**Determining system benefits charge funding levels**

What information is needed to determine a system benefits charge to meet energy assistance need and fund low-income energy assistance?

* Regardless of where funds are coming from, the information needed to determine need would be the same, a low-income needs assessment would be one means for doing this; if funding through a system benefits charge, would need to think about which customers would be charged, which energy sources would be charged, how the charge would be structured, would different kinds of customers be charged differently?
  + Low-income needs assessments look at number of customers that fall into low-income category and what their energy burdens are in order to determine where there are excess energy burdens that can be reduced through assistance; on a state level, this would entail determining who the low-income energy customers with excess burden are and how much assistance would be necessary to reduce that burden
* Seattle City Light has concerns about constitutionality of system benefits charge as a funding source, and Seattle City Light is concerned that a state-administered program would not be as robust as utility-administered programs
* In service areas with high costs of living but lower rates of energy burdened customers compared with other parts of the state, there is concern about customers just outside of income thresholds for assistance having their rates increase; net transfer character of system benefits charge is of concern as well
* Looking at ETO’s system benefits charge practices/structure would be worthwhile
* Utilities know their customers well, and there is additional concern over a statewide program in which utilities would have no administrative role
* In some service territories, other needs like housing are much more pressing than energy burden, and a one-size fits all approach may not capture these variations statewide
* In one service territory, needs assessment used a range to estimate participation levels for an assistance program, and actual participation was lower than what was estimated
* Would a flat fee for a system benefits charge be feasible or equitable statewide? A variable rate seems like it would meet these goals better
* Funding source should be related to need, and the dynamics of need that vary statewide, a funding source that could meet these dynamic needs would be important
* Is the desired outcome reducing energy burden for low-income households to 6% or below? Current utility programs are not set up to do energy burden calculus; if this is the goal, the benefit needed could be worked out with enough data, but this data would not change with funding source
* A crediting system for utilities with existing low-income assistance programs under a system benefits charge would preserve assistance incentives for these utilities
* A needs/cost assessment would provide a backbone for determining benefit need statewide, is there time to do this before standing up a program?
* Won't system benefits charges put on electric and gas utilities will be passed along to customers in the form of rate increases?
* Can we obtain the raw data to calculate energy burden?
* Many of our utilities do not collect and retain income data of all residents. CAP agencies do not have specific details on income, either -- only qualification for programs
* Washington electric co-ops are generally small nonprofits, and already have substantial and robust low-Income programs (that continually grow). Cooperatives should be excluded from this type of program.
* Will "System Benefit Charges" be collected through utility billing across all energy sectors, i.e., Natural Gas, Electric, Propane, Fuel Oil, etc? If energy burden is for % of income spent on energy, collection of system benefit charge should not fall solely on the shoulders of electric utilities.
* If utilities are assessed a system benefits charge based on the number of accounts then that number should be reduced by a few items. Two ideas of items that could reduce the number of accounts: 1) an estimated number of low income households since the ‘passed along’ charge to customers should not go to those that are low-income; 2) number of accounts that are not structures (like an account just for lighting or communications…). I’m sure there are other ideas that will come to me later. [Providing this feedback just in case this idea gets momentum.]
  + Or, maybe it makes more sense to do the opposite. Meaning Instead of basing the charge on number of accounts, basing it on the number of estimated low-income accounts. This would align the benefit to low income customers with the ‘system benefit’ charge. [We would then likely pass it along to all customers that are not low-income.]
* Regarding energy burden, we're concerned about the dramatic impact of electrification. Your agency expects energy usage in WA to double by 2050. Doesn't that mean everyone's energy burden will soar, too? If so, does that mean we should anticipate ever-increasing system benefits charges under this proposal?
* Are we moving forward with an assumption that a statewide assistance program will become a direct assistance program? It seems like from the last public meeting that most utilities would prefer to invest in their housing stock through weatherization.
* Would hope that all low income programs (revenue collection and credit distribution) remain separate and extremely transparent and not buried (i.e. show payment/collection as line items on a customers bill).

**Determining state funding levels**

What information would be needed to determine the amount of funding from the Climate Commitment Account or the state general fund needed to help meet energy assistance need and fund low-income energy assistance?

* Don’t think there would be large differences between state funding sources and a system benefits charge with the exception of not having to calculate what a system benefits charge or charges would be statewide; under a clearinghouse model lower levels of state funding would be required
* If funding were to come from CCA, there are concerns about those funds being specifically earmarked, and needing to make the case that using these funds for a bill assistance program would meet statutory requirements and potentially only receiving a portion of those funds could create an accounting challenge; are these funds restricted to alleviating energy burden resulting from clean energy transition?
  + Commerce’s assumption is these funds could be used to address energy burden generally
* Are there long-term projections about CCA revenues? This funding source may not be reliable or sustainable at a given level over time, as revenues will decrease
* Will this funding be available to households that have undocumented members in the dwelling?
* The CCA intentionally took a sledge hammer to the residents of the state by increasing the price of gasoline. The biggest impact is on lower income citizens. CCA funds should be used to help them with their energy burden.

How would the above information be collected and who would collect it under a one-stop-shop model?

* Our utility believes income verification conducted for eligibility for a state entitlement program should be handled by the state

How would the above information be collected and who would collect it under a clearinghouse model?

* One consideration with the clearinghouse model is that the state would have lower administrative costs than under one-stop-shop model
* Income verification is a costly and time-consuming process digging into number of people in a household, the variety of possible income sources and bank account information to verify. Utilities do not generally have the staff to do this and must therefore pay a CAP agency or some similar agency to do, which adds to their workload and staffing requirements. All of this is also a time burden on applicants. CAP agencies already have to manage a variety of verification requirements for the variety of funding sources they have.
  + One utility offers that it be flexible in that the utility has the option of whether to do it through a CAP agency or on its own. They do the work in-house and prefer it that way.
* Regarding income verification, one utility is moving to a self-attestation model with random sampling of a small % of participating customers for verification conducted by CAP agencies. Self-attestation is intended to reduce the administrative burden of income verification.

**Reporting requirements and program evaluations**

What reporting requirements and program evaluations should exist to ensure efficient, quality, equitable services and outcomes for a one-stop-shop program?

* Program participation
* Evaluation looking at disparities between vulnerable groups to understand how well a program serves these groups
* Cost to each utility; benefit to each utility's customers; metrics on energy burden reduction; metrics on energy usage reduction;
  + Energy usage would be an important thing to continue to assess in part because of a statewide program focusing on bill assistance versus conservation measures to address energy burden
* Looking at current requirements under section 120 would be a good starting place
* Funds going to admin costs versus assistance, changes in energy burden, evaluation of barriers to access
* One point to evaluate either program model on, but especially the one-stop-shop, would be level of connection with other assistance services to address other basic needs; could look at which other services households are connected with and how many others they can/are connected with after coming to the program
* For either model, efficacy of crisis services would be another element to assess
* Connections with other services would be especially relevant as a metric for a one-stop-shop program
* Important to think not just about what metrics to report on but why reporting should be necessary and who should be the audience for reporting, would these reports be directed at a narrow or broad audience? What would goals be?
  + Commerce’s thought is that under one-stop-shop model, state would be entity preparing reports, and these would be directed to the Legislature and the public
* Hearing from program participants and eligible households would be valuable to assess efficacy/success of program under either model
* For utilities that have assistance programs integrated with other utility programs, would electric utility burden need to be disaggregated, and could this narrow focus preclude looking at other basic customer needs?
* Should add a measurement on program outreach and customer awareness of benefits
* Maybe start with the same requirements that utilities have to report for CETA section 120 (progress to goal, participation rates etc.)
* Renters vs Homeowners- I see renters LI customers benefitting from this.
* We're talking about energy burden, what about the burden of households having to apply for multiple programs?
* Agree that reduced incidence of participant households falling into utility bill arrears or severance would be a good evaluation metric. That's very outcome-focused.
* Annual EAN estimates; estimated total LI customers (the pool of customers for EAN) and their energy burdens prior to any assistance; and some stats on avg/median incomes and LI bills and/or usage that drive the estimates of LI, EB, and EAN. This would allow to see potential other drivers of whether/why the need is growing (while maybe the assistance delivery is growing as well, for example). Customer incomes and usage are key drivers of the LI, EB, and EAN calculations, but utilities either do not have any control over incomes and very limited to no control over ultimate usage of customers. I think these data points are already part of the CETA Section 120 reporting, but consider to include if not.
* Reporting on outreach and engagement - efforts and related metrics - to track to participation and improving best practices in connecting people to program.

How often should reporting or program evaluations be conducted under a one-stop-shop program?

What reporting requirements and program evaluations should exist to ensure efficient, quality, equitable services and outcomes for low-income households under a clearinghouse model?

* Primary difference between these models would be assessing efficacy of referrals, depending on how a clearinghouse program was structured; does participation result in additional service referrals?
* Assessing how this program model is or could be feeding into other state-regulated utility outcomes would be another metric to assess for the clearinghouse program specifically

How often should reporting or program evaluations be required under a clearinghouse model?

**LIHEAP**

How are utilities currently integrating LIHEAP into their low-income energy assistance programs?

* SCL: historically there was a requirement for emergency assistance that customers apply for LIHEAP, but this was dropped during the pandemic and has not been reinstated; SCL keeps LIHEAP separate from bill assistance program, but this has not always been easy, and some customers likely leave LIHEAP dollars on the table
  + Part of dropping LIHEAP emergency assistance requirement was practicality resulting from shutoff moratorium, and customers were not willing to go through with this requirement
  + Structure of LIHEAP benefit as an annual lump sum versus a monthly bill discount through assistance program also presents a mismatch for customers
* Snohomish PUD: Snohomish County Human Services administers LIHEAP in service territory, so PUD works with them, and the county could direct customers to PUD assistance while waiting to move through process, PUD also receives household income information from county for customers applying for LIHEAP, which PUD can use to assign bill discounts
  + Customers get both LIHEAP lump sum and percentage discount if enrolled in both programs
* Tacoma Public Utilities: offers 35% discount for disabled/senior and percentage discount for eligible households; if a household is approved for LIHEAP, they are automatically enrolled in a percentage discount program since LIHEAP income thresholds are higher
  + Also working with Tacoma Housing Authority/other area programs with compatible income thresholds to do auto-enrollment
* When designing bill assistance program as a percentage discount, LIHEAP amount should be determined before application of discount percentage to maximize federal benefit, LIHEAP amounts carried over as a credit can impact eligibility for percentage discount programs
* Avista: looks to align low-income program with LIHEAP wherever possible, for example household income with deductions, referring back and forth with local LIHEAP provider to try to maximize cross-enrollment in other programs a customer might be eligible for; also seeks to minimize the impact of assistance program with utility LIHEAP allocation
* PSE: about to start new program year, transitioning to self-declaration of customer income, and will be informing agencies of customers that are LIHEAP-eligible, and contacting customers to share that eligibility information
* We use them the best we can for bill credits, meaning they will pledge and account for a set value, they then "eventually" pay on that pledge. The local office in our territory id grossly under-staffed. secondly, there is no local program for weatherization to benefit homes in our area.
* For Jefferson County PUD, we apply LIHEAP to the account, they also get a Low-Income discount, which is $55.51/month for electricity, $17.25/month for water. If one qualifies for LIHEAP, they are automatically enrolled in the PUD low-income program, or extends their low-income eligibility. This helps a little with admin time in qualifying customer owners.
* LIHEAP is usually calculated based on the gross bill before any discounts. Utility discount programs are usually calculated on the net bill (after LIHEAP and other grants/credits)
* When utilities learn about qualifying households to enroll, does the HH income get saved in the utility database? (In a distinct field other than a notes or attachments field.)? I'm asking this as it relates to the ability to calculate energy burden. Just because someone is qualified/enrolled in our programs doesn't mean we have captured what the HH income and I'm curious how other utilities track this.
* Household income is exactly the sort of information that our utility does not want to keep on hand for privacy and security reasons, so I believe we just receive a list of customers from our CAP agency, but agree, this does not give us the details needed to calculate energy burden.
* At Seattle City Light (and Seattle Public Utilities), we maintain a separate system for managing our utility discount and emergency bill assistance program enrollees. Financial info is stored there, not in our billing system.
* For a subset of SCL Utility Discount Program customers we do have specific HH income, gathered at program entry and every two or three years subsequent to re-certify the HH as still eligible for the program. But it's only for a subset. We haven't yet used it generally for calculating more specific energy burden for those households, outside of a pilot that we ran to provide supplemental assistance for our most energy-burdened customers.
* Knowing the calculation is one thing; having the inputs required for the calculation is the problem I see for us. This has not been a part of our business model to collect income or household information.

What questions do you have about LIHEAP?

* Since LIHEAP is already available for heating/cooling, has the state looked at a permanent assistance program for water?
* During a recent WPUDA webinar, the state auditor's office told us that unless there are utility funds added to LIHEAP, LIHEAP will not count towards the utility's CETA low income assistance program.
* Can the State join forces with LIHEAP and develop an enhanced program, rather than create a whole new program for utilities to adhere to and administer?
* I know that Commerce is wanting to change the part of the contract where customers' credits on closed accounts go back to the sourc4e rather than in a refund check to the customer. Do you know when that rule will be put in place? LIHEAP Agreements are starting to be renewed now.

Other comments

* One utility’s ultimate goal is to develop a sustainable Low Income program that is 100% financially supported by grant funded future solar projects. In this case, the low income revenue can be generated from solar production, which goes directly into its member programs. So in addition to basic customer payments, it recommends DoC continue to participate in creative grant programs that can solve revenue collection in perpetuity.