

ENERGY EQUITY RATE PILOT		
<b>DPP NUMBER</b>	DPP 500 P III-429	
<b>EFFECTIVE DATE</b>	January 3 <sup>rd</sup> , 2020	<b>SUPERSEDES</b> New
<b>APPROVED BY</b>	/s/by <b>Debra Smith</b>	

## 1.0 PURPOSE

- 1.1 To establish rules for the Energy Equity Rate Pilot (EERP), which is a small-scale pilot program offered by the City Light Department (“Department”) under authority conferred by Ordinance 125957. The pilot tests rate incentives and a suite of wraparound services to make electricity services more affordable for very low-income customers.

## 2.0 ENROLLMENT

- 2.1 **Enrollment Criteria.** To qualify for this program a customer must meet the following conditions: (1) reside in the City of Seattle, (2) be a primary City Light account holder for the past 12 months, (3) be enrolled in the Utility Discount Program (UDP) or be eligible for the UDP, (4) have a household annual income under \$50,000 for the most recent year available, (5) have an energy burden (ratio of electricity costs to income) greater than 10% (or more than 4% after receiving the UDP discount) using billing data for in the last 12 months of available data. The Department will limit this pilot to the first 300 eligible households that sign up for the program.
- 2.2 **Enrollment Process.** The Department will partner with Byrd Barr Place (BBP) to solicit, verify enrollment criteria and sign up eligible pilot participants. Income verification will be determined using the same income documentation as Low Income Home Energy Assistance Program (LIHEAP). The Department and BBP will sign a data sharing agreement ensuring that BBP will follow all the Department’s policies for privacy and use of the Department’s customer data.
- 2.3 **Unenrollment.** Customers can unenroll from this program at any time for any reason. If either by customer notification or other means the Department discovers that the customer is not eligible, the Department will remove the customer from the Energy Equity Rate Pilot rate and return the customer to either the UDP or the standard residential rate.

## 3.0 RATE INCENTIVES

- 3.1 **Rate Subsidy.** Pilot participants will receive a subsidy that covers 100% of their base service charge, as well as a portion of the per kWh charge such that their resulting effective rate is 3.3 cents per kWh. For illustration, the computed rate incentives for 2019 and 2020 given adopted rates listed in SMC 21.49 would be:

### EERP Rate Subsidy

	2019	2020
First Block per kWh	-\$0.0540	-\$0.0640
End Block per kWh	-\$0.0957	-\$0.0957
Base Service Charge per day	-\$0.1752	-\$0.1797

#### 4.0 ENERGY EFFICIENCY SERVICES

- 4.1 **Home Energy Audit.** All pilot participants will receive a free home energy audit, which includes a scheduled home visit.
- 4.2 **EE Program Implementation.** Based on the home energy audit, the Department will identify available energy efficiency programs, such as weatherization improvements and/or other upgrades to improve heating comfort levels or reduce energy consumption, and assist the customer in accessing those programs.

#### 5.0 BALANCE MANAGEMENT

- 5.1 **Payment Plan.** Pilot participants with a past due balance will receive a balance management arrangement plan tailored to their needs that allows the customer to pay back a portion (up to 100%) of their past due balances.
- 5.2 **Balance Forgiveness.** Participants with a past due balance of \$300 or more shall be eligible for a portion (up to 90%) of that balance to be forgiven upon completion of the terms of their balance management arrangement.
- 5.3 **Missed Payments.** Participants are responsible for fulfilling the terms of their balance management arrangement. If a participant misses two payments, they will be returned to normal credit and collections procedure.

#### 6.0 PILOT END

- 6.1 **Duration.** This pilot program will commence as of the approval date of this document and will continue at least 24 months with the option of an additional 12 months at Department discretion.
- 6.2 **Post-Pilot Assistance.** At the end of the pilot, participating customers will return to the UDP program or other income-eligible discount program in effect at that time.

#### 7.0 AUTHORITY

- 7.1 City of Seattle Ordinance #125957 provides authority for the Department to offer limited-term rate pilots with alternative rate discounts and services to assist low-income customers in accordance with RCW 74.38.070 and SMC 21.49.085.

8.0 **REFERENCES**

- 8.1 City of Seattle Ordinance #125957
- 8.2 Seattle Municipal Code 21.49.040, 21.49.042 and 21.49.085
- 8.3 RCW 74.38.070

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**REVISION HISTORY**

<b>DATE</b>	<b>CHANGES MADE</b>	<b>REVISED BY</b>
12/20/19	This DPP was created to establish rules for the Energy Equity Rate Pilot (EERP). The pilot will be testing rate incentives and a suite of wraparound services to make electricity services more affordable for very low-income customers.	Author: Brian Hawksford, Carsten Croff  Coordinator: Kim Kinney