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Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Sq. Loop SE
Lacey, Washington 98503

Re: Docket UG-230470, The Energy Project's Response to Compliance Filing of Puget Sound Energy

Dear Jeff Killip:

On April 25, 2024, Puget Sound Energy (PSE) submitted a compliance filing discussing how it provided 70,000 customers Climate Commitment Act (CCA) low-income bill credits. On June 20, 2024, Commission Staff filed a letter responding to this compliance filing. The Energy Project (TEP) was unaware of PSE's filing earlier before being served Staff's response, so was unable to respond earlier. TEP respectfully submits this response to PSE's compliance filing.

TEP provides this response in order to inform the Commission of the impact of its order on low-income customers in PSE's service territory. PSE describes the methods used to identify and provide 70,000 gas customers low-income CCA credit, but does not disclose the number of customers enrolled through the four methods described in its filing. Approximately 55,000 of those customers (~79%) were identified and enrolled through the fourth method using Experian data and therefore only received the CCA low-income bill credit and a temporary enrollment to the BDR at the lowest 5% discount tier. At the time of PSE's filing, the company intended to disenroll these customers from the BDR after 6 months if they did not apply for energy assistance by self-declaring their income like all other customers applying for the BDR.

The Energy Project met with PSE in May 2024 to discuss the Experian auto-enrollees, and PSE informed TEP that at that time, only about 2,000 of the 55,000 customers had applied for the BDR. With approximately 53,000 customers scheduled to be disenrolled

from the BDR shortly, TEP requested that PSE extend the BDR enrollment, at minimum, into the fall and conduct additional outreach to encourage those customers to directly apply for BDR by self-declaring their income.¹ PSE agreed, though TEP does not know when PSE plans to disenroll these customers or the extent of their ongoing outreach.

TEP understood the intent of Order 01 as a call to protect a significant number of low-income customers from CCA charges by enrolling them in the BDR in an ongoing fashion. In evaluating PSE's compliance, the Commission should consider how many of these customers will continue to receive the BDR this fall and winter.

I. PSE's compliance actions did not enroll 70,000 customers in the BDR for a full 13-Month term.

In this section, TEP will provide the Commission additional information about steps that PSE took to provide customers Climate Commitment Act credits and automatically enroll low-income customers in the bill discount program.

A. Providing known low-income customers the CCA bill credit for low-income customers.

PSE's first action to reach its target was:

when PSE launched the cap and invest income-eligible flag on October 1, 2023, PSE auto-enrolled known low-income customers who received assistance in the past 24 months from PSE HELP and LIHEAP programs.²

TEP understands that this first action resulted in approximately 10,000 customers being flagged as known low-income and receiving the CCA bill credit.

In its order approving PSE's Climate Commitment Act tariff, the Commission required:

“PSE must work with its Low-Income Advisory Group between August and October 2023 to either identify additional KLI customers, or to **automatically enroll** low-income customers **in a bill discount or bill assistance program**, to reach a target of at least 70,000 participants by January 1, 2024. We agree with the commenters that PSE's proposal is insufficient, and therefore require the Company to find ways to increase its enrollment of eligible customers to ensure it

¹ At that time TEP was unaware of PSE's compliance filing.

² Compliance Filing of Puget Sound Energy, ¶ 11 (April 25, 2024).

complies with the CCA's requirement to eliminate any additional cost burden associated with statutory implementation to low-income customers.³

This order requires PSE to “enroll low-income customers in a bill discount or bill assistance program, to reach a target of at least 70,000 participants.”⁴ Flagging a customer as known low-income to provide the CCA low-income credit is not the same as “enroll[ment of] low-income customers in a bill discount or bill assistance program.”⁵ Flagging a customer as known low-income in PSE's systems only insulates that customer from the impact of the CCA charge by providing them a CCA credit, it does not provide other benefits, such as a one-time bill assistance grant or an ongoing monthly bill discount. Thus, these customers were provided the CCA credit but not enrolled in the BDR.

TEP does not object to PSE's first step. TEP did not try to persuade PSE to automatically enroll these approximately 10,000 known low-income customers in the BDR due to an agreement the low-income advisory group (LIAC) made earlier in 2023 that PSE and community action agencies would not auto-enroll customers in the bill discount rate when launching the program.

B. Providing recently-enrolled BDR participants the CCA bill credit for low-income Customers.

PSE's second action to reach the target was:

all gas low-income customers who signed up for PSE HELP, LIHEAP, or the Bill Discount Rate program from October 1, 2023, to December 31, 2023, were also provided the cap and invest income-eligible flag.⁶

TEP understands that this second action resulted in enrollment of a few thousand gas customers, substantially all of whom were already enrolled in the bill discount rate, being flagged as known low-income to receive the CCA bill credit.

³ Order 01 Allowing Climate Commitment Act Tariff Revisions to Become Effective Subject to Conditions, at ¶ 20 (Aug. 3, 2023) (emphasis added).

⁴ *Id.*

⁵ *Id.*

⁶ Compliance Filing of Puget Sound Energy, ¶ 12 (April 25, 2024).

C. Enrolling Seattle Housing Authority customers in the BDR for a full 13-month term and providing them the CCA bill credit for low-income customers.

PSE's third action to reach the target was:

PSE was able to sign a data-sharing agreement with Seattle Housing Authority (SHA) enabling PSE to enroll additional gas customers to PSE's Bill Discount Rate program and PSE's cap and invest income-eligible flags. PSE enrolled these customers manually into the appropriate BDR tiers using the information provided by SHA, and PSE sent communication to invite these customers to sign up for PSE's other energy assistance programs.⁷

TEP understands that this third action resulted in several hundred customers being enrolled in the bill discount rate and receiving the CCA low-income credit. TEP understands that customers enrolled pursuant to this program were placed in the BDR tier matching the income provided by SHA, and that these customers were enrolled for a full 13 month term in the BDR. TEP thanks PSE for following up on a suggestion from the LIAC to work with SHA, and enrolling these customers in the appropriate BDR tier to match their income, and enrolling them for the full 13 month term.

D. Enrolling 55,000 estimated low-income customers in the BDR for six months and providing them the CCA low-income bill credit.

PSE's fourth action to reach the target was:

PSE used third-party data to add customers to the CCA cap and invest income-eligible flag, beginning with the lowest-income customers, to get to the 70,000 customer target by January 1, 2024. For these customers, because income was not verified by the customer or other sources of information, PSE enrolled these customers into the sixth tier of BDR (receiving a 5% discount) for a temporary period of 6 months. These customers will receive targeted communications inviting and encouraging them to complete the self- attestation applications to potentially be placed on a higher discount tier in the Bill Discount Rate program for the full 13-

⁷ Compliance Filing of Puget Sound Energy, ¶ 13 (April 25, 2024).

month period of the BDR program, and potentially to be enrolled into PSE's other energy assistance programs for which they may be eligible.

Because prior actions left a large number customers left to identify, TEP understands that this fourth action resulted in approximately 55,000 customers being enrolled in the bill discount rate and receiving the CCA low-income credit. As PSE notes, even though these were the customers that PSE identified as most in need, they were not enrolled in the BDR tier that matched their estimated income, and they were initially only given a 5% discount for 6 months. TEP met with PSE to discuss this subset of customers in May 2024 after hearing in the LIAC that only 2,000 of the 55,000 had fully enrolled in the BDR since January 2024. TEP recommended extending the enrollment period at least until fall 2024 and conducting additional rounds of proactive outreach to these customers, to ensure that they continue to receive the benefits of the bill discount rate in the second half of this year.

II. Conclusion

TEP thanks PSE for providing the LIAC the opportunity to suggest additional steps it could take to enroll customers. As noted above, TEP recommended that PSE extend the enrollment period and conduct additional rounds of proactive outreach to the last group of customers, to ensure that they continue to receive the benefits of the bill discount rate in the second half of this year. TEP looks forward to working with PSE to get as many of these customers as possible into the regular BDR enrollment process.

In evaluating PSE's compliance, the Commission should consider how many of these customers will continue to receive the BDR this fall and winter.

Very truly yours,

/s/Yochanan Zakai
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