

# WEAF Advisory Group

## Agenda

March 22, 2023

**KEY TOPICS: AMP/WEAF decision, bill discount rate tiers and qualification process.**

**GOALS FOR MEETING OUTCOME: Finalize decision on AMP/WEAF and possibly bill discount rate tiers.**

### 1. Program Design Options (AMP or WEAF with BDR) – Yochi Zakai

Tillis, Daniel - Item 1, we're definitely going to get to and depending on how long it takes us to get to a decision on that topic, we may or may not have time for 2 and 3, and then 4 is just discussing what we're going to talk about next time, which we will definitely spend some time doing so. I mentioned that Yochi was listed for #1, and that's just a carryover from the last meeting that I didn't change. I think it's really going to, number ones more of a group discussion anyways, but I can kick us off with a refresher on the decision we need to make and essentially a decision on what the other programs for assistance will be for customers. The other utilities we've discussed so far, Avista and Puget Sound Energy are doing two different things, with Avista eliminating their traditional LIRAP Assistance Program and implementing an arrearage forgiveness/management program for customers to complement their bill discount rate program. Then Puget Sound Energy is keeping their traditional PSE help program to compliment the new bill discount rate program. The company's position originally and still continues to be, that as we implement the new bill discount rate program, we'd like to utilize that to help customers with future energy burden and provide a significant discount depending on FPL and AMI to reduce energy burden going forward once the customer is qualified and then eliminate WEAF and implement a new arrearage management program, or an arrearage forgiveness management program, to help with past energy burden for customers who have built up a past due balance. Thinking about how that might work, similar to Avista customers at 50% FPL or lower would likely qualify for arrearage forgiveness and only use the word "likely" because we haven't set those tiers yet, and then above 51% to 200% would qualify for an arrearage management program where over the course of time maybe 12 months they would receive a set percentage of arrearage forgiveness each month, if they make a payment of past due and current charges each month, and then at the end of that period the balance would be eliminated. The other option the company has considered initially, would give arrearage forgiveness to those customers up front at a certain percentage level to eliminate somewhere between 40 and 100% of the arrearage. For those customers above 51% probably, 40% and 75% or something like that, and pay the rest of the past due balance at that point. There's been some conversation and potentially support for keeping or implementing a new arrearage forgiveness or management plan and keeping some portion of WEAF. The other part of the company's recommendation is that we utilize Winter Help, which is the company and customer donation fund, which currently sits at over \$100,000 in that fund, to help bridge any hardship or crisis situations for our customers. Just to be clear, the company's recommendation is a new bill discount rate program with tiers set at the appropriate levels that this group agrees on, an arrearage forgiveness program for customers at the

lowest income tiers and an arrearage management program at the threshold of where forgiveness stops up to 200% FPL, and then Winter Help to use as a supplemental fund to help when all those other options are exhausted. I think I'll just leave it right there and just open it up for anyone who wants to provide feedback on the company's recommendation. Any new recommendations that have been discussed since our last meeting 2 weeks ago? While I'm waiting to see if anybody jumps in, I'll just share that if we choose to go with the company's recommendation or some version of it utilizing Winter Help, we will work with this group to help recreate or revise the current guidelines for that fund to make sure it's doing what we want it to do.

Yochi Zakai - What? No one's responding? I guess I'll start. I just want to acknowledge what we heard last time from some of the agencies is that they had a preference towards keeping the WEAFF program. As I mentioned, I think that I could be comfortable going with the kind of Avista program design where we don't keep the WEAFF program as we're able to have sufficiently high rates, that without LIHEAP or other assistance, we're bringing energy burden down to the agreed upon level, whatever that is 3% or 2% energy burden. With the AMP that gives immediate forgiveness to the lowest income customers, but for others would have a 12-month payoff period. Then when it comes to the Winter Help program, I have a little bit of concern about relying on a voluntary program, but I think it should stay within that first period. Let me say this clearly, I think this also comes back to a conversation we had over e-mail about dealing with the overlap with LIHEAP. If we are not assuming that LIHEAP is available when we're setting the discount rate and the arrearage management plan, then I'm comfortable not adding a different program and keeping Winter Help. But the corollary to that is I want to make sure that we are designing the program such that we're not replacing federal dollars with ratepayer dollars, in turn would entail the Avista approach that that I sent out. I think you responded with some concerns Dan of applying the LIHEAP benefit before the bill discount such that we're not substituting what was formerly served by federal dollars with ratepayer dollars. That's my overall impression and thank you for the opportunity to respond.

Tillis, Daniel - Thanks Yochi. I'll take the last part first and that's the LIHEAP interaction with the other assistance funds, I definitely confirmed that's not what we're doing. As I shared with that example from Oregon with the bill discount rate program, we have had actually quite a few discussions with Avista about how they're doing that since you shared that e-mail and they seem to have found a way to automate it, but and I passed that on to our CIS IT team and we actually have a meeting Friday on that as well as how we can make an AMP work that spreads out over 12 months with the customer commitment and company forgiveness each month. So, that's the two big topics in that meeting. Both of those would be a lot of work for us, but we might have to start manual with some of that and then automate it. Anyways, I definitely like letting those LIHEAP funds exhaust on the account before any other assistance is applied, so I think we all agree with that. As far as the bill discount rate and Winter Help and LIHEAP, it's a lot and so I think if we decided to keep some part of WEAFF, I have a hard time figuring out where Winter Help fits in. If you have a bill discount rate to help with future energy burden, you have an average forgiveness/management plan to help with past burden, and then you have WEAFF to somehow address any other possible scenarios, then I just don't see where Winter Help is all that useful anymore. In fact, I think it's a little underutilized right now based on the amount of money that's building up in the fund, so as we sit here today with LIHEAP and WEAFF in place and nothing else, I think it seems like Winter Help is a little underutilized in both states because it is for both Washington and Oregon. I guess if we decided to keep WEAFF,

then I'd I would question whether we should continue to solicit donations for Winter Help. If we decide to eliminate WEAFF, then I definitely think we want to keep Winter Help. We did learn that Avista's donation fund is a shared fuel fund, so it's shared by all the utilities who participate in Washington, where ours is just Cascade alone. There aren't any other companies who share in that with us.

Yochi Zakai - Good to know. I'm really glad that you're exploring ways that you can both have an AMP that spread things out over 12 months and figure out how to apply the LIHEAP amount before the bill discount. I think those would be to great improvements for the entire customer base. Thanks for doing the work to figure that out.

Charlee Thompson - I don't really have anything new to add, but for the sake of adding a voice to those thoughts and maybe towards a consensus, I just wanted to say that I agree with Yochi's statements, I would also be comfortable with a program that has LIHEAP and AMP and BDR interplay with each other. And I'm very happy to hear that Cascade is looking into the automation that this program is capable of using with LIHEAP as well as the AMP. I really like Avista's design. It came out of a lot of discussion and research supported by advocates and CAP Agencies in that discussion. And I know this is a different group of advocates and CAP Agencies, but I think it would be an improvement and one that we can strive towards here. So that's all. Thanks.

Tillis, Daniel - Thank you, Charlee. Any additional thoughts beyond what Yochi and Charlee have shared on this topic?

Lorena Shah - I just wanted to say that I'm also feeling really good about the AMP and this LIHEAP piece, because that is really important, and I feel really comfortable with a robust discount rate if we get a robust discount rate and doing away with WEAFF. I think as long as we can agree on the bill discount rate tiers that get us to that energy burden level that we want to see, this feels like it's moving in a good direction.

Tillis, Daniel - OK. Thanks, Lorena. So maybe to try to move along here, can we say we have a tentative agreement to implement a bill discount rate program with agreed upon discount levels after discussion with this group? And while we implement that bill discount rate program, we'll eliminate WEAFF as it exists today and implement a new arrearage forgiveness and arrearage management plan program similar to Avista. Maybe not exactly the same, but similar to Avista, we like it a lot, so I think it will end up being very close. And utilize Winter Help to help in crisis hardship situations where customers are about to be disconnected and they meet criteria to get that help because they don't qualify for other help, or they've already received that, or something like that. We'll partner to build out what that Winter Help crisis hardship program looks like.

Corey Dahl (PCU-he/him) - That sounds reasonable to me, Dan.

Charlee Thompson - Yeah, I think that sounds good.

2. Bill discount rate tiers (if appropriate based on item 2 decision) – Chris Mickelson

Tillis, Daniel - Any objections at all? No- awesome. Chris, I think we have time to jump into #2. I know you've been doing some work on what tiers and discount rates. I agree Charlee – we will show what the tiers and discount rates might look like for the bill discount rate program and in various scenarios.

Mickelson, Christopher - First, before I share, did anyone have questions on the FPL, FPL AMI crossover equation explanation? This has kind of been one of those items that have lingered over the last few weeks. I want to make sure we take care of any questions there first.

Corey Dahl (PCU-he/him) - I don't have any. The explainer that you sent was really helpful.

Mickelson, Christopher - Alright.

Yochi Zakai - I want to echo that. I found it very helpful, thank you.

Charlee Thompson - Agreed. Thank you.

Mickelson, Christopher - Based off what Dan laid out and as he indicated, we've looked very closely at what Avista did based on their tiers, even very similar in discount levels and on their arrears forgiveness or arrearage management type programs and so this is what we're proposing for the tiers, the discount levels and then the same for the AMP, energy burden. We're kind of using two terminologies. They both mean the same. The discount gets customers down to 3 1/2% or lower energy burden before or after the discount but before WEA, but with LIHEAP a lot of those customers go to essentially 0 or even a negative energy burden. At a 12% enrollment, this keeps the program just below \$3.3 million, which keeps it slightly under a 5% for that first year or just above 3% on that first year. Any questions on the last model I sent? I think Lorena asked if she could have the first tier stay, but other tiers move around. I made it so the model could do that. So, do these tiers and discount levels for the energy discount program seem appropriate? This basically aligns with Avista. This accomplishes the goal on energy burden basis while also trying to keep overall program costs down.

Yochi Zakai - Thanks Chris. I really like this framework and how we're approaching it, so thank you for sharing and putting it together. My question again is not an objection, but just one of understanding, it looks like you're targeting 3 1/2% energy burden for most of the customers, and then a 3% energy burden for those in the in the highest income tier, can you talk a little bit about the thinking that went into choosing those targets?

Mickelson, Christopher - Sure. So based off the energy burden before a discount tier, I wouldn't really give Tier 5 much of a discount, but it sounds like everybody wanted something in there and something greater than probably 1% would have been required, because that's what my minimum was. So, the way I looked at it is, the overall goal of the Senate bill was 6% energy burden figuring gas is somewhere between 1 and 3, and no more than 1/2 of that energy burden since that energy burden is both electric and gas. If we say we're one third, that means we would have to get it inverse. So, we'd have to go from 6% down to 4% and if we're half, then we have to take it to 3%. And so, I kind of split the middle and said, 3 1/2, that's in between the four and the 3% energy burden that Cascade's trying to get these customers down to and then obviously the electric will have to do the other half of that energy burden.

Yochi Zakai - Those numbers where gas is typically a third or 1/2 of the energy burden, where did those numbers come from?

Mickelson, Christopher - That was back in the initial LINA report. The low-income assessment report we had showing that; of that 6% energy burden, what makes up the majority of that electric? And then it was gas and propane and other fuel sources, so, correct.

Yochi Zakai - Great. So, remind me of the date, that was recent right within the past couple years?

Mickelson, Christopher - Yeah, that was probably this time last year.

Yochi Zakai - OK, great, thank you.

Tillis, Daniel - As I look at the percentages, I might want some rounding that could help with some of that as well. Obviously, we're not going to do these decimals of .3, .6, .7. But we might want to consider rounding Tier 1 down to 95 Tier 2 down to 70 Tier 3 we can decide down to 40 maybe and then I don't know what it does to the rest of them, but these seem like pretty reasonable discount levels for each tier.

Yochi Zakai - I agree. Well, we'll have to figure out the specifics and if we want round numbers or exactly how to design that. There is one thing that came up in **PSCM**, kind of our earlier discussions here where we were talking about adding a minimum benefit amount trying to help customers who are asking for help and making it worthwhile for them to come in if they are approaching us and saying they need help. We would provide some kind of minimum amount and, if I recall correctly, we increased the minimum amount to \$125 and now we have the average discount amount in the top tier being kind of lower than that. So that's one thing that I think is making me pause a bit as I want to think about what level of discount can we be providing to the customers in that top tier such that we are making it worth their while to come in. But obviously having it be a lower amount because those customers are on average, less burdened and then I think we will see customers approach us that are either in the more burdened half of that or the more burdened customers within that higher incomes here or that have other circumstances that have really driven them to need help. That's kind of a thought that makes me think a \$65 average discount might not be an incentive, might not make it worth it. So anyway, the one thought that I had.

Mickelson, Christopher - Well, it's more than just the energy discount. They would also be getting arrears management and so that combined benefit is around \$245.00. By the way, this discount is only looking at the average strictly on the energy discount, but that average discount is on all bills, the overall benefit that a Tier 5 customer is getting is close to \$250.

Yochi Zakai - Assuming they have arrears.

Tillis, Daniel - Correct. If they have a past due balance, then the total would be close to \$250 if they don't and they qualify going forward for the energy discount for a bill discount rate then it would be closer to that \$65 level on average. I think the good part about having five tiers. You get to distinguish between the income levels a little bit more, the negative of that is at that the top tier, you get to a much lower percentage discount because of what that income level is and the energy burden is as Chris mentioned, if we treat it the same way at 3 1/2% after the discount, then it

wouldn't even be that high. So in Oregon, for example, we have just 4 tiers and the discount percentage doesn't quite get that low.

Mickelson, Christopher - Any other thoughts?

Yochi Zakai - Can you share this proposal, Chris? I know we could probably go in and put those specific amounts there, but if you wouldn't mind emailing it out, I think that would be good.

Mickelson, Christopher- Yes, I'll send it out after this meeting.

Yochi Zakai - Again, I think generally I like the direction we're going. I think we're just going to have to think about what kind of tweaks we might want to make but I generally like the direction this is going.

Mickelson, Christopher - Alright, sounds good. By the way, kind of going slightly off topic, but wanted to give an update from our last meeting, granted probably not all these agencies are on there, but this is the breakdown of the agencies and the funds they'll get for the CBO. I believe Shannon or Dan will be working with those agencies to work on getting funds out to everyone. It looks like we got 5 participating. Woohoo.

Tillis, Daniel - I think we decided last week that we'll change the next full Advisory Group meeting out for a small group meeting, I think was the 19<sup>th</sup>. We'll work out the details during that meeting and then then we'll get the funds out.

Mickelson, Christopher - And the reporting required.

Tillis, Daniel - Correct. So, if I'm hearing you right, you want to spend some time with this updated spreadsheet. Anyone else have any initial questions here or thoughts before we wrap up this discussion and try to spend some time on the qualification process, at least open up that conversation.

Corey Dahl (PCU-he/him)– My initial reaction is I think it's definitely headed in the right direction, and I appreciate Cascade's willingness to go with the recommendation that we had. I think we're headed in the right direction, and we can set all the details.

Tillis, Daniel - All right, so this will be our primary topic for the next small group meeting next week. Hopefully, we can get the tiers in the discount levels all finalized by then. That'll be some great progress to get us to that July 1 filing date or approximate. The next topic on the agenda is the bill discount qualification process and I fully recognize we probably won't make any big decisions on that today. But I think since we have plenty of time, it's worth having some discussion about how the current qualification process works in Oregon and then we can discuss any information that you feel is relevant for the qualification processes that you're aware of, for a Avista or Puget Sound Energy. And that can drive some conversation and dialogue. I've mentioned in the past meetings, that as of October 1 of last year we implemented our bill discount rate program, EDP, in Oregon and at the same time we made some changes to OLIBA, kind of the WEAf equivalent there. Our goal was to eliminate OLIBA and get to an AMP in Oregon as well, but just the time crunch didn't allow us to do that last year. One of the key changes was it became possible for Cascade employees to qualify customers directly for OLIBA and the bill discount rate program. We also changed the OLIBA calculator to the tiered arrearage management percentages that Chris shared earlier. This would be

relevant in that with the way it works right now with OLIBA is that customers in the four tiers, for their past due balance, they get a certain amount of forgiveness right up front for that past due balance, up to 95% for the lowest of the four tiers. There's no commitment after that from the customer, they just get whatever that forgiveness is and then they need to pay the rest either immediately or enter into a pay plan or time payment arrangement, and then Winter Help is available to bridge certain gaps. For example, customers reconnecting after a disconnect for non-pay, there's an upfront amount due to allow for that reconnect. If they only qualify through OLIBA for a certain amount of coverage, then Winter Help can be used to cover that gap if the customer doesn't have that to pay at the time. Agencies and the company qualify customers for OLIBA and the bill discount rate program in Oregon; we use the same calculator, we have the same process and then the agencies use the assist portal to provide us anything that they qualify the customer for. I currently envision it working for Washington somewhat similar in that Cascade employees would be able to qualify customers for the arrearage forgiveness/management program, the bill discount rate program at the same time, hopefully the same calculator, and then utilize Winter Help for any crisis, hardship issues or bridge any gaps, and then the agencies would be able to do the same.

Yochi Zakai - I think it's reasonable to have the company enroll folks but the important thing there is just making sure that we have the referral process from when a customer is enrolled by the company to the CAAs so that they can hopefully get them in for LIHEAP and weatherization and all the other programs that they offer. As long as we're able to have that strong referral process where all of that information is passed along, including all the data fields that we discussed, and we have a mechanism to get that to the Community Action Agencies, and have metrics where we're tracking how many customers are enrolled by the company that actually make it to the Community Action Agencies and how many don't because I think that's going to be important to track, to see how successful we are. I think if we have those two then we're comfortable with moving forward with the company and rolling customers.

Tillis, Daniel - OK, thanks. I would add that our goal would be to have a calculator similar to what the new WEA calculator is, that provides both the AMP forgiveness amount and energy discount amount at the same time without having to use multiple calculators. Just plug in the key inputs and then it would generate the percent discount and arrearage plan, or plan to address the arrearage at the same time for both the company employees and the agencies. Any other thoughts on the qualification process itself?

Yochi Zakai - I guess my other thought of that is that we will also want to work with the company on a script, but your call center folks probably aren't using, to ask some of the questions that are on there. I think we'd want to coordinate to make sure that you can chat with the Community Action Agencies who have experience asking those questions, even if they are voluntary and figuring out a way to provide training so that everybody who is asking them can do so in a way that is more likely to elicit responses. The situation I want to avoid is that the company's call center folks say this isn't required, so don't bother. But this is valuable information and so some discussion around that as well I think would be helpful once we're at the implementation phase.

Tillis, Daniel - Yeah, I totally agree. I appreciate the offer to partner on developing scripting or verbiage for our team members to use to really enter in the conversations with customers who are in a difficult situation and are seeking help potentially, or we're proactively offering the help and

then also gathering the other data outside of just the qualification. I think that will be really important. With that also some verbiage at the end on the best way to transition into a referral to the agencies, so we'll be able to share the value that that will bring if they contact the agency after that referral, that will be helpful. We'll get into a lot more details on the qualification process after we figure out the discount levels and the arrearage forgiveness/management levels. There's a lot of work to be done there, but I think we have a general framework for how we want it to work.

Yochi Zakai - I would just add, I think we've kind of figured this out, at least in terms of the details of income calculation with Avista and PSE and so we might not want to get into that today but I think we could kind of provide an overview of where we landed there and see if that might be a good launching point for how we would do it here. I'm sorry, I'm in so many of these discussions I'm forgetting exactly where we've gotten into detail and where we haven't. But I would just say generally we're looking to keep it consistent with LIHEAP so that the calculation only has to be done once.

Tillis, Daniel - And with that, are you suggesting that you want the calculation to be usage based instead of bill amount based, because LIHEAP uses usage.

Yochi Zakai - Sorry, I should be more specific. The calculation of income to be consistent with the way that LIHEAP calculates income.

Tillis, Daniel - OK, great. I think sharing more on how the other utilities are going about the calculation would be good to have. I did talk to Avista briefly last week, but mostly through the e-mail conversations, they've shared a lot of their documentation. Some of which includes their calculator so we have some insight into that and can start getting some of that from PSE as well.

Yochi Zakai - Yeah, I think what we did with PSE was figuring out when you were looking at income kind of having check boxes for the different types of income. And so that way when a customer is providing their income, you can say, do you have this income, was it included, do you have this type of income, was it included and that way we're making sure that their self-attestation is a little bit more accurate and then when the customer ends up with the CAA, they will have access to those checkboxes and know the types of income that I'm likely going to need to discuss what this customer, I'm ready to hit those first and make the conversation faster.

Lorena Shah - I think also PSE's looking at bucketing those income types depending on whether they're an earned income from a job which gets a deduction or a fixed income. A fixed income where some are taxed, and some are not. So, we've been discussing, it's kind of four fields with various ways to bucket income together or in addition to the check boxes, I think we haven't quite settled on exactly what those buckets are. But looking at around 4, you would have your earned income that would take a 20% deduction, then some sort of taxed unemployment taxed, potentially, though, we thought about maybe just ditching that all together and then your fixed incomes like SSA that don't change for the year. But we haven't landed exactly on those buckets yet, the goal is to keep it aligned with the LIHEAP calculation of income.

Tillis, Daniel - That's all good to know from Yochi and Lorena because we definitely don't do it that way in Oregon today. We have a very basic process that's utilized so if we go in that direction, it'll be a very different process in Washington.

Lorena Shah - Does Oregon collect it as gross income or net income, or how do they ask for it?

Tillis, Daniel - We ask for the gross income.

Lorena Shah - OK. I'm not necessarily opposed to simplifying it. I kind of like the idea of trying two different approaches, but I was curious about gross versus net.

Tillis, Daniel - Maybe for the next meeting, if we have time after we talk through the tiers and discount levels, we can get a view of how you do that for LIHEAP and what it's looking like for PSE so far to give us some idea of how it would work.

Charlee Thompson - I think that makes sense. Avista decided on gross income with deductions in alignment with LIHEAP and then as the Lorena was pointing out PSE, still discussing this, but it sounds like they're on board with at least gross income and I think are worth though discussing the deductions and alignment with LIHEAP, component of it.

### 3. Bill discount qualification process (if time permits) – Dan Tillis

Tillis, Daniel - OK, so moving to our last agenda topic, and if anybody has anything on the other topics that we need to talk about again, we certainly can, if we've moved on too fast here. But, looking at the agenda and thinking we've got general agreement on number one now. So, I think two and three would be our primary topics with two being for sure the primary and then three if we have time and more of the discussion on how Avista and PSE are collecting income and how we might want to do that part of the qualification process. That seems like a good idea of topics for the next meeting. Any others, any different topics you'd rather have? Obviously, we have to have this one because that's an important next step.

Corey Dahl (PCU-he/him) - Yeah, I think those topics that are teed up look good to me in terms of future topics, since I don't think that we would be able to handle more than those two topics in one meeting. But in terms of the income verification, I think that Avista has a good model to run from in terms of the basic process that's been set up there, we can look at some of the details and what might work better for Cascade's situation and what the agencies think is reasonable in terms of the percentage of applicants through self-attestation or percentage of applicants that are verified. We can look at that, but just queuing that up for a future conversation and something for consideration.

Yochi Zakai - Yeah, thanks Corey. That was actually what I was going to suggest too. I don't think we need to put it on the calendar next time, but that seems like the other kind of big topic that would be good to address. And if you want, I actually just pulled up Avista's slides where they went over their verification process, if we have the time. If you think it would be productive, I'd be happy to put those up and we could at least ground ourselves in what that process looks like and think about if that might work for Cascade or if we're going to want to make any modifications. But I like using that as a template to build from.

Tillis, Daniel - Yeah, I think that'd be a great use of time.

Yochi Zakai - So this was Avista's presentation to their full advisory group, kind of summarizing what their committee has agreed upon to date. This is their verification program, they decided to use a

random selection from the previous month's enrollment, so they are not looking at a probability model. They decided to go with 6% of the total enrollment pool and then they also decided that those who have already been verified or everybody who enrolled, and they want to make sure and their choosing randomly 6% of those. And then if some of those 6% already had their income verified, for example, because they already requested LIHEAP or participated in weatherization or something like that, then they wouldn't have to actually do anything. But their number was called and have already been verified, so that's fine. And I would note that 6% seems to be at the high end of where discussions are with others, so I don't think we've settled on a percentage for PSE, but I think in looking around and where the discussion was, I think it was around 3%. So, the next one, the agencies were going to be looking to get the verification done within 90 days and they essentially decided that they would tell customers that it was a 90-day timeline, but termination from the program actually wouldn't occur until 120 days. So, there would be a little bit of lag for customers who were late coming in or who are coming in right at the deadline and then they also had a provision that customers that were terminated for nonresponse but then came in within 90 days and actually submitted their documentation would get back credits assuming that they were enrolled for the entire time. Should I keep going or any questions at this point?

Charlee Thompson - Avista did note that they're not going to use the word terminated or termination when talking to customers.

Yochi Zakai - Yeah, all that terminology is going to have to be carefully, carefully selected. Charlie can, can you take this?

Charlee Thompson - When you have customers that have been selected, they have the 90-day window to go to an agency and provide proof of income for verification. There's going to be some of them that don't respond. Those who don't respond can come back after their 90 day of response period had ended and if they do that within, I think it's another 90 days they can be provided that back credit to whatever amount of months that they missed. And then this provision is saying that also for those nonresponse customers. CAP agencies who have information in their system from enrollment and other programs or however they might be able to verify customers if there are capabilities they can do take the initiative to go try to verify customers income to be able to proactively keep them in the program, even though they didn't respond kind of as a safeguard or a backstop. And then Avista, there's the second dash line there. Avista, we still have to talk about this, but we're also discussing how to keep medically fragile customers enrolled for longer, or if there's a different process that we can use for them to keep them even if they don't respond. If we could keep them enrolled in the program to continue their benefits, so that was still at the point to talk about.

Yochi Zakai - The next two are pretty self-explanatory that the verification should be in the customer's preferred contact method. The letters address why the customer was terminated. I think that's pretty self-explanatory. Either they're over income or they just didn't respond and they're still eligible. And then Avista decided to do a two-year enrollment term and they said that if a customer's income is verified, this might be whatever 90 days, 100 days, whatever after they originally enrolled that the two year term would reset once they provided their income.

Charlee Thompson – It looks like there's six touch points. Communication touch points between the utility or the utility and agency will together contact the customer six times. 3 letters and three other notices in preferred form of communication that the customer specified text or call or e-mail.

Sylvia Schaeffer - I agree Yochi, that is a lot, especially when we have 10 other funds, programs that we're running. That's a lot of communication to try to track somebody down but I mean, that wouldn't be something we could do just to be fair to my staff and the amount of work that we're doing already.

Charlee Thompson - That makes sense, and I'm sure that could be adjusted for different utilities. Two of those communications that you can kind of see on Yochi's screen that there's just one letter from the utility, you've been randomly selected. It's just that first notification, the last one is a letter from the utility again, the final notice; this amount of time has passed, and you're being removed from the program, here's why and here's what you can do about it. And if you get reenrolled here are the back benefits that you can get for what you missed, so it's four notifications or four reminders, talk to your local agency, here is the contact information.

Corey Dahl (PCU-he/him) - Yeah, I'll just jump in here. Definitely more steeped in the Avista conversation than I am, but I had I filled in for one of my team members yesterday at Avista's Advisory Group. What they've agreed to is quite a few contacts and we can certainly discuss what works best in in Cascade's case here, but a couple of things to note that might reduce the lack of a better term, sticker shock of that number of communications, is that it's obviously not going to be for all customers who enroll through self-attestation, so it's going to be a percentage of that who are verified, so that obviously reduces that workload a bit. But there's another provision within the verification process that Avista has agreed to that they are going to be taking, I believe they've agreed to 6% verification, so 6% in the month after someone has self-attested will be to verify the income, so it's just that subset of customers within the month after they've applied through self-attestation and within those customers and, apologies if this is not making sense, I'm trying to walk through it the best I can through the steps, but within that 6% of those randomly selected if a customer has already verified their income through an appointment with the agency. If they've applied for other benefits, they're good to go, so there doesn't have to be any additional contact. So those are just some things to think about. I'm not saying that it's not going to result in that much more work for the agencies, but just filling in some more details that might provide a bit more perspective on what workload might look like to make those contacts.

Sylvia Schaeffer - If I can say also that I think that we try to get our customers or clients and it either Cascade or specific powers, customers applications done within two days. So I mean we work as fast as we can to make sure that the clients are getting their benefits in a timely manner. So I think when this happens, I think we'll still keep that same focus to get these applications done as quickly as we can and not the 3%, 90 days or whatever, that just piles up work for us, so we try to be a little bit more efficient in getting these things processed and we'll have the same focus as we do with our other programs with this.

Tillis, Daniel - Thanks for reviewing that, it was all really helpful, coincidentally Ana from Avista did share a few of these slides with us just this morning. In fact, in response to questions we've been asking and it's really very timely for our work in Oregon and trying to finalize our post qualification verification process there and what we're going to be doing for Washington. When I reviewed the

information this morning from Ana, I was pleased to see they're doing it monthly. That's our most recent recommendation in Oregon. There was some discussion about waiting longer to start the verification process and I think we all know customers lives can change very quickly. And if you wait 90-120 or longer days then you're not really verifying what they told you when they initially qualified, in my opinion. So, I think we were very supportive of monthly selection of customers to be verified on post qualification, my initial thoughts are 90 days feels like a long time to try to go through the verification process. Not saying I wouldn't support that, it's just that my initial response is it feels like a long time. And then the 6%; we have talked about 3% in Oregon and on some of our discussions here. I've started thinking maybe 3% feels a little low, but the 6% includes customers who have already verified through other means. I think we were intending for our 3% to just be those customers who qualify through self-attestation. There is a difference there. I guess you could do it either way and probably get to a similar percentage and I think we'd prefer to figure out a way to just pick a percentage of those who only qualified or qualified only through self-attestation and not through some other means. And then if we found that they had qualified through some other means, we could check them off as being verified. I think we're open to the different approaches that we could take there, and I think we've already agreed the agencies will do the post qualification verification, and certainly Sylvia, I hear you on the workload. That's part of why 90 days feels like a long time because you're still trying to verify each month, that workload's going to pile up, right? Unless you get people to respond and it's going to become cumulative over that period and not end as soon as you might like, you attempt to contact the customer and verify them to send in the information, so they have to balance that between giving the customer enough time to respond. So those are my initial thoughts.

Sylvia Schaeffer - I absolutely agree. With that, we would never deny anybody help. We will wait the 90 days if that's what it takes. But if we can get them done sooner, then that's what we'll do.

Corey Dahl (PCU-he/him) - Yeah, just reacting to that, I think that definitely makes sense. We want to make the process as efficient as possible for everyone, and that includes the company, the agency and the customers, but just clarifying a couple things you had mentioned, Dan; my understanding and Charlee correct me if this is not correct, how the 6% with Avista works is that they would be pulling from self-attested customers, but if in the time between the self-attestation and when customers are selected for verification, they have since provided income verification to the agency for example, then those customers would be pulled out. So, it's not necessarily that the customers come to the agency right away and they didn't do self-attestation or some other means of qualification instead. It's providing an off ramp for the agencies and the customers who have already provided income documentation after self-attestation, so it's not a duplicative process. Is that right, Charlee?

Charlee Thompson - Yeah, I think so. I think you asked a question that was kind of getting at this to Avista yesterday at their energy Assistance Division Group meeting and I know PUC is having the discussion of should we have a more formal communication or outreach to customers? That's kind of saying we're self-attesting, but if you provide income right now you won't even be put in the pool for selection for verification, that's what PSE's discussing, and Avista hasn't quite discussed that point. But I do think that if someone comes in and gets verified for another program or something like that, and that gets passed along through the agency and into this BDR program then they would also be removed from that 6% if they were selected. So short answered, yes, that makes sense.

Corey Dahl (PCU-he/him) - OK, good. I'm glad that I understood it. And I think something to keep in mind, just generally speaking is that I'm running under the assumption that we're not going to get all the details right in this first go round, so it's an iterative process. And if 6% or whatever details we're talking about, the number of contacts is too much, if 90 days is too much, we'll figure that out and agencies will probably have a really good sense of what percentage of customers respond to requests, how quickly they respond, and what type of communication they respond best to. If it's communication from the company or from the agency, that's stuff we're all going to learn, and we can certainly adjust our approach to this based on that learning to make sure that it's successful and recognize that the ultimate goal of this is to keep customers in the program.

Lorena Shah - Yeah, I totally agree with what Corey was just saying there about this being iterative and we're going to learn a lot. But I personally do like the 90 days. I assume this 90 days sequentially starts when that first utility letter goes out and then lands in the mailbox. Then we're going to pick it up. We're going to try three times or whatever we land on. I feel like Avista is pretty reasonable, because those three contacts are emails and text message or a call depending on what that client's preference is, we're going to probably do that in over a two or three-week period. Then we'll kind of let it sit for a minute, go back with that final letter around the month and 1/2 mark and then that's it if they don't respond. So, I do feel like it seems reasonable. The 90 days seems like a good place to start from. And then we learn what we learn like Cory said, and of go from there. I think functionally, two of them, the utility is handling. So really, we're just doing our best effort to try to reach out to the clients a few times based on their method of contact and then that final response letter from the agency, it doesn't feel a whole lot different from what we might be doing already to try to like to get somebody who we've got appended file with right now and don't want to deny him. Going back to Sylvia's point, we're probably going to want to do as much of this on the front end as we can, and we definitely don't want to deny anybody that we don't have to. So I just I think for me Avista's approach to the time frame and the number of contacts seems reasonable functionally even if it seems a little heavy on paper. I don't have a good sense of the percentage and what that means for the agency, so don't really have an opinion on that right now, it'll be reasonable whenever we choose.

Tillis, Daniel - Has Avista provided any insight on how the agencies will advise Avista that you've been able to verify the customers income or not. Is that going to be through their work bench, I think they call it.

Charlee Thompson - I think I also forget what it's called, Dan, but it is like a shared portal that the agencies and Avista has access to so I assume that's where their communications and data sharing would happen.

Yochi Zakai - PSE also has a portal that they maintain. It seems like there needs to be an effective and secure way for customer information to be passed, between the agencies and the company in whatever format because the customer lists and demographic information are going to have to be provided to the agencies when the company has collected it. I think they're providing every week and then there's going to have to be information obviously that comes back the other way.

Tillis, Daniel - We can start exploring our timeline on our portal to get something set up or figure out what our other options might be.

Yochi Zakai - As we're talking about enrollment, I would like to consider this because this is going to be a self-attestation program and because everybody that's getting assistance now is providing documentations of income. I think it would be great if we could go back within a certain defined period, whether that be a year or two and just take everybody who got assistance and had their income verified as a part of that process and have them enrolled as the program starts automatically. Kind of a batch enrollment to start out.

Tillis, Daniel – Definitely, that's what we did in Oregon. We went back 12 months and anybody who had qualified for any energy assistance at all, if we had their FPL or SMI in Oregon, then we qualified them at the appropriate tier. If we didn't because they just qualified for LIHEAP and we didn't get that information, then we qualified them at the top tier and then sent them a letter advising that we had done that and that they can contact the company if they feel like they might qualify for a different discount level. Just yesterday we received a final data sharing agreement with Housing and Community Services organization who handles LIHEAP in Oregon, where they will provide us, every month, file for customers who qualify for LIHEAP with their household size and income, and we'll be able to use that to enroll those customers in the appropriate tier based on their income level and their FPL or SMI in Oregon; whereas today, if they only qualify for LIHEAP, we auto enroll the customer anyways. But again, it's only at that top tier of 15%, not the appropriate level based on their income. So we want to set up a process similar to that in Washington wherever the right source of that data is, if it's the agency sending us something every month for anyone they qualify for LIHEAP, or if it's the Department of Commerce or wherever that might be, we definitely like to get that income and household size data from somewhere so that we can qualify those customers for the appropriate discount percentage.

Lorena Shah - So in that sense, Dan, you're thinking it would simply be a list with just a few fields, not really a separate sort of application that you'd be looking for us to fill out for BDR applications.

Tillis, Daniel - Correct. Maybe once we get the Oregon report, which we should get our first one soon, we could potentially just use a similar report with those fields or maybe something that can be submitted just through the portal. We can figure out the best way to do that, but it's important data, so that also saves us time on the back end if the customer calls back end to requalify. It's best for the customer to get into the right tier up front, but we definitely will do that auto enrollment right at the very beginning, on or about October 1st, where we auto enroll those customers without them having to apply for the bill discount rate.

Yochi Zakai - I wonder if over the summer that you might be able to work with the CAAs to get the people enrolled in LIHEAP which you don't have income data for if the CAA might be able to get that to you so we could have a more accurate count, a more accurate tier placement for those customers as well, because we know they'll be at least 150% FPL, so they can definitely go in that tier because they are LIHEAP. But they could qualify for an even higher discount.

Tillis, Daniel - Yeah, that's a good idea.

Yochi Zakai - I didn't run that by the agencies though.

Lorena Shah - I'll speak on behalf of my agency; I think it'd be just fine. The vast majority get WEAF anyway, so you're going to have that information on the AMI tier level or the FPL, whatever it is, the

one that we send along so I don't think that would be a problem to do at all. I did want to loop back to what I was just asking previously about sort of the perhaps a lack of application that the agencies would fill out for a BDR app, but I think there's some of those voluntary fields that we want to make sure we're capturing from both from our agencies. If we are originating the BDR application and like we've talked about that the utility would collect as well, like those the race and demographic data. So, we want to make sure we're both collecting and reporting that so that there is an aggregate somewhere, within CNG to then analyze that data as needed because if we're only sending real basic LIHEAP data, then you'll be missing all of our demographic data in order to analyze the program.

Tillis, Daniel - Yeah, that's a good point too.

Lorena Shah - If we can get away with not having an application, I do like that so we can keep it simple, but we do applications all the time too if that makes it easier.

#### 4. Set key topic(s) for next meeting – Dan Tillis

Tillis, Daniel - I think we would definitely rather avoid you all having to duplicate any of your efforts. And so maybe if there's a way for you all to download what you put in your system once you have an application that we can work with that somehow. We're coming up against time here. I will say I've edited the agenda for next week a little bit just to add the post qualification verification process if time permits. If we have an hour and a half in these meetings, if we get to a point in the first couple of topics where we can't talk anymore, I think it's valuable to utilize the time. I will send the agenda out in the next day or two. Right now, I have bill discount tiers and rate or percent discount, the qualification process, including how we collect income; that being the primary focus, and then the post qualification verification process. Does that agenda work for everybody for next week?

Corey Dahl (PCU-he/him) - That sounds good.

Tillis, Daniel - OK, I see a few nodding heads and a thumbs up. Alright, very good. Got all three methods of affirmation. That's always great. Anything else before we wrap up for the day?

Yochi Zakai - Thanks so much. Really productive meeting.

Tillis, Daniel - Great. Thanks everyone. Have a great rest of your day.