disconnection Policies place an inordinate share of these burdens on marginalized and vulnerable populations because they are based on a customer's arrearage history. People of color and low-income residents are disproportionately likely to have outstanding utility debt. Research shows that neighborhoods with the highest utility debt rates are also those with the highest poverty and unemployment rates, the lowest incomes, and higher shares of residents of color.[38] Additionally, research has shown that utility debt is the most common form of debt owed by formerly incarcerated individuals, accounting in one study for nearly half of the debt load of formerly incarcerated residents. This utility debt is associated with poor health and financial stress.[39]

Additionally, unpaid utility debt is often linked to and closely associated with past disconnections. Research consistently shows that people of color, low-income households, households with young children, and households residing in deficient or energy inefficiency housing conditions are more likely to experience energy insecurity and utility disconnections.[40] While communities of color are vulnerable to systemic

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[38] Exh. SNS-4 at 4 (Ong, P. et al., *Keeping the Stove On: COVID-19 and Utility Debt*, UCLA Luskin Center for Innovation (Nov. 2021), https://innovation.luskin.ucla.edu/wp-content/uploads/2021/10/Keeping-the-Stove-On-COVID-19-and-Utility-Debt.pdf).

[39] Exh. SNS-3 (Ginapp et al., *Exploring the Relationship Between Debt and Health After Incarceration: A Survey Study*, J. Urban Health (Feb. 2023), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9918653/).

[40] *Washington Utilities and Transportation Commission v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Exh. DK-1T at 12. Additionally, The Energy Project, the Joint Advocates, and outside experts have provided evidence of these inequitable impacts in the COVID-19 docket and the Credit and Collections Rulemaking, among others. *See, e.g.*, Dkt. U-200281, In the Matter of Response to the COVID-19 Pandemic, Joint Comments on Behalf of the Office of the Attorney General Public Counsel Unit, The Energy Project, NW Energy Coalition, Puget Sound Sage, Front & Centered, and Sierra Club, at 15 (Sept. 30, 2020) (presenting evidence showing that "[c]ommunities of color are disproportionately impacted by utility disconnections"); Dkt. U-210800, Second Comments of the Energy Project, at 2 (Aug. 19, 2022) (summarizing research showing that "even at comparable levels of income, Black households face disconnections at disproportionately high rates, relative to white households"); Dkt. U-210800, Comments of Joint Advocates, at 1-5 (Oct. 17, 2022) (reviewing research on inequitable impacts of disconnections on communities of color); id. at 4 (citing an analysis of zip code level utility disconnection data in California finding that Black and Latinx households disproportionately experience utility shutoffs); Dkt. U-210800, Presentation Materials of David Konisky, at 11 (June 22, 2023) (presenting research showing that Black and Hispanic households experience disconnections at disproportionately high rates).

inequities in economic security and access to wealth, documented racial disparities in disconnections persist even after controlling for income.[41] For example, in a study of data from the United States Energy Information Administration's Residential Energy Consumption Survey, Hernández and Laird (2021) found that even after controlling for "the effects of income, having a head of household who is Black or a household head who does not have a college degree are both associated with higher odds of receiving a disconnection notice."[42]

Energy insecurity is a recurring cycle. For example, research shows that low-income households, which are disproportionately likely to experience energy burdens, often accumulate debt, engage in bill balancing, take out high-interest loans, or forego other essential expenditures when seeking to avoid disconnection.[43] The Disconnection

[41] See, e.g., Exh. SNS-5 (Cicala, S., *The Incidence of Extreme Economic Stress: Evidence from Utility Disconnections*, 200 J. Pub. Economics 104461 (Aug. 2021), https://www.stevecicala.com/papers/disconnections/disconnections.pdf) (finding that the likelihood of disconnection for non-payment is four times higher for disproportionately Black and Hispanic zip codes even after controlling for income); Exh. SNS-8 at 2 (Kowalski, K., *Racial disparities persist in electric service. Is 'willful blindness' to blame?*, Energy News Network (July 1, 2020), https://energynews.us/2020/07/01/racial-disparities-persist-in-electric-service-is-willful-blindness-to-blame/ (accessed June 24, 2024)) (summarizing researching showing that "on a nationwide basis, African Americans earning less than 150% of the poverty level were about twice as likely to have their electricity shut off as white households with comparable incomes"); Exh. SNS-9 at 11, 13, 17 (Gabriela Sandoval & Mark Toney, *Living Without Power: Health Impacts of Utility Shutoffs in California* (TURN 2018)) (presenting zip-code level analysis of utility shutoffs in California showing that disconnections disproportionately impact Black and Latinx communities); Exh. SNS-10 at 9-11 (Franklin, M. & Kurtz, C., Lights Out in the Cold: Reforming Utility Shut-off Policies as if Human Rights Matter, National Association for the Advancement of Colored People (2017), https://naacp.org/resources/lights-out-cold).

[42] Exh. SNS-11 at 15 (D. Hernández & J. Laird, *Surviving a Shut-Off: U.S. Households at Great Risk of Utility Disconnections and How They Cope*, American Behavioral Scientist 00(0) (May 2021)).

[43] *Washington Utilities and Transportation Commission v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Exh. DK-1T at 14.

Policies exacerbate poverty and energy insecurity for those stuck in the debt and disconnection cycle, only increasing the stakes of these destructive financial coping strategies.

Q. Do Cascade's Disconnection Policies violate the Commission's equity lens with respect to any other group of customers?

A. Yes. In addition to the consequences borne by the customers with a history of energy insecurity discussed above, renters also face inordinate burdens under the Disconnection Policies.

It is inequitable that Cascade uses account days in service as a criterion for risk classifications.[44] Renters typically move more frequently than homeowners, which means that renters are disproportionately likely to have a worse risk classification due to their account creation date. Consequently, renters are more likely to be vulnerable to disconnection merely due to their history of moving. As shown by national data and analyses of service territories of utilities that overlap with Cascade, renters also typically have lower incomes than homeowners making account creation date a criterion that disproportionately burdens low-income customers.[45]

Burdening renters with a higher likelihood of disconnection is particularly concerning because utility disconnections can cause evictions. Many leases include a provision requiring tenants to maintain utility services, and utility shutoffs that constitute a default on a lease obligation can result in landlords evicting tenants, increasing the risks

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[44] Exh. SNS-7 (Cascade Response to TEP DR 01).

[45] *Washington Utilities and Transportation Commission v. Puget Sound Energy*, Dkt. UE-240004/UG-240005, Exh. RDC-1T at 63-69 (Aug. 6, 2024).

of homelessness.[46] Again, the Disconnection Policies risk creating a vicious cycle of disconnection in which renters are disproportionately marked down for shorter account histories while carrying greater risks related to disconnection.

Q. Do you have concerns with Cascade's disconnection threshold and timeline?

A. Yes. The Disconnection Policies are triggered by an unreasonably low arrears threshold and proceed on an unreasonably short timeline. Currently, Cascade employs a nominal dollar threshold of $50, risking the severe consequences of disconnection for only minor arrears.[47]

Q. Does Cascade's disconnection threshold raise equity concerns?

A. Yes. The $50 threshold raises equity concerns because (1) average bills at every income level exceed Cascade's threshold and (2) low-income customers are disproportionately burdened by their natural gas bills, raising the risk of disconnection for just one missed payment under the current rules.

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[46] *See, e.g.*, Tenants Union of Washington State, *Utilities FAQ*, https://tenantsunion.org/rights/utilities-faq ("Keeping current on utility bills is a condition of your tenancy. If you do not pay utility bills, the landlord may charge late fees or serve you with a 10-day notice to comply or vacate, even if the utility bill is in your name.")); Sample Washington State Residential Lease Agreement, § 11, https://rentalleaseagreements.com/wp-content/uploads/2013/12/Washington-State-Residential-Lease-Agreement.pdf, ("Resident agrees to establish use, maintain and pay without delinquency the following utilities used in or charged to the Premises during this tenancy without delinquency: electricity garbage sewer water natural gas . . .").

[47] Exh. SNS-7 (Cascade Response to TEP DR 01 at 2).

Q. Can you explain how the relationship between average monthly bills, energy burdens, and Cascade's threshold raises equity concerns?

A. Yes. Cascade's Low-Income Needs Analysis shows that the average natural gas bill for every income group exceeds $50 a month.[48] Average higher-income customer bills typically exceed $60 per month, whereas low-income customer bills range from $50 to $53 per month, on average.[49]

Low-income customers experience far greater energy burdens despite having marginally lower bills than higher-income customers. For customers with incomes under 100 percent of the federal poverty line, the natural gas energy burden averages 6.6 percent.[50] For customers with incomes between 100 and 150 percent of the federal poverty line, the natural gas energy burden averages 2.6 percent. For customers with incomes between 150-200 percent of the federal poverty line, the natural gas energy burden averages 1.8 percent.[51] Comparatively higher income customers pay .6% of monthly income to Cascade, on average.[52]

These data show that Cascade's disconnection threshold inordinately burdens low-income customers and risks the severe consequences of disconnection for a low arrearage amount. All customers' average monthly bills exceed Cascade's $50 threshold, and low-income customers pay a disproportionately large amount of their income to meet their natural gas energy needs. Consequently, the threshold puts low-income, energy-

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[48] Exh. DLT-6 at 26.

[49] Exh. DLT-6 at 26.

[50] Exh. DLT-6 at 18.

[51] Exh. DLT-6 at 18.

[52] Exh. DLT-6 at 18.

burdened customers at acute risk of disconnection for just one missed monthly payment. Cascade also has not shown that its threshold was adopted with equity in mind.

Cascade's disconnection threshold should not fall below monthly payments for every income group, nor should it be set at levels that threaten disconnection for missing a single month's payment for high-energy burdened customers. The Commission has supported establishing a far higher threshold for other utilities. The Commission recently set Puget Sound Energy's disconnection threshold at $250.[53] The other single-fuel investor-owned utilities in the state, NW Natural Gas and PacifiCorp, maintain a $150 threshold.[54] The Commission should continue this trend by ordering Cascade to raise its disconnections threshold.

Q. Does Cascade's disconnection timeline raise equity concerns?

A. A customer is eligible for disconnection only 14 days after the collections process begins.[55] This practice raises equity concerns because low-income customers struggling with significant energy burdens will find it particularly challenging to meet short payment timelines. Cascade has presented no evidence that this timeline was adopted with equity in mind, and the Commission has supported a longer timeline for other

[53] *Washington Utilities & Transportation Commission v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Order 32/18, ¶ 56 (Mar. 19, 2024)

[54] Dkt. UG-210800, Northwest Natural Gas Response to Notice of Opportunity to File Written Comments at 8 (Aug. 18, 2022); *Washington Utilities & Transportation Commission v. PacifiCorp*, Dkt. UE-230172/UE-210852, Order 8/6, ¶ 38 (Mar. 19, 2024).

[55] Exh. SNS-6 (Cascade Response to TEP DR 05 at 3).

utilities. Puget Sound Energy, for example, may only disconnect a customer more than 90 days overdue.[56]

Q. What disconnection threshold and timeline should the Commission order Cascade to adopt?

A. The Commission should order Cascade to set its disconnections threshold at $250 and refrain from initiating disconnections until a customer is 90 days past due. Alternatively, if the Commission does not agree with setting the threshold at $250, TEP would recommend a minimum threshold of $150 to align Cascade with other single-fuel utilities.

Q. How does Cascade communicate with customers who have missed a payment?

A. Cascade uses several forms of communication to notify customers that they have missed a payment, including:

- A text and email shortly after a missed payment;
- A bill onsert appearing on a monthly billing statement that contains past-due amount;
- An automated call once a customer enters collections;
- A reminder letter for customers in collections classified as Medium risk;
- Disconnection notices for customers classified as High risk;
- Agent-led outbound calls; and
- Door hangers, including an energy assistance hanger before disconnection of service and a field door hanger upon disconnection of service.[57]

[56] *Washington Utilities & Transportation Commission v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Order 32/18, ¶ 56 (Mar. 19, 2024)

[57] Exh. SNS-7 (Cascade Response to TEP DR 19).

Q. Are any of these communications effective at providing useful information without causing unnecessary confusion or fear?

A. Yes. Cascade's initial texts and emails to the customer and its reminder letter for medium-risk customers use straightforward language to notify a customer of a past due balance *without threatening disconnection*.[58] The Commission has had to order other utilities to adopt this same practice, and it is laudable that Cascade has developed these communications on its own accord.[59] In addition, Cascade includes a link to energy assistance programs in its past-due email, which serves customers who may be eligible for assistance programs.

Q. Can Cascade improve these communications at all?

A. Yes. While Cascade's medium-risk letter notes that "Cascade Natural Gas Corporation offers many options for financial assistance," it does not include any additional information for how to access financial assistance beyond the customer service phone number.[60] Cascade also does not include any written information in the letter about how to access energy assistance online, nor any information at all about local community access agencies. In addition, Cascade's automated call does not include any information about energy assistance or Community Action Agencies.[61] These are missed opportunities to connect customers with the assistance that partner agencies can provide.

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[58] Exh. SNS-7 (Cascade Response to TEP DR 19 at 1-2, 4).

[59] *Washington Utilities & Transportation Commission v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Order 32/18, ¶ 56 (Mar. 19, 2024)

[60] Exh. SNS-7 (Cascade Response to TEP DR 19 at 4).

[61] Exh. SNS-7 (Cascade Response to TEP DR 19 at 3-4).

Q. Do any of Cascade's communications raise concerns?

A. Yes. Two Cascade communications raise concerns. First, the bill onsert on a customer's monthly statement includes, in large, capital letters, "IN DANGER OF BEING DISCONNECTED?"[62] Cascade appears to send this communication to all customers, page space permitting, regardless of their risk classification. Second, Cascade's automated call states that the customer's service is at risk, also regardless of the customer's risk classification. Both of these communications likely lead customers to believe they are facing disconnection despite the fact that only High risk customers are eligible for disconnection under Cascade's Disconnection Policies.

Q. How should Cascade alter these communications?

A. Cascade should alter these communications about past due balances to remove implicit or explicit threats of disconnection from communication with customers who are not eligible for disconnection. Additionally, in its letter and automated call, Cascade should discuss the availability of energy assistance, and provide the website where customers can enroll. In its letter, Cascade should provide a referral to the customer's local CAA.

Q. Would TEP's proposal restrict Cascade's ability to communicate with customers concerning the status of their past due bill?

A. Provided Cascade's communications do not threaten a customer with disconnection, no. TEP's concern is about communications that threaten disconnection, and the act of disconnection itself. Under TEP's proposal, Cascade may contact customers with arrears under the disconnection dollar and age thresholds to discuss their past due amounts at any

[62] Exh. SNS-7 (Cascade Response to TEP DR 19 at 3).

time. In fact, TEP considers it a best practice for utilities send this type of communication.

Q. Can you summarize the Disconnection Policies amendments the Commission should order Cascade to adopt?

A. Yes. The Commission should order Cascade to amend its Disconnection Policies to make four specific revisions:

1) Remove the other debt and account days in service criteria from the Disconnection Policies.

2) Prohibit disconnection for customers owing less than $250 in arrears or who are less than 90 days past due.

3) Remove implicit or explicit threats of disconnection from communication with customers who are not eligible for disconnection.

4) When Cascade communicates with customers about past due balances in any format that is not a bill, include discussion of available energy assistance options and Community Action Agency information.

These changes will bring Cascade's Disconnection Policies further in line with the Commission's equity principles and its disconnection precedent set in other cases.

Q. Should the Commission order any broader action with respect to Cascade's Disconnections Policies?

A. Yes. The Commission should also order a holistic equity review in consultation with its CARES and Equity Advisory Group. The Commission should specifically require Cascade to take two steps:

1) By May 1, 2025, present Cascade's disconnection for nonpayment policy and procedures to a meeting of its CARES and Equity Advisory Groups and solicit feedback on the equity impacts of its policy and procedures.

2) By October 1, 2025, Cascade must incorporate the feedback it receives and make a subsequent filing (pursuant to WAC 480-07-885) with new disconnection policies and procedures. The subsequent filing will discuss any

feedback received which Cascade did not incorporate and the reason why it did not incorporate that feedback.

These steps promote accountability, collaboration, and timely revisions, and ensure an orderly course of action for reviewing Cascade's Disconnection Policies.

IV. The Commission should order Cascade to adopt a language access plan.

Q. What steps has Cascade taken to serve customers who speak a primary language other than English?

A. Cascade has recently taken several good first steps to improve its language access services. Cascade asks customers, online and in conversation with customer service agents, about language preferences.[63] It tracks these preferences in its Customer Information System.[64] In addition, like other utilities, Cascade has contracted for interpretive services. These services are available for phone communication in numerous languages. Select written and online materials are available in languages other than English.[65]

Cascade has also improved the readability of its online translations.[66] Spanish speakers have reviewed outreach materials and Cascade has improved its Spanish translation services in response to Equity Advisory Group (EAG) feedback.[67]

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[63] Exh. SNS-6 (Cascade Response to TEP DR 08).

[64] Exh. SNS-6 (Cascade Response to TEP DR 08).

[65] Exh. SNS-6 (Cascade Response to TEP DR 08).

[66] Exh. SNS-6 (Cascade Response to TEP DR 09); Exh. DLT-1T at 17.

[67] Exh. NO-1T 18-19.

Q. Can Cascade improve its language services?

A. Yes. Cascade could improve its language access planning and services. First, Cascade's customer language preference data suggest that many customers who would prefer services in a language other than English are not currently identified as such by Cascade. The Company reports 1,230 out of 232,973 customers in Washington have indicated a non-English language preference, and 91.6% of these customers wish to communicate in Spanish.[68] The Company also states that it uses census tract and educational data to gauge customer needs.[69]

Public data, however, suggest that Cascade likely currently undercount the number of customers that would benefit from receiving services in a language other than English. For example, Cascade provided state data regarding languages spoken by students as a proxy for customer language preferences. In the Yakima School District alone—a district of nearly 16,000 students—47.68 percent of students speak Spanish.[70] These data alone suggest that far more than 1,230 customers would benefit from receiving services in a language other than English. A comprehensive needs assessment would, however, more precisely gauge whether Cascade customers' language needs are going unmet.

Second, Cascade has not indicated that it has a comprehensive plan to expand language access services. Without one, Cascade risks continuing to undercount the population of customers that benefit from language services.

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[68] Exh. SNS-6 (Cascade Response to TEP DR 09); Kivisto, Exh. NAK-1T at 3.

[69] Exh. SNS-6 (Cascade Response to TEP DR 09).

[70] Exh. SNS-6 (Cascade Response to TEP DR 09, Attachment A).

Q. Does TEP have any recommendations regarding language access?

A. Yes. The Commission should order Cascade to adopt a language access plan to proactively meet its customers' language needs.

Q. What does a language access plan include?

A. Language access plans typically include several primary components, including: (1) A comprehensive needs assessment; (2) identification and implementation of improvements to language services; (3) actions to enhance awareness among clients and customers regarding the organization's available language services; (4) training for employees on language access needs, policies, and programs; and (5) a framework and metrics to evaluate the success of the language access plan.[71]

Q. Why should Cascade prepare a language access plan?

A. Language access plans serve several important functions. The plan will (1) prompt a comprehensive evaluation of customer language preferences and existing services, identifying deficiencies and room for improvement; (2) improve customer relations; (3) provide more equitable access to Cascade programs targeted toward low-income customers, including weatherization and energy assistance programs; and (4) help Cascade learn best practices for multilingual services. In general, the language access plan promotes reflection and accountability by giving Cascade and other interested persons clear criteria to evaluate Cascade's language access efforts.

[71] United Language Group, *Guide to Developing a Language Access Plan*.

Q. Has the Commission supported the adoption of utility language access plans?

A. Yes. The UTC has explained that "[a]ccessibility and the development of language access plans are an important consideration for all investor-owned utilities."[72] The Commission has stated support for increasing language access in cases concerning PSE and NW Natural Gas and approved a requirement for PacifiCorp to develop a language access plan.[73]

Q. How should the Commission ensure that Cascade develops and implements an effective language access plan?

A. The Commission should direct Cascade to take five steps. First, by August 1, 2025, Cascade should complete an evaluation of language barriers to accessing low-income programs in a draft language access plan. Comprehensively evaluating language barriers to low-income programs will show how Cascade can cost-effectively meet customer language access needs.

Q. What is the second step Cascade should take to develop a language access plan?

A. Second, by August 1, 2025, Cascade should provide its low-income advisory group (CARES AG) and Equity Advisory Group a draft language access plan for its low-income programs and request feedback on the plan. Soliciting feedback on a draft plan enables collaboration and early identification of oversights. A formal feedback

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[72] *Wash. Utils. & Transp. Commn. v. Puget Sound Energy*, Dkt. UE-220066/UG-220067, Order 32/18 Granting Petition; Amending Final Order 24/10, Subject to Conditions, ¶ 57 (May 16, 2024).

[73] *Id.*; *Wash. Utils. & Transp. Commn. v. PacifiCorp*, Dkt. UE-230172, Order 08, ¶ 104 (Mar. 19, 2024); *Wash. Utils. & Transp. Commn. v. Northwest Natural Gas*, UG-200994, Order 05, ¶ 45 n.22 (Oct. 21, 2021).

mechanism will allow the Advisory Groups to shape Cascade's approach and identify areas for improvement.

Q. What is the third step Cascade should take to develop a language access plan?

A. By December 1, 2025, Cascade should incorporate feedback it receives, discuss any feedback received on the draft not incorporated into the final, state the reason Cascade did not incorporate the feedback into the final, and make a subsequent filing (pursuant to WAC 480-07-885) with a final language access plan for its low-income programs. This process will facilitate accountability and transparent decision-making. Rather than requiring the Commission or interested parties to undertake the cumbersome process of determining what feedback was integrated or rejected, Cascade will clearly explain the choices it makes.

Q. What is the fourth step Cascade should take to develop a language access plan?

A. Cascade should annually report on its progress toward accomplishing the language access plan in its annual energy assistance report to the Commission. Regular reporting serves transparency and informs the Commission and interested parties about Cascade's efforts. The annual report is an existing opportunity Cascade can use to provide updates.

Q. What is the fifth step Cascade should take to develop a language access plan?

A. Finally, Cascade should maintain and revise the language access plan as needed, with approval and feedback from the CARES AG and the EAG. As Cascade implements its language access plan, it will succeed in some efforts and discover new barriers to language access programming. Requiring regular revision of the plan will ensure that the Company learns from its efforts, meets new and changing needs of its customers, and collaborates with its Advisory Groups moving forward.

Q. Can you summarize the steps Cascade should take to develop a language access plan?

A. Yes. The Commission should direct Cascade to take five steps:

1. By August 1, 2025, evaluate language barriers to accessing low-income programs in a draft language access plan,

2. By August 1, 2025, provide its CARES AG and the EAG a draft language access plan for its low-income programs and request feedback on the plan,

3. By December 1, 2025, incorporate feedback it receives, discuss any feedback received on the draft not incorporated into the final, state the reason Cascade did not incorporate the feedback into the final, and make a subsequent filing (pursuant to WAC 480-07-885) with a final language access plan for its low-income program,

4. Report on its progress toward accomplishing the language access plan in its annual energy assistance report to the Commission, and

5. Maintain and revise the language access plan as needed, with approval and feedback from the CARES AG and EAG.

V. The Energy Project recommends that Cascade regularly provide a more detailed bill burden evaluation.

Q. How does The Energy Project recommend that Cascade evaluate customers' bill burden?

A. The Energy Project recommends that Cascade regularly perform a bill burden analysis that includes an assessment of stratified bill burdens and identification of excess bill burdens.

Q. Please explain what you mean by an assessment of stratified bill burdens.

A. The assessment of energy burdens should extend beyond a simple yes or no toggle (*i.e.*, they are either bill burdened or not bill burdened). A more refined analysis would include a stratification of bill burdens. A natural gas-only stratification would include: (1) Affordable (= < 2%); (2) High Burdens (2% - 6%); (3) Very High (6% - 10%); and (4) Extreme Burdens (>10%).

Q. Please explain what you mean by an identification of excess bill burdens.

A. Excess bill burdens are the dollar amount by which energy burdens exceed an affordable burden.[74]

Q. How should the bill burden assessment identify household income?

A. The evaluation should include at least two household income metrics: median income for the geographic area studied, and at least one or more indicators of low-income status, *e.g.*, the census bureau's first quintile income.

Q. What geographic granularity should the assessment include?

A. The assessment should provide data by census tract.

Q. How often should Cascade perform this assessment?

A. The Energy Project recommends that Cascade perform an annual bill burden analysis to ensure that up-to date data always available. In part II.A above, TEP relied on the data in Cascade's 2022 LINA, which was 22 months old when Cascade filed its rate case. While the 2022 LINA data was valuable, its usefulness for timely and accurate assessments of affordability has a fixed shelf life. As rates, gas costs, customer base, and environmental factors fluctuate or escalate at least annually, so does affordability. An annual bill burden assessment allows for timely targeting of resources to relieve excess burdens as well as tracking of affordability trends, *i.e.* customer bill assistance need, over time.

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[74] To define concepts, programs such as LIHEAP and Bill Discounts do not reduce the excess energy burden. They are rather resources that help meet that excess burden. The difference in terminology is important. A household's excess burden may change based on changes in income or bills. Such changes can be expected to occur over time. The excess burdens are met to a greater or lesser degree based on the amount of bill assistance resources and the effectiveness with which they are targeted.

Q. Does TEP recommend that the Commission's order in this case require each element of the bill burden assessment you describe above?

A. No. The Commission should ask Cascade to engage with its CARES Advisory Group, where we can work through the details of exactly how to design the bill burden assessment. These conversations should address the exact stratification to use, the identification of incomes, the geographic granularity, and the appropriate timing.

Q. Please conclude by identifying your recommendation concerning a bill burden assessment?

A. The Energy Project recommends that the Commission order Cascade to perform an annual bill burden analysis that includes an assessment of stratified bill burdens and identification of excess bill burdens, using various income levels.

VI. Cascade should adopt robust affordability and equity performance metrics.

Q. Does Cascade currently report any performance metrics?

A. No, Cascade does not currently report performance metrics.

Q. What does Cascade propose to report as its first set of performance metrics?

A. Cascade proposes to report metrics related to operational efficiency, company earnings, affordability, and energy burden that the Commission ordered Avista and Puget Sound Energy to adopt in 2022.[75] Cascade also notes that it will report the performance metrics that the Commission ultimately orders as part of the Policy Docket.

[75] Blattner, Exh. LAB-1T at 11-12.

Q. Should Cascade adopt affordability and equity performance metrics in addition to the metrics it proposes to adopt in this proceeding?

A. Yes. TEP recommends adopting the affordability and equity metrics summarized in Exh. SNS-2 and discussed below.

A. Cascade should adopt comprehensive customer affordability metrics.

Q. What action should the Commission take to ensure Cascade reports sufficient affordability metrics?

A. The Commission should order Cascade to strengthen the two affordability metrics it proposes and adopt ten additional affordability metrics.

Q. What are the affordability metrics Cascade proposes to adopt?

A. Cascade proposes to adopt two affordability metrics: average annual bill impacts by census tract and average annual bill impacts by zip code.[76] TEP agrees that an average annual bill metric is a useful high-level affordability indicator, and census tract breakdowns are particularly valuable in assessing bill trends. These metrics are a positive start but should be strengthened and do not cover several major areas of utility operation related to affordability.

Q. How can Cascade improve the average annual bill impact metrics?

A. The metrics should be edited to clearly state that they assess the average annual customer bill. The metrics should also compare customer class to enable a comparative assessment of rate increase impacts.[77] TEP does not take a position on whether to report a separate

[76] Blattner, Exh. LAB-1T at 12.

[77] Exh. SNS-2 at 1.

zip code metric, but if Cascade proceeds with separate census tract and zip code metrics, it should make these changes across both to ensure consistency in reporting standards.

Q. You stated that Cascade should adopt ten additional affordability metrics. Do you recommend any metrics currently advanced by the Commission in the Policy Docket?

A. Yes. First, TEP proposes the Commission's Policy Statement metric regarding annual revenue from base rates approved in the most recent MYRP by customer class, total incremental or decremental revenue from all approved rate adjustment, excluding those authorized by the MYRP, and net bill revenue by schedule.[78] The Commission's metric is a useful indicator for monitoring whether the MYRP is serving its intended function as a cost-containment mechanism.

Q. Are there are metrics related to arrearages proposed by the Commission in the Policy Docket that Cascade should adopt here?

A. Yes. TEP proposes Cascade track the Commission's Policy Statement metric regarding the proportion of residential customers with arrears enrolled in arrearage management plans.[79] This metric illustrates Cascade's success at resolving outstanding arrears with customers that may benefit from structured repayment plans.

Q. Does the Commission propose any other metrics in the Policy Docket related to arrearages that should be adopted here?

A. Yes. Cascade should report an amended version of the customer arrearage metric proposed by the Commission in the Policy Docket.[80] That metric currently proposes

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[78] Exh. SNS-2 at 1.

[79] Exh. SNS-2 at 1.

[80] Exh. SNS-2 at 1.

tracking the number of customers in arrears and total amount of arrearages, by month and class, measured by census tract and specific arrearage age bands. The Commission's metric will enable clear assessment of Cascade's progress in resolving customer arrearages.

Two additional amendments to the metric will improve these assessments. First, Cascade should also report the average age of arrearages. That figure will assist in evaluating whether Cascade is successfully resolving long-term arrearage issues and allow a comparison between Cascade's disconnection timelines and average arrearage figures. Second, for residential customers, Cascade should report each of the figures in the metric for all customers, low-income households, Highly Impacted Communities, and Vulnerable Populations. These demographic data will support equity analyses of Cascade's arrearage reduction efforts.

Q. Does the Commission propose any metrics in the Policy Docket related to annual bills that Cascade should adopt here?

A. Yes. Cascade currently proposes to track average annual bill divided by area median income, by zip code and by census tract.[81] Instead, Cascade should adopt an amended and more detailed version of the Policy Docket metric that measures annual residential bill divided by area median income by census tract for all customers, calculated before and after energy assistance.[82] The metric should specifically state that it will compare outcomes for known low-income customers, Vulnerable Populations, and Highly

[81] Blattner, Exh. LAB-1T at 12.

[82] Exh. SNS-2 at 1-2.

Impacted Communities. This metric will inform an equity analysis of rates and show the impact of rate increases and energy assistance for several relevant communities.

Q. Should Cascade amend or adopt any other metrics related to bills and energy assistance recommended by the Commission in the Policy Docket?

A. Yes. Cascade should adopt an amended version of the Policy Docket metric that measures the number and percentage of customers receiving bill assistance by census tract, the number and percentage of estimated low-income customers enrolled in bill discount programs, and the total amount of discount applied annually.[83] Rather than solely tracking bill assistance among estimated low-income customers, the metric should measure all customers and compare outcomes in Vulnerable Populations and Highly Impacted Communities.

This metric is valuable because it shows Cascade's success in bill assistance outreach efforts and informs an equity analysis of Cascade's bill assistance programming. By including additional relevant communities, the metric will serve those analyses with even more detail.

Q. Should Cascade adopt any affordability metrics advanced in the Policy Docket related to energy burdens?

A. Yes. Cascade should adopt an amended version of the Policy Docket metric that measures the number and percentage of households experiencing a high-bill burden (>2%) by census tract.[84] The metric should be amended to specifically identify known low-income customers, Highly Impacted Communities, and Vulnerable Populations. This

[83] Exh. SNS-2 at 2.

[84] Exh. SNS-2 at 2.

metric will provide a useful high-level figure revealing bill burdens in Cascade's territory, and the amendment will enable clearer assessment of the customers who shoulder disproportionate energy burdens.

Q. Should Cascade adopt any metrics related to residential disconnections?

A. Yes. Cascade should track the number and percentage of disconnection notices, residential disconnections for non-payment, and reconnections, each broken out by month and census tract, and comparing outcomes among all customers, known low-income households, estimated low-income households, Highly Impacted Communities, and Vulnerable Populations.[85]

These metrics are useful for several reasons. First, tracking disconnections generally is crucial to understanding Cascade's success at reducing energy burdens and disconnections. Second, tracking each individual step shows whether Cascade is effectively intervening throughout the disconnection and reconnection process. Third, tracking these metrics across demographic groups facilitates an equity analysis of Cascade's Disconnection Policies. Fourth, tracking and reporting these data are particularly important should the Commission decide to continue allowing Cascade to disconnect residential customers over advocates' objections.

Q. Should Cascade adopt any metrics related to utility financial management?

A. Yes. Cascade should track three important metrics related to utility financial management. First, Cascade should track Washington-allocated net plant in service per

[85] Exh. SNS-2 at 1.

customer.[86] A net plant metric will show trends in utility capital management and choices regarding replacement of aging assets.

Second, Cascade should track Washington-allocated annual O&M per customer.[87] This metric reflects utility financial management and is a helpful comparison point when assessing other financial trends, like bills and net plant in service. Moreover, Cascade proposes tracking overall O&M divided by operating revenue.[88] This metric would therefore be simple to report and would more specifically show O&M as it relates to customer population and its growth or reduction independent of operating revenue.

Q. Should Cascade adopt any additional metrics related to the Company's finances?

A. Yes. Cascade should adopt a metric tracking rate of annual revenue growth compared to inflation.[89] This metric supports high-level analysis of the utility's financial health and the need for future rate increases. It will also indicate whether costs associated with specific areas of utility management are outpacing general cost increases in the market.

B. Cascade should adopt five equity metrics.

Q. Should Cascade adopt any equity metrics proposed by the Commission in the Policy Docket related to utility spending?

A. Yes. Cascade should adopt an amended version of the Policy Docket metric that tracks the percentage of utility spending on demand response and energy efficiency programs that benefits Named Communities. This metric shows whether Cascade is equitably

[86] Exh. SNS-2 at 1.

[87] Exh. SNS-2 at 1.

[88] Blattner, Exh. LAB-1T at 12.

[89] Exh. SNS-2 at 1.

deploying resources in these domains. The metric should be modified in two ways. First, the Policy Docket metric should be modified to remove categories of spending inapplicable to Cascade, including electric transportation, renewables, and distributed energy resources. Second, the Policy Docket metric should separately report spending on known low-income customers, Vulnerable Populations, and Highly Impacted Communities. These amendments will enable more granular and accurate equity analyses.

Q. Should Cascade adopt any other Policy Docket metrics related to demand response and energy efficiency programs?

A. Yes. Cascade should adopt an amended version of the Policy Docket metric that tracks the number of customers enrolled in various programs, including energy efficiency and demand response programs. The metric should be modified in three ways. First, the metric should track the number and percentage of customers participating in relevant programs, rather than dividing the number of Named Community or low-income customers divided by total customers. Second, the metric should compare participation for low-income customers, Vulnerable Populations, and Highly Impacted Communities. Third, the metric should not include programs, like electric transportation, irrelevant to Cascade.

Overall, this metric serves similar aims as its complement above: clear equity analyses of Cascade's energy efficiency and demand response programs, with a focus on Cascade's success at enrolling customers from a variety of communities. The amendments sharpen the metric and show customer participation *within* each demographic group, which enables more useful comparisons across demographic group participation rates.

Q. Should Cascade adopt any Policy Docket metrics related to diversity?

A. Yes. Cascade should adopt the Policy Statement workforce and supplier diversity metrics for consistency with other utilities' reporting. These metrics will bring Cascade in line with the Policy Statement's recommendations and demonstrate whether Cascade's external supplier contracting and internal teams reflect the diversity in its service territory.

Q. Should Cascade adopt any additional equity metrics related to utility spending?

A. Yes. Cascade should track the percentage of non-pipe alternative utility spending that occurs in Highly Impacted Communities and on Vulnerable Populations. This metric will gauge whether non-pipe spending is distributed in accordance with the Commission's equity principles.

VII. Cascade's proposal to increase its basic charge will disproportionately impact low-income customers and should be rejected.

Q. Do you object to Cascade's Proposed Increase in its electric and natural gas customer charges?

A. Yes. Cascade proposes to *more than double* the basic charge, from $5 to $11.[90] The Company's proposed increase in its basic monthly charge will disproportionately adversely affect low-income customers. I recommend that the proposed increase in the customer charges be denied.

[90] Harris, Exh. ZLH-1T, at 5-7.

Q. Please explain your reasoning.

A. In presenting this analysis, I first document the fact that low-income customers tend to have lower usage levels than residential customers generally. While I do not assert that all low-income customers are also low use customers, I do reach the conclusion that low-income customers tend to be, and are disproportionately, also low use customers. Income and energy usage are directly related. As low use customers, low-income customers will be disproportionately harmed by the proposed increase in the fixed charge. In addition, I consider the ways in which the fixed charge impedes the ability of low-income customers to respond to higher bills through a reduction in their consumption.

Q. What data supports your conclusion that low-income customers tend to use less energy?

A. TEP has used a wide variety of data sources to support this conclusion in multiple UTC proceeding over the years.[91] Today I present the annual Consumer Expenditures Survey (CEX) published by the U.S. Department of Labor.[92] The CEX presents data on expenditures and not consumption, but supports the same conclusion. The Table below presents CEX data on natural gas expenditures using two measures of income: absolute dollars of income and deciles of income.

[91] Avista 2024 General Rate Case, Dkts. UE-UG-240006-07, Colton, Exh. RDC-1T at 64-77 (July 3, 2024); Puget Sound Energy 2024 General Rate Case, Dkts. UE-UG-240004-05, Colton, Exh. RDC-1T at 62-74 (Aug. 6, 2024); Puget Sound Energy 2022 General Rate Case, Dkts. UE-UG-220066-67, Pfeiffer-Rosenblum, Exh. APR-1T at 14-15 (Dec. 8, 2022).

[92] U.S. Bureau of Labor Statistics, Consumer Expenditures Surveys (2022), Tables 1110 and 1203, https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error.htm

Table 3. Natural Gas Expenditures by Income (2022)
(Consumer Expenditures Survey)

Less than $15,000	$15,000 to $29,999	$30,000 to $39,999	$40,000 to $49,999	$50,000 to $69,999	$70,000 to $99,999	$100,000 to $149,999	$150,000 to $199,999	$200,000 and more
$281	$371	$428	$477	$496	$541	$622	$718	$914

Lowest 10 percent	Second 10 percent	Third 10 percent	Fourth 10 percent	Fifth 10 percent	Sixth 10 percent	Seventh 10 percent	Eighth 10 percent	Ninth 10 percent	Highest 10 percent
$288	$351	$412	$476	$500	$507	$573	$624	$691	$928

Whether measured in absolute terms (dollars of income), or measured in relative terms (deciles of income), as income increases, per household natural gas expenditures increase as well.

Q. Do you have further concerns about an increase in the fixed monthly charge?

A. Yes. An increase in fixed charges impedes the ability of low-income customers to control their bills through a reduction in usage.

Q. What do you mean when you discuss low-income customers' efforts to reduce consumption?

A. "Reducing consumption" is not merely associated with energy efficiency improvements. Low-income households, particularly vulnerable low-income households (e.g., elderly, disabled, families with children), will take actions to try to reduce their bills to more affordable levels, frequently involving substantial household deprivation or the undertaking of substantial risks. Available research documents that low-income households also seek to reduce bills by reducing consumption, through actions such as closing parts of their home; reducing heating temperatures (even if to unsafe or unhealthy levels); or substituting the use of ovens or stoves to heat limited areas of their homes rather than using their heating systems to heat the entire home.

The National Energy Assistance Directors Association performs a periodic Congressionally-funded survey of the impacts of unaffordable home energy bills. The most recent survey, known as the National Energy Assistance (NEA) Survey, was performed in 2018.[93] Below I present data on three actions which low-income households take to reduce their energy consumption when they do not have sufficient money to pay utility bills.

Two observations are readily apparent from this data. First, taking dramatic actions to reduce home energy consumption is not at all uncommon within the low-income population when those customers do not have sufficient money to pay their home energy bills. From one-in-five (21%: 100 – 150% of Poverty) to one-in-three (34%: 0 – 50% of Poverty) customers close off parts of their home in almost every month, or in "some months," when they cannot afford to heat their homes. One-in-four customers (26%: 0 – 50% of Poverty) reduce the temperature in their homes to unsafe or unhealthy levels in almost every month or in some months. One-in-ten (or more) low-income customers use their kitchen stove or oven to heat their homes when they have insufficient money to pay their utility bills. Second, the extent to which these actions occur increases as incomes decrease in nearly every instance. Households with incomes less than 50% of

[93] Apprise, Inc., National Energy Assistance Directors Association, 2018 National Energy Assistance Survey Final Report (Dec. 2018), https://www.appriseinc.org/wp-content/uploads/2022/09/NEADA-2018-LIHEAP-Survey.pdf.

the FPL more frequently take these actions in almost every month or some months than do households with income at 100% to 150% of FPL.

Table 4. Energy Reduction Actions in Response to Inability-to-Pay
by Range of Federal Poverty Level
(each attributed to "not having enough money to pay energy bill")[94]

	Closed Off Part of Home			Kept Temp at Unsafe or Unhealthy Level			Used Kitchen Stove or Oven to Heat		
	0-50%	51-100%	100-150%	0-50%	51-100%	100-150%	0-50%	51-100%	100-150%
Almost every month	10%	14%	7%	8%	3%	3%	1%	1%	1%
Some months	24%	13%	14%	18%	12%	10%	14%	11%	8%
1 – 2 months	12%	10%	11%	7%	8%	9%	22%	19%	14%
Never / No	54%	63%	67%	67%	76%	76%	63%	69%	77%
Don't know/refused	0%	0%	<1%	0%	1%	2%	0%	0%	1%

This Table shows that low-income customers frequently take unsafe and unhealthy actions in their efforts to reduce bills to more affordable levels. Other data presented to the Commission, such research by Professor David Konisky, supports these findings.[95] It is unreasonable for Cascade to make it even more difficult for low-income households to reduce their bills when those households are already forced to resort to heating their homes (or only a portion of their homes) using their kitchen stove or oven, or keep their homes at unsafe or unhealthy temperatures because they cannot afford to pay their bills.

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[94] *Id*.

[95] *See* Puget Sound Energy 2022 General Rate Case, Dkt. UE-UG-220066-67, Konisky, Exh. DK-5 (Proceedings of the National Academy of Sciences: Behavioral and Financial Coping Strategies among Energy Insecure Households) and DK-7 (Nature Communications: Unveiling Hidden Energy Poverty using the Energy Equity Gap) (Dec. 8, 2023).

These households who are forced into engaging in these unsafe and unhealthy activities in their struggle to keep their home energy bills affordable are impeded in their efforts by the Company's proposal to increase its fixed monthly customer charge. The Company's proposal makes a higher part of the customer's monthly bill unavoidable through reduced consumption. Those low-income customers taking such actions, in other words, will face a smaller bill reduction as a result of their action should the Company's proposed increase in the fixed monthly customer charge be approved, potentially incentivizing more dangerous usage-reduction measures.

Q. What do you conclude?

A. I find that the Company's proposed increase in its residential fixed monthly customer charge will disproportionately harm low-income customers. For this reason, I recommend that the Commission deny Cascade's proposal to increase the basic charge.

If the Commission is inclined to allow an increase in the fixed charge, I alternatively recommend that the Commission embrace the regulatory principle of gradualism and only allow an increase of only $0.15-0.25 for the fixed charge during the rate plan. By any measure, the Company's proposal to more than double the basic charge eschews the regulatory principle of gradualism and for that reason alone should be rejected.

VIII. The Commission should not allow Cascade to recover the cost of fees which it and the Governor prohibited Cascade from charging as a result of the COVID-19 pandemic.

Q. What does Cascade propose concerning cost recovery of its COVID-19 deferral?

A. Company Witness Harris provides Exhibit ZLH-2, which includes five different categories of costs:

1. past due interest,
2. credit and collections,
3. bad debt expense,
4. uncharged reconnection fees and late payment fees, and
5. other direct costs.

Cascade does not request recovery of past due interest or credit and collections costs.[96]

Q. First, what is your opinion on the Company's proposal not to recover past due interest or credit and collections costs?

A. I agree with this part of the Company's proposal.

Q. Second, what is your opinion of Company's proposal to recover bad debt expense?

A. I do not object to the Company recovering bad debt expense from all customers.

Q. Third, what is your opinion of Company's proposal to recover costs from late payment and reconnection fees not charged to customers?

A. I do not think the Company should be allowed to recover these costs from customers. As I am not a revenue requirement analyst, my concerns are based on policy and equity considerations.

The basic issue here is whether it is appropriate for the Company to charge all its customers for unrecovered "uncharged" late payment and reconnection fees during the pandemic. These are fees which the Company was barred from charging during the pandemic by proclamations of the Governor and by Orders of the Commission. Cascade had no right to recover these fees from customers at the time and they were never charged. It is unfair to now permit the Company to, in effect, charge those prohibited fees to all of its customers by including them in rates going forward. Simply put, Cascade's proposal would result in thousands of customers for whom charges were waived

[96] Exh. ZLH-2, lines 8-9.

nonetheless paying an apportioned late fee, directly contrary to the Governor's proclamation. Additionally, Cascade customers who wouldn't have accrued late fees during the pandemic would be subjected to their costs.

Public Counsel and The Energy Project raised questions about the legality of recovering this category of COVID-19 costs at the time deferral of the costs was requested.[97] In its Order approving the deferral, the Commission explicitly stated that allowing the deferral of uncollected fees "in no way guarantees their later recovery, and the Commission can revisit this issue at the time it performs its prudence review."[98] The Commission should now decline to allow these costs to now be included in rates.

Q. What is the dollar amount of the uncharged fees Cascade seeks to recover?

A. Uncharged fees are the single largest line item in Exhibit ZLH-2, totaling $5.88 million.[99] Accordingly, the Commission should give Cascade's proposal an appropriate amount of scrutiny.

Q. What is your opinion of Company's proposal to recover other direct costs?

A. In this cost category, Cascade is asking its customers to pay the Company's costs for items like personal protective equipment, cleaning supplies, medical testing, and equipment for remote work options. These types of costs were incurred by nearly every individual household in Washington state including Cascade's customers. These

[97] See Dkt. UG-200479, Petition of Cascade Natural Gas Corp. for an Order Approving Deferral of Costs Associated with the COVID-19 Public Health Emergency, Joint Response of The Energy Project and Public Counsel, at 14-18 (Nov. 11, 2020), https://apiproxy.utc.wa.gov/cases/GetDocument?docID=75&year=2020&docketNumber=200479.

[98] Dkt. UG-200479, Order 01 Granting Accounting Petition Subject to Conditions, ¶ 23 (Dec. 10, 2020).

[99] Exh. ZLH-2, line 7.

customers had no ability to shift the costs to someone else, the costs were just borne as part of coping with the pandemic. There is a fundamental inequity in Cascade now asking its own customers to bear the Company's PPE, cleaning, and remote work costs, on top of their own. The Commission should also examine whether these costs were offset by savings that the Company experienced during the pandemic.

Q. Please summarize your recommendation concerning the COVID costs.

A. The Commission should allow Cascade to recover bad debt expenses, but decline to allow recovery of uncharged fees or other direct costs.

IX. Conclusion

Q. Can you please summarize your recommendations?

A. Yes. I recommend the Commission order Cascade to take the following actions:

1) Amend its Disconnection Policies to make four specific revisions:
   a. Remove the 'other debt' and account days in service criteria from the Disconnection Policies.
   b. Prohibit disconnection for customers owing less than $250 in arrears or who are less than 90 days past due.
   c. Remove implicit or explicit threats of disconnection from communication with customers who are not eligible for disconnection.
   d. When Cascade communicates with customers about past due balances in any format that is not a bill, include discussion of available energy assistance options and Community Action Agency information.
2) Undertake an equity review in consultation with its CARES and Equity Advisory Groups. The Commission should specifically require Cascade to take two steps:
   a. By May 1, 2025, present Cascade's disconnection for nonpayment policy and procedures to a meeting of its CARES and Equity Advisory Groups and solicit feedback on the equity impacts of its policy and procedures.
   b. By October 1, 2025, Cascade must incorporate the feedback it receives and make a subsequent filing (pursuant to WAC 480-07-885) with new disconnection policies and procedures. The subsequent filing will discuss any feedback received which Cascade did not incorporate and the reason why it did not incorporate that feedback.
3) Adopt a language access plan, directing Cascade to take five steps:
   a. By August 1, 2025, evaluate language barriers to accessing low-income programs in a draft language access plan,

b. By August 1, 2025, provide its CARES AG and the EAG a draft language access plan for its low-income programs and request feedback on the plan,

c. By December 1, 2025, incorporate feedback it receives, discuss any feedback received on the draft not incorporated into the final, state the reason Cascade did not incorporate the feedback into the final, and make a subsequent filing (pursuant to WAC 480-07-885) with a final language access plan for its low-income program,

d. Report on its progress toward accomplishing the language access plan in its annual energy assistance report to the Commission, and

e. Maintain and revise the language access plan as needed, with approval and feedback from the CARES AG and EAG.

4) Perform an annual bill burden analysis that includes an assessment of stratified bill burdens and identification of excess bill burdens, using various income levels.

5) Adopt affordability and equity performance metrics as stated in Exhibit 2 to this testimony.[100]

6) Deny Cascade's proposal to increase the basic charge.

7) When evaluating recovery of the COVID-19 deferral, allow Cascade to recover bad debt expenses, but decline to allow recovery of uncharged fees or other direct costs.

Q. Does this conclude your testimony?

A. Yes, thank you.

[100] Exh. SNS-2.