

# WEAF Advisory Group

## Agenda

March 8, 2023

**KEY TOPICS: New tracking document, WEAF decision, and bill discount rate tiers.**

**GOALS FOR MEETING OUTCOME: Finalize WEAF program status and possibly bill discount rate tiers.**

Tillis, Daniel - A little bit of a shift from what we had planned to discuss this week, but these are important topics. Over the last several months Cascade has been putting together a document that covers our program; including design considerations provided by Cascade, and some documentation from the stakeholders late last year and earlier this year. We've added to that the list of key decisions or general agreements that we've had since we started these discussions, and so Chris is going to cover that for us today, it may need some editing. Yochi and I talked last week, and he wanted to have a discussion around a couple of options on how to proceed with WEAF, so that will be our 2<sup>nd</sup> topic. One option is to eliminate WEAF and implement a new arrearage management program, the other is for us to keep WEAF for now and just implement a bill discount program to work in conjunction with WEAF and then evaluate where we want to go in the future; Yochi will provide some more insight on that, hopefully we'll decide on that today. And that will dictate where we go in in our future meetings, then if we have time and it's appropriate based on the decision, Chris will talk about the spreadsheet. Again, he sent a separate document earlier today that he'll go through to explain the crossover and see how far we get into the spreadsheet. This was a topic that we put on the agenda after the last meeting. I find it unlikely we'll get to it, but if we do have time, then we'll talk about the bill discount qualification process and how we might envision that process working. I will turn it over to Chris to discuss our program design considerations and key decisions document.

### 1. Program Design Considerations+Key Decisions Document – Chris Mickelson

Mickelson, Christopher - The document is broken up into three parts. The first part are the goals of the Washington low-income program, the second is action items to accomplish the goals and the third part is the key decision and agreements that we've had so far, to help solidify them in a document. We all know when and what we agreed to, and now I'm going to go a bit in reverse. We obviously want to reduce the burden, keep customers connected, increase participation, and have this driven by data. We want this program to supplement LIHEAP and meet different requirements, whether that be Senate Bill 5295 or the CCA. Any questions on the goals or the key decisions and agreements?

Yochi Zakai - Thanks for taking the time with everything you've done over the past couple weeks, really appreciate it. No questions on the key decisions and agreements. With the goals, I was thinking about something that we could add; something that talks more holistically about financial stabilization because I think that is one of the things that the CAA's are trying to do. We shouldn't think about energy burden just at one point in time, but over a more long-term horizon which is implementing a discount as opposed to a single one-time grant, really covers the longer time

horizon. And, then thinking about stabilizing a household financially in more than just energy assistance, and that's not to say that the program needs to be designed to do that, but the program should be designed to support CAA efforts to do that.

Mickelson, Christopher - OK. So, you received this document, I think last Friday. Feel free to track changes, add or edit to this document and share with this group. The next piece are the action items; how programs interface, income eligibility, and getting more into those nuances. I looked at what Avista provided with their advisory group and a lot of these are what was covered as part of their program design. I took a lot of that and made it Cascade centric in our Washington low-income program design.

I won't go through each of these action items, they're pretty straightforward, but if anyone has any questions on them, please voice concerns or questions.

Yochi Zakai - What do you mean by marketability?

Mickelson, Christopher - I believe that was how the program gets marketed across our service territory and with the agencies.

Tillis, Daniel - I think it's also how attractive the program is to customers, and how do we design it and share the program with customers in a way that they respond.

Mickelson, Christopher - The program name could help with that marketability.

Yochi Zakai - So two things that have been important for the Community Action Agencies that I would want to be sure that we highlight here, joint communications plan; I think the way you're describing it, a joint communication plan probably should be separate from what you described as marketability. And then I would want to add, which we've discussed is Information sharing, a specific program design element that we would want to address and the referral process. Those things are a little bit related, but I think are separate items that I would include as distinct elements if I was coming up with a list.

Mickelson, Christopher - OK. Anyone else?

Tillis, Daniel - When we review the minutes, we can also use those to make the change in the first section or take a shot at making the change in the first section, and the other two changes in this section. We can send it out and see if we got it right or see if you'll need to edit it.

Mickelson, Christopher - I'm not sure if our goal is still to get this Washington low-income program in place for the next program year or what we would normally consider the WEAF program year, which is in October I believe, but if so, we're coming down to our last 6 to 9 meetings. So, depending on when we would need to file with the Commission a program, so it can get approved and still allow enough time for Cascade to take care of any back-office type issues, we'll need to make decisions.

Yochi Zakai - So the schedule that PSE and Avista are on, they're aiming to make a filing with the Commission, kind of describing where the program is on July 1<sup>st</sup> and then implementing on October 1<sup>st</sup>, which might require us to meet a little more often. If we are going to go for that goal, but I

would be supportive of trying to hit that same schedule to get the utilities in line in terms of the Commission process for approval.

Tillis, Daniel - I think that's the goal we've discussed internally as a July filing for October 1st effective date, I'm 100% behind that. I'd like to get a bill discount rate program in place October 1 this year, so I think that timeline takes us to the next topic because I think that's part of the decision as far as how we handle WEAFF, so if there's nothing else on the first topic, Yochi please share your information.

Charlee Thompson – I also support that the October 1st implementation.

## 2. Program Design Options (eliminate WEAFF or keep as is) – Yochi Zakai

Yochi Zakai - OK, as I was working with the program spreadsheet to figure out the discount tiers, aiming towards a design to provide the discount to minimize that burden, or put it at a certain percentage level, the thought came up what assistance programs should be included and excluded when we're considering energy burden for customers in each tier. I appreciated the revisions that were made to the spreadsheet so that we can now look at energy burden with the bill discount and then with the bill discount and with LIHEAP.

I think that what I was trying to wrap my head around is which one of those should we be aiming to include. And then the other decision in making that determination would be if the WEAFF program should continue, or not. Let me walk through the decision-making process that we've gone through with PSE and Avista on this same point and then we can discuss what the best thing would be for Cascade's program, any questions before we start? Talking about what the best thing for Cascade's program would be, Avista decided not to continue their traditional LIHEAP grant-based program and instead transition to primarily using just the bill discount rate. They established a bill discount rate looking at the energy burden to customers after the bill discount percentage. So, that was assuming there's no grant-based program and it was also not assuming that customers got LIHEAP and then they designed, as I understand it, their bill discount to minimize energy burden. Looking at just the impact of the bill discount rate and as a result, they ended up with some very high percentages for discounts that are provided, customers in Tier 1 and Tier 2 with the lowest incomes. As we've seen that's 94% and 75% and that's how they arrived at those numbers. Then when we were going through this process with PSE, we decided that we would retain the PSE Help program which provides usage-based grants like the WEAFF program. When PSE was looking at designing their discount tiers, they included both the impact of the bill discount rate as well as the impact of the Help program, then looked at the application of both of those programs, what is the energy burden of the customer. Again, assuming that LIHEAP was not provided to the customers, so I feel like at this point we're at kind of a similar decision point for the Cascade program. If we're going to continue WEAFF, it feels like we should design a bill discount rate that accounts for the fact that WEAFF is going to continue, or should we go more of the route that Avista went, and that Cascade was assuming we would go, and not continue the current WEAFF program and just have a discount rate that is designed to minimize energy burden. Assuming that the bill discount is the only tool that's there right now. I feel like I would be open to either of those. The other thing we've discussed is LIHEAP, and I think it's important not to assume that LIHEAP is provided because there are certain

customers who are not eligible for LIHEAP, and so for that reason, I don't think it's appropriate when setting the tiers to assume that a customer would be able to access LIHEAP. I hope that made sense and I would be happy to answer any questions.

Tillis, Daniel - I would add that the option to keep WEAFF and implement a bill discount rate is the approach we ended up taking in Oregon. There are a few reasons why we took that approach being a timing situation there as well, and in Oregon our program is considered temporary. Similar to the discussions we had late last year, but it's temporary in the sense that it's not like a one year and then we have to change it approach. It's temporary while we evaluate how it's working and make decisions on where we go for the bill discount rate and any changes to OLIBA which is the equivalent of WEAFF in Oregon. That is what we currently have in Oregon with OLIBA still in place, works like WEAFF, and then a bill discount rate. Separately, we do qualify them together, so we have a calculator that can determine if a customer qualifies for an OLIBA pledge and at the same time, if/what tier of bill discount rate they qualify for. I would say if we went with that approach with leaving WEAFF in place in Washington, I would like to see us do that in Washington, not to get too far down the road. When we did make those changes in Oregon, I'd say we made a couple of other changes also. At the time, our Cascade employees started qualifying customers for OLIBA and the bill discount rate program at the same time, and that's an important approach for the company because we just feel like we get to help a lot more customers sooner that way. That's another component I would like to see us have included if we decide to keep WEAFF. And I guess I would just add that based on the conversation we just had on the timeline, it may be tight getting a filing and go live for the bill discount rate program, I would be supportive of leaving WEAFF in place for now and getting all the details worked out for a bill discount rate program. Once we get that implemented, start having a conversation on the long-term future if we want to shoot for October 1, 2024, for arrearage management program or just evaluate it for a year or two to see how it goes and then decide where we want to go.

Mickelson, Christopher – Yochi, if WEAFF stays in place with an energy discount program, are there still the same cap limitations, same minimum thresholds? Do those get readjusted recognizing that these customers hopefully we'll have much lower bills and be good stewards of these funds, are look at maybe adjusting those.

Yochi Zakai - I think if WEAFF stays in place then we could set the discount percentages, assuming that the minimums and the caps are there. That's one approach, and that was kind of the approach that PSE took and what I was thinking as the default, but just because it's the default doesn't mean it's the best idea. So, if we decide to go down that road, I'm open to talking about other ways to do it as well.

Tillis, Daniel - Anybody else have any thoughts, Shannon? You work very closely with WEAFF and OLIBA both and the EDP now, what are your thoughts on whether we leave WEAFF in place and implement a bill discount rate, or if we should continue going down the path of making both changes at once.

Steed, Shannon - I think that if we make changes, those should be made at once and that would help prevent customer confusion as well as agency staff confusion. My primary concern is that the program still remain as accessible as possible to everyone, both customers and users.

Yochi Zakai - We haven't heard from any CAAs and I'd love to hear what you all think. I'm open to both approaches.

Lorena Shah – I know my preference, but this is a direction that I'm really supportive of. I like this direction because I think it will really help bring down the energy burden of some of our higher users so we're not wholly reliant on LIHEAP, and as Misty pointed out, there's a group of people that won't get LIHEAP, so I'm very supportive of this and appreciate the companies willingness to consider. And it's nice to hear that this is something similar to what's already being implemented down in Oregon. So, we're not way off base here with doing something totally different.

Tillis, Daniel – Lorena, if I can clarify, when you say you're supportive of this approach, which approach are you talking about?

Lorena Shah - Keeping WEAFF, having a discount plus be considered in the overall energy burden reduction.

Tillis, Daniel - OK, thank you.

Misty Velasquez Community Action of Skagit- I am totally on the same page as Lorena. I feel that there's a huge population of people that don't qualify for LIHEAP and to get their energy burden lower, they're going to need another program to fall back on, besides the discount program.

Tillis, Daniel - I think just for clarification, regardless of which direction we go, a customer will have the opportunity to get assistance for arrearages, which is what we've done in part today, and qualify for the bill discount rate program. So, if we stick with WEAFF then they get help with arrearages and potentially a credit on their bill in the same way they do today, plus potentially qualify for the bill discount rate program, just the tier would be the only variant there. But if we move to an arrearage management program, same thing, there would be an AMP in place to help with arrearage, they wouldn't have a credit on the account opportunity and then they could also qualify for a bill discount rate program. So, unless I'm missing something, that's how I see that the two options working, it looks like Lorena and Misty both have input.

Lorena Shah - So just to be clear, are you saying that with the idea of keeping WEAFF you would not do an AMP? Because I think I was still under the impression there would be an amp to handle arrears and then the combination of WEAFF and bill discount rate would be the more forward components to bringing down the energy burden.

Tillis, Daniel -Yochi, keep me straight, if the way I recall our discussion from last week, the two options we were considering was keep WEAFF in place as it is today and implement a bill discount rate program or eliminate WEAFF and replace it with a traditional type AMP and implement a bill discount rate program at the same time.

Misty Velasquez Community Action of Skagit - So I was kind of going on the same line as Lorena there, but I also wanted to put an input in that basically if you go with the AMP, you're saying a person has to have an arrearage in order to get their burden down instead of at the beginning. I guess the way I'm looking at it is why a person has to be behind to keep their energy burden down instead of just being able to pay their bill. And yes, having a credit possibly from the WEAFF but an arrearage management program only helps the people who are in arrearages.

Tillis, Daniel - Correct. That is traditional AMP. Would a customer be required to have a past due balance to receive assistance through an AMP?

Misty Velasquez Community Action of Skagit - Those households who are struggling to pay their bill would be forced to go into arrearages to be able to keep their cost burden or energy burden down.

Tillis, Daniel - Well, they could still qualify for a bill discount rate on future bills. Just to clarify what we've done in Oregon, we kept OLIBA, which is the equivalent of WEA and implemented a bill discount rate program. We did not also implement an AMP.

Yochi Zakai - So to respond to Misty, I think it is possible that you could design a bill discount program with discounts that are high enough such that the bill discount on its own reduces average energy burden in each tier to, you know, somewhere between 2 and 3%. You have to feel comfortable with numbers on the discount closer to what we're seeing with the Avista and obviously we'd use the Cascade data. With that being said, to respond to Dan, I think that we could also include an arrearage management program. I think you could have a bill discount program and an arrearage management program and LIHEAP, the way I envision that would work is, you process all the other payments before you start the arrearage management program. Ideally WEA will wipe out arrearages and then if it doesn't the arrearage management program is designed to deal with whatever is left. I think you could have all of them.

Lorena Shah - If people are falling behind and then we're using their grants that were traditionally designed to help pay future costs like LIHEAP, I know there's an arrearage component to it right now. But setting that aside as we don't know the future of that, now they will get their LIHEAP, WEA pledge and any additional AMP that's needed, then we get them qualified for a bill discount. But let's say that bill discount caps out at 50%, they still can't pay the bill going forward because they can't pay 50% of what they owe. That is an uncomfortable energy burden for them. And so that's where I'm struggling a little, I know I've used this example, but it is a real example; there are certain households that just won't go into arrears, and they will be struggling to pay to keep up. And so, then the only thing available for those folks are making choices between heating and eating, all those are really hard choices that they won't see their energy burden removed. They'll see it reduced through the bill discount rate, but that's like the only thing that's available to them, if they're not running arrears. I'm struggling with clearing the arrears out, using LIHEAP and potentially WEA before an AMP. It feels like we're just setting them up to have to come back in and do that all over again in a year or whenever they can get in next for an appointment, and I don't know if that were the direction I would support going. I know we need to maximize LIHEAP and we're still contending with what that looks like.

Pfordte, Byron - You mentioned people who don't have arrearages, reducing their energy burden through a WEA type program. And, I'm a little confused, if they don't have an arrearage and we're still applying an energy discount, I mean beyond that I'm not sure what more we could do. And then I think when we initially pitched this AMP program, the thought was that the relief would come in one lump sum as opposed to paying down a certain percentage each month. And in my mind that kind of kills two birds with one stone. It reduces that energy burden and gets them back on track with one program.

Lorena Shah - But how does it reduce an energy burden other than through the bill discount rate going forward? We wipe out the arrearage and then we're reducing it to a certain degree with a bill discount rate. But right now, those bill discount rates are on the low side compared to other utility like Avista's approach. So, they still have quite an energy burden and nothing to really reduce it. We reduced the past energy burden, I guess, but we're not reducing a future energy burden, except for by the bill discount rate.

Tillis, Daniel - It goes back to where Yochi was saying with the bill discount percentages to account for reducing the energy burden without help from LIHEAP or WEAF adding to a credit on the account today. WEAF doesn't require a customer to be past due. They can be obviously and that's where, at least what I've seen, a lot of those come from is a customer gets past due and asks for help. But then you have those who are past due but then they can also create a credit on their account. I believe it's up to \$300.00 if I remember right. So that helps with the past due and helps offset future arrearages and therefore future balances and therefore energy burden. It might require some changes to WEAF, we already increased the amounts. There was a reason for that, but it might have to look at the total credits that are pledges that can be provided and look at whether it does still allow for a credit on the account beyond just removing the past due balance. And then I think it would be the combination of that plus the energy discount percentages that would reduce the energy burden to a level that we're comfortable with. And I guess with that input, since it was mentioned that PSE has taken the approach of leaving their existing assistance program in place and just implementing a new bill discount rate, How are they addressing the questions about not having an AMP, WEAF and the bill discount rate all in place at the same time, that that feels confusing to me; having three programs and then four when you add in LIHEAP, and then five, when you had in Winter Help. I can't imagine how it would feel to the customer or an agency, even managing other programs, not just Cascades programs. And I guess my thoughts would be if we want to keep WEAF, let's keep WEAF alone with the bill discount program and modify WEAF to be what we want it to be, or just eliminate. We can even get an AMP and adjust the bill discount percentages. However, we think we need to adjust them to get to the right energy burden percentage.

Pfordte, Byron - I would say that if we're going to make changes to WEAF, we might as well proceed with an AMPED program.

Lorena Shah - For me, I think if the company is comfortable with significantly raising the discount for certain income tiers I am comfortable with that approach along with an AMP because I think that will help especially our lowest income folks, it will drive down their energy burden, future focus, and has a mechanism for addressing the arrears. I am supportive of either direction if we're going with a simplified program. The current kind of assumptions we've been playing with as far as bill discount rates really, really need to go up.

Tillis, Daniel – Just to take a step back so we're all our understanding what the other utilities are doing is all the same. From what I understand PSE is implementing a bill discount rate program while keeping their current energy assistance program in place, which I think is a rate payer funded program similar to WEAF and not a traditional amp. And then Avista is eliminating their traditional rate payer non-AMP assistance program and implementing an AMP, a traditional AMP, while at the same time the new bill discount rate program. Is that correct?

Yochi Zakai - Yeah, that's my understanding. I would just add that Avista also has a hardship program that allows Community Action agencies to provide a grant based to income qualified customers and other hardships, so they have up to 350 or something like that. So, there's just this other catch all for customers that need additional help that might not otherwise get it under the design of existing programs. And that's something that we've asked PSE to consider implementing as well because we are concerned with kind of that hole with addressing arrearages in the proposal as it stands now. I think having that flexibility of letting the CAA define what's a hardship and then having an additional ratepayer funded program available is helpful. I need to think more about exactly everything that's going to go into Cascade's program, but sorry I should answer your question directly and everything you said is accurate. But Avista also has this extra hardship program that's ratepayer funded.

Charlee Thompson - Avista is the one with the very high BDR tiers and percentages.

Tillis, Daniel - And we do have our winter help program for Cascade customers that can be used for additional assistance as well. One of the things that we'll have to figure out through this process is how we want that utilized within whatever the new framework is, but it's actually company and customer funded through donations.

Yochi Zakai - Both Avista and PSE have that voluntary donation program as well.

Tillis, Daniel - As we've gone through this discussion, my current opinion is that I'm totally OK with either approach. We keep what we have in place with making some modifications to it while implementing a bill discount rate or eliminating WEAFF and creating an AMP while also implementing the bill discount rate. I have a difficult time understanding the need for WEAFF and AMP and a bill discount rate in place altogether. I would rather see where we need to increase our bill discount rate percentages to avoid that so that we only have either WEAFF or an AMP and a bill discount rate to manage and not three different programs plus Winter Help plus LIHEAP. I'd rather go one direction or the other way and not both.

Yochi Zakai - Misty or anyone else at the CAA's do you have the additional thoughts? I'd love to make some space for any more of your perspectives.

Misty Velasquez Community Action of Skagit - I'm just trying to digest what everybody is saying, so I don't really have anything more than what I've already said. I do agree that if WEAFF goes away, I would advocate for higher BDR rates to benefit the clients and drop their rate plus burden percent.

Vern Gurnard— Keep WEAFF.

Misty Velasquez Community Action of Skagit - Don't get me wrong, I would love to keep the program as well. I think it is a benefit to all clients, including the right discount program is a benefit with both of them together.

Tillis, Daniel - When you say you want to keep WEAFF, is that how it works today or do you think if we're implementing a bill discount rate program, we should make some changes to WEAFF?

Misty Velasquez Community Action of Skagit - What kind of changes are you thinking that would need to be changed?



Tillis, Daniel - One example is that it allows up for a credit to be created on the account. So, whether the customer has arrearages or not, they can qualify and then have a credit on the account to help with future bills, which is the purpose of the bill discount rate, to help with future bills. And so, you have the two programs both addressing future charges, it seems like having just one program address future charges would be a little simpler.

Misty Velasquez Community Action of Skagit - It may be simpler, but I am on the end that sees the struggle from the clients who struggle just to pay their bill, even if their bill is discounted, they're going to struggle to pay that discounted price. If we could alleviate that struggle just a little bit more with a credit that lasts for however long, few months or four or five months, so that they don't have to pay a bill, I see that as a benefit to the customer.

Tillis, Daniel – An example would help - let's say we have a customer who has \$200.00 arrearages, and they qualify for a \$700.00 WEAFF credit, and they get a \$700.00 WEAFF pledge, which creates a \$500.00 credit on their account. Now if I give them a bill discount rate that is X percent, how do I calculate that?

Misty Velasquez Community Action of Skagit - So I guess my question is how? I mean if we're calculating the benefit now, we're calculating it off of usage, not off of how much the client is billed. Would it continue to be billed or done off usage, or would it be done off how much that client must pay? Because if it is based off what the client is paying versus what their usage is, their amount is going to be drastically less.

Tillis, Daniel - So first, I should not have used that example with a \$500.00 credit, cause that's not possible with WEAFF, but so \$300 credit. Our goal as a company would be to have a new calculator that calculates both the bill discount rate and WEAFF or AMP based on past due balance, not past usage because again, the bill discount rate will account for usage because it is going to be a X percent discount on the customer's current bill. So, I guess another way to say my concern related specifically to credits being created on the accounts, is that if you allow WEAFF to continue as it is today and create a credit on the account, then you have to account for that in the bill discount rate somehow.

Yochi Zakai – I'm not able to come to a decision today and will take it back, so we can all think about it. But under the option where we don't continue WEAFF, I was wondering if I could share my screen, I played with the calculator kind of as we were sitting here and discussing, and I want to make sure that folks understand the kind of extent of discounts. I feel like it would be necessary to get to where we have somewhere around 2.1 or whatever low twos for the lowest tier income customers, 1.9% energy burden using just the bill discount alone. You're looking at, something in the 90s for Tier 1, something in the 80s for Tier 2. The 60s for Tier 3 and the 50s and the 30s for Tier 4/5. I just wanted to clarify that if we go down the route that like the company is preferring and that the CAA's are pushing back on, I feel like we would need very high discount rates, something along these lines in order to feel comfortable with that.

Mickelson, Christopher - I'm looking at the proposal. There are two issues that concern me - one the program costs \$43 million a year and then essentially customers with FPL of 100% percent or less

are getting free utilities. After they get other assistance; it looks like the energy discount gets them to say 2% and then other assistance gets them to negative burdens. So, in essence free utilities. I mean, if that's what we're trying to do, why not just design a program that gives customers at, say, 100% FPL. It just gives him free utilities and not have to try and design it. EDP, LIHEAP, plus an AMP and everything else, just throwing that out there.

Ortiz, Noemi - But it seems that at one point or another it would come into not necessarily a conflict of interest, but to receive both benefits. I guess you could say if it's providing the same assistance and then receiving the same duplicating efforts, customers receiving the same, but caveat that you can get either WEAFF or the bill discount program if that's in the thought. Especially in an energy discount, one that Community Action levels, it's kind of one or the other, not necessarily both, because it would turn out to be essentially going to a 0, for utility is what it would be at a 0 cost.

Tillis, Daniel - The more I think about that, having an arrearage management program and just a bill discount rate program with the appropriate correct tiers is the better approach. And because I think an arrearage management program, in a lot of cases, is going to be a customer who has gotten behind and not asked for help, they've managed to keep up in the past, now they can't keep up. They've gotten behind and they finally need to ask for help and to get caught up, an arrearage management program helps them get to 0 and get caught up. And then at the same time they qualify for the bill discount rate program which is intended to reduce their energy burden going forward to something less, to an acceptable percentage less than 6% total for all utilities is the minimum threshold for that. And so, because of the way those would work together, to me, having an AMP that addresses arrearage will help you get back whole. And now I'm going to help you reduce your burden going forward to me is the better approach.

Yochi Zakai - I'd like to respond to Chris and say I think we could design it so that we maximize the federal benefit and that there needs to be a whole conversation about how to maximize the federal benefit with LIHEAP and I think one option that we could consider is, LIHEAP is applied to the full bill amount pre bill discount and kind of pays off the entire bill for a month or two or however long it lasts. And then after LIHEAP is exhausted, the bill discount applies to keep energy burden down. So that is potentially one way, not saying it's the only way, but it's one way to address that concern and to maximize federal funding.

Charlee Thompson - That's what Avista is proposing right now too. I think they're saying to safeguard their direct service funds, the discount should apply to the remaining bill amount after LIHEAP benefit has been exhausted. So that that makes sense to me, Yochi.

Mickelson, Christopher - Do you know if they're doing that through their billing system? Because I I'm just not sure how that would work within the billing system, and I'm not our billing system guru.

Charlee Thompson - I'm also unsure as a non-billing system guru.

Yochi Zakai - I think if you're interested in that, it would be great if you could reach out to them and see what they're thinking there, I'm not sure that they have all their billing system stuff figured out, but this was actually a point that I think they decided on a couple months ago. So, I wouldn't be surprised if they've put more thought into it. The other thing to note about maximizing federal funds through LIHEAP is that we would want to continue calculating LIHEAP, assuming there was no bill

discount, so you know if in year two of the program we have a customer come in who's been receiving the discount when we go in to calculate their LIHEAP usage, we would want to assume a bill as if there was no discount so that we would maximize federal funds. I haven't looked into this myself, but I think we even heard from one of the CAA's that that was kind of a program design and requirement for LIHEAP, which is something to keep in mind for the billing system folks as well.

Tillis, Daniel - Cascade really has no impact on the LIHEAP calculation. That's completely out of our control, other than receiving the LIHEAP pledges and applying them to customer accounts, we really don't do much with LIHEAP.

Misty Velasquez Community Action of Skagit - The thing on that though is with you creating the program with the right discount program, are you going to be able to give the organizations the amount prior to the discount in a history?

Tillis, Daniel – So is LIHEAP based on past bill amounts or is it based on usage?

Misty Velasquez Community Action of Skagit - Usage.

Tillis, Daniel - OK. We could still give you usage.

Misty Velasquez Community Action of Skagit (Guest) - It's the cost of usage, so we need the amount, not the kilowatt hours.

Tillis, Daniel – I believe the bill would still show the amount the customer would have been billed and then it'll apply the discount percentage and then the new amount due. I think I'd have to look at the bill just to make sure that's how it's working. But I feel like that's correct. So that data would still be available. Misty I'm 90% confident, but I can confirm. And LIHEAP does allow credit to be created on the account, so I think systematically, if you think about, let's say we approve a customer for a bill discount rate before they get LIHEAP assistance, and then they get LIHEAP assistance, we get the pledge and we apply it. If it takes the bill to zero, the next time they get billed, they'll get that discount on the current bill amount. But if they have a credit, they'll still get a discount on what they're being billed. But it just will take longer for them to use up that credit, right.

Misty Velasquez Community Action of Skagit - Yeah, that's the way I envisioned it. The client would pay nothing until the discount is applied. It would be taken off whatever the customer owed and taken off their LIHEAP benefit. They would get a zero bill like they do now.

Tillis, Daniel - We could find a customer bill in Oregon where they've received LIHEAP and maybe got into a credit balance and see how that's working. We could see how LIHEAP and the bill discount program are working together in general and in Oregon.

Misty Velasquez Community Action of Skagit – If WEAFF goes away and we're using the LIHEAP program like that, it's all of those people who don't qualify for LIHEAP and the people above 150% to the 80% AMI or whatever it is that we're 200% FPL or all of them, that that could benefit from that WEAFF program.

Yochi Zakai - Misty, I think you're trying to get at the same point and that is we want a program that reduces energy burden for customers based on income, regardless of if they qualify for LIHEAP or not.

Misty Velasquez Community Action of Skagit - Yes.

Yochi Zakai - We have some undocumented customers who are not going to be able to qualify for LIHEAP, and we still want to have a program that can reduce their burden and not assume that they would get assistance from LIHEAP.

Misty Velasquez Community Action of Skagit - Yes, thank you, Yochi.

Tillis, Daniel - I think that's fair. I believe we can achieve that with just either a WEAF or AMP and BDR with one of those two, not both, because it's just about setting the percentages of the right level for the bill discount rate.

Yochi Zakai - And then figuring out the interaction with LIHEAP.

Tillis, Daniel - I agree. Cory, any thoughts on all of this? You've been rather quiet today.

Corey Dahl - I don't have immediate thoughts. I'm still trying to catch up from last week since I was out all of last week, so I'll take the time that I need to look at the materials, but based on the conversations we've had around maintaining, I generally do agree with the consensus.

Tillis, Daniel - So one of the things I've asked just chatting here a little bit with Shannon, maybe in Oregon find some bills where the customer has received LIHEAP and see the interaction between it and the bill discount rate program, we have in place there and OLIBA. That again is what we have in place in Oregon. The OLIBA program that we had in place was previously like WEAF and then a bill discount rate and then nothing has changed with the LIHEAP or Winter Help. I haven't heard of any concerns with customers not getting enough assistance through those programs to reduce their energy burden. And in Oregon, OLIBA can't create a credit balance, because it actually can only cover up to 90% of the past due balance. That's actually one of the changes I think we made during the implementation of the bill discount rate program. As we shifted to percentage pledges by tier, which we haven't gotten to that yet this round of talks, but we shared what that might look like last year when we were talking about a temporary AMPED program or at some point during the year we talked about AMP.

Yochi Zakai - I think this has been a really good discussion, but it sounds like the discussion is coming close to running its course.

Tillis, Daniel - I would agree, and I don't think we have time really to pick up any other parts of the agenda at this point. I don't know that any of the other topics would even make sense right now, since we don't have our decision on which approach we want to take. Do we want to give everyone some time to think more about the options and come back to the next meeting to decide one way or the other? And I guess with that, do we want to start meeting weekly with this group.

Charlee Thompson - I could do weekly. I think that would make sense for the timeline that we're hoping to stay on.

Corey Dahl - I think that sounds like a reasonable plan, I can do weekly as well.

Lorena Shah - Would that just be adding like one more to our schedule keeping them all at the same time but one of those weeks during the month?

Tillis, Daniel - I think that's how it would work. Unless we want to try to double up, I think there might be the occasional time where it could work. Next week, we have the full advisory group meeting, so unless you wanted to have a small group meeting and the advisory group meeting that week, then yes, you'd basically be adding one a month which will hopefully be enough. That means the additional meeting this month, for example, would be on the 29th.

Lorena Shah - And then one on the 5th potentially?

Tillis, Daniel -Yes.

Lorena Shah - So we're meeting the 2nd, 3rd and 4th I think currently. 2nd and 4th for this meeting, third for the WEAf or something like that.

Tillis, Daniel - Yes, that looks correct as I glance through the calendar here.

Lorena Shah - I'm up for adding those additional Wednesdays at this time and probably could swing a couple before the main WEAf too, if it was just like the hour before. I don't think I can really schedule outside of this Wednesday time due to other stuff.

Tillis, Daniel – We could schedule an hour if we want to have some dialogue on this before the full advisory group meeting next week. If you all want to talk separately and send a group consensus on your position ahead of time, I think that would be good. We have a meeting internally on Friday to talk about this topic and we could also come to a consensus internally, in our opinion. I've shared my opinion a lot today, but that doesn't mean everybody else on the Cascade team agrees with me, but we could come to a consensus and put together our thoughts and send them out to the group as well. Everybody good with that?

Charlee Thompson - Yep, that sounds good.

Tillis, Daniel - Any other topics for today before we wrap up? No - thanks everyone. I thought it was a great discussion. Have a have a good evening.