

October 9, 2020

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Docket UE-200629 – PacifiCorp Comments in Proceeding Relating to Energy Assistance in Section 12 of the Clean Energy Transformation Act

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PacifiCorp dba Pacific Power & Light Company (PacifiCorp), appreciates the opportunity to provide comments as part of the Clean Energy Transformation Act (CETA) rulemaking process at the Washington Utilities and Transportation Commission (Commission) and specifically to the development of a policy statement regarding energy assistance in Section 12 of CETA.

On September 15, 2020, the Commission issued a notice of opportunity to comment on the initial discussion questions to help inform a policy statement on energy assistance. To assist the consideration of the policy statement, PacifiCorp provides the following recommendations:

1. **As noted above, RCW 19.405.120(2) requires utilities make “programs and funding” available for energy assistance to low-income households by July 31, 2021.**
 - a. **What does the term “programs” mean in the context of RCW 19.405.120(2)? Is a program the same or different than the four types of energy assistance included in the “energy assistance” definition in RCW 19.405.020(15):**
 - Monetary assistance;
 - Conservation, weatherization, and efficiency services;
 - Direct distributed energy resource ownership; and
 - Other additional strategies

PacifiCorp interprets “program” within the context of RCW 19.405.120(2) to broadly refer to the four types of energy assistance included in the definition in RCW 19.405.020(15). However, PacifiCorp notes that the Commission may not limit the programs directed in RCW 19.405.120 to those listed above, as the definition of energy assistance is specifically “not limited to” those four programs. PacifiCorp encourages consideration of additional options if proposed within a Clean Energy Implementation Plan, Integrated Resource Plan, or other planning document.

- b. **How should the Commission determine whether a utility’s “programs” and “funding” comply with RCW 19.405.120(2)?**

PacifiCorp recommends a dual compliance determination from the Commission with regard to compliance with RCW 19.405.120(2). First, RCW 19.405.120(4)(iii)

requires biennial reports to the Washington Department of Commerce (Commerce) regarding cumulative funding levels. This data could be useful as the Commission determines if utilities are complying with RCW 19.405.020(2).

Further, each program will likely need to be approved within a general rate case or other proceeding, and the Commission will have the opportunity for review of both ratemaking and programmatic characteristics at that time. As part of the review process, the Commission will likely determine whether the program is compliant with RCW 19.405.120(2).

PacifiCorp is working closely with Commerce to provide a comprehensive summary of the Company's current programs, enrollment, funding, and to help inform Commerce's calculation of energy burden and household need. PacifiCorp plans to utilize the information developed by Commerce to help inform and develop further funding and program strategies. PacifiCorp cautions that initiating reporting and review requirements in addition to the ones listed above would likely be duplicative of Commerce's work.

c. How does the meaning of "low-income" relate to the eligibility requirements for energy assistance programs and funding offered by utilities? Do you agree with any of the four interpretations, or parts of interpretations, offered by stakeholders to date? The four interpretations are:

- **A utility must offer at least one low-income program where the eligibility for the program does not exceed the income levels established in the low-income definition.**
- **A utility must have at least one program that is available to all customers up to the income levels established in the low-income definition.**
- **A utility must have at least two programs that are available for all customers up to the income levels established in the low-income definition.**
- **The utility must serve all customers up to the income levels established in the low-income definition for all energy assistance programs offered by the utility.**

PacifiCorp generally agrees with the first interpretation, in which utilities must offer at least one low-income program to customers whose income falls within the established low-income definition. Generally, the most helpful interpretation is one that provides general guidance, and allows stakeholders to work collaboratively to determine programs and funding strategies that best fit the need identified by Commerce's reporting, by the work being done by the Equity Advisory Groups, and by the Department of Health through the Cumulative Impact Analysis. Interpretations of eligibility that are too prescriptive may limit the ability for stakeholders to collaborate to develop further offerings in response to identified need.

d. Do utility programs that are primarily intended to avoid disconnection, such as emergency assistance that are not income qualified, reduce energy burden as defined in RCW 19.405.020(17)?

Depending on the type of emergency assistance program, yes. Programs such as payment plans could help customers that would otherwise be eligible for disconnection to manage their energy burden – including past-due payments – and to find a solution that is more manageable for customers. This is likely to reduce energy burden as defined in RCW 19.405.020(17) regardless of income qualification.

2. What principles and information should the Commission consider when determining whether a utility has “demonstrated progress in providing energy assistance? Are the principles and information the same or different for the three elements of energy assistance: effectiveness, outreach, and funding?

PacifiCorp recommends that the Commission utilize the information collected by Commerce to inform the biennial legislative report. Utilities must report the following to Commerce¹:

- The programs and mechanisms used by the utility to reduce energy burden and the effectiveness of those programs and mechanisms in both short-term and sustained energy burden reductions;
- The outreach strategies used to encourage participation of eligible households, including consultation with community-based organizations and Indian tribes as appropriate, and comprehensive enrollment campaigns that are linguistically and culturally appropriate to the customers they serve in vulnerable populations; and
- A cumulative assessment of previous funding levels for energy assistance compared to the funding levels needed to meet: (A) sixty percent of the current energy assistance need, or increasing energy assistance by fifteen percent over the amount provided in 2018, whichever is greater, by 2030, and (B) ninety percent of the current energy assistance need by 2050.

This information is likely to provide a longitudinal view of utility progress over time, including progress for each of the three elements of energy assistance. If an information deficiency is identified in the future, PacifiCorp recommends considering whether to impose additional reporting requirements at that time.

¹ RCW 19.405.120(4)(a).

3. RCW 19.405.120(2) requires that, to the extent practicable, utilities prioritize energy assistance to low-income households with the highest energy burden.

a. What principles and information should the Commission consider when determining whether a utility has prioritized assistance to low-income households with the highest energy burden?

The Commission should consider whether utilities have worked collaboratively with state agencies—namely Commerce—and with regulatory stakeholders and community-based organizations to determine prioritization. Utilities do not currently collect data regarding household income, and would need to rely on publicly-available calculations such as those made available through the United States Census if asked to prioritize based on energy burden independently of a stakeholder process. Thus, the guidance of data partners within this process is essential and should form the basis of utility compliance.

If guidance throughout a stakeholder process is not sufficient to prioritize energy assistance, the use of United States Census data to inform prioritization—and outreach as described in RCW 19.405.120(4)(a)(ii)—should be deemed sufficient.

b. How should the Commission evaluate what is practicable? How should the Commission's evaluation differentiate between what is practicable in the short-term versus the long-term?

The Commission should evaluate what is practicable—both short-term and long-term—holistically in a general rate case or another existing relevant process. These proceedings are likely to provide the Commission insight as to the current and aggregate funding levels—as required in RCW 19.405.120(4)(a)(iii)—and will also likely contain the most current information from the biennial Commerce reports on program effectiveness, outreach, and energy burden reductions.

PacifiCorp appreciates the opportunity to provide comment at this early stage and looks forward to continued collaboration with stakeholders throughout the CETA implementation process.

Sincerely,

/s/

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