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IDAHO PUBLIC  
UTILITIES COMMISSION

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7

8 BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION  
9

10  
11 IN THE MATTER OF THE APPLICATION ) CASE NOS. AVU-E-04-1  
OF AVISTA CORPORATION FOR THE ) AVU-G-04-1  
12 AUTHORITY TO INCREASE ITS RATES )  
AND CHARGES FOR ELECTRIC AND )  
13 NATURAL GAS SERVICE TO ELECTRIC )  
AND NATURAL GAS CUSTOMERS IN THE )  
14 STATE OF IDAHO. )  
15

16 **COMMUNITY ACTION PARTNERSHIP ASSOCIATION OF IDAHO**  
17 **DIRECT TESTIMONY OF**  
18 **TERI OTTENS**  
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1 **I. INTRODUCTION**

2 Q: Please state your name and business address.

3 A: My name is Teri Ottens. I am the Executive Director of the Community Action  
4 Partnership Association of Idaho headquartered at 600 N. Curtis, Suite 175, Boise, Idaho, 83706.

5 Q: On whose behalf are you testifying in this proceeding?

6 A: The Community Action Partnership Association of Idaho ("CAPAI") Board of Directors  
7 asked me to present the views of an expert on, and advocate for, low income customers of  
8 AVISTA on behalf of CAPAI. CAPAI's participation in this proceeding reflects our  
9 organization's view that low income people are an important part of AVISTA's customer base,  
10 and that these customers may be uniquely impacted by the proposed rate increase. Specifically,  
11 CAPAI recommends that the Commission order an increased level of funding for AVISTA's low  
12 income weatherization program, as well as program design changes.

13 CAPAI is an association of Idaho's six Community Action Partnerships, the Idaho  
14 Migrant Council and the Canyon County Organization on Aging, Weatherization and Human  
15 Services, all dedicated to promoting self-sufficiency through removing the causes and conditions  
16 of poverty in Idaho's communities.

17 Community Action Partnerships ("CAPs") are private, nonprofit organizations that fight  
18 poverty. Each CAP has a designated service area. Combining all CAPs, every county in Idaho  
19 is served. CAPs design their various programs to meet the unique needs of communities located  
20 within their respective service areas. Not every CAP provides all of the following services, but  
21 all work with people to promote and support increased self-sufficiency. Programs provided by  
22 CAPs include: employment preparation and dispatch, education assistance child care, emergency  
23 food, senior independence and support, clothing, home weatherization, energy assistance,  
24 affordable housing, health care access, and much more.

25 Q: Why is CAPAI intervening in this particular case?

1 A: CAPAI is of the belief that general rate cases are appropriate proceedings to address the  
2 vast majority of issues that affect rates, including funding of Demand Side Management  
3 programs. To encourage recognition of the value that low income assistance programs in  
4 particular play in helping our seniors, disabled and low income families to become and to remain  
5 self-sufficient and to seek funding and design of applicable programs that will accomplish these  
6 objectives. In the context of public utilities, these objectives can be furthered through low  
7 income weatherization and energy assistance programs. Without assistance from these  
8 programs, seniors and low income families can experience higher energy costs, pay a higher  
9 proportion of their income for energy and subsequently, find themselves in greater danger of  
10 being forced to be a further drain on the welfare assistance system or even into homelessness,  
11 and cause AVISTA to incur debt collection costs and bad debt write-offs.

12 According to discovery responses provided by AVISTA to CAPAI, the Company  
13 currently is carrying an "uncollectible" balance of roughly \$2 million. AVISTA mentions that  
14 write-offs have been higher than expected. In addition to the cost of uncollectible accounts, the  
15 Company incurs other costs when its customers cannot afford to pay their bills. These other  
16 costs are associated with arrearages, disconnection, reconnection, personnel and other  
17 administration. By providing a weatherization program to low income customers, the Company  
18 allows those customers to reduce their levels of consumption, and reduce the likelihood of non-  
19 payment of their bills.

20 Q: What is your relevant experience regarding matters before, or issues involving, this  
21 Commission?

22 A: CAPAI has been involved in low income issues, including energy related issues, since  
23 the early 1980s. CAPs have been involved in the distribution of weatherization funding,  
24 implementation of weatherization programs, and Low Income Home Energy Assistance Program  
25 "LIHEAP") payments for more than three decades.

1 Q: What other relevant involvement or activities have you or your organization been part of?

2 A: As the Executive Director of CAPAI, I am the statewide administrator of the federal  
3 Community Service Block Grant, the Emergency Food Assistance Program, the Idaho  
4 Telecommunication Services Assistance Program, the statewide Weatherization program, and in  
5 working with the six Idaho CAPs and Canyon County Organization on Aging in the distribution  
6 of the Low Income Home Energy Assistance and the Weatherization funds. These, and other  
7 service programs administered and/or provided by CAPAI and our CAPs, all deal with the needs  
8 of the low income in Idaho.

9 Previously, I worked as the Energy Director for the Association of Idaho Cities, working  
10 with 2002 cities and 44 counties to address energy and conservation issues within their  
11 respective jurisdictions. Prior to that, I worked with several local governmental entities in Idaho,  
12 Wyoming and California dealing with both low income and energy related issues. Exhibit 401 to  
13 my testimony is my curriculum vitae.

14 Q: Have you previously testified before this Commission?

15 A: Yes, CAPAI intervened in the recent Idaho Power Company general rate case (Case No.  
16 IPC-E-03-13) and I testified on behalf of CAPAI in that proceeding in the same capacity in  
17 which I offer this testimony. CAPAI intervened in this proceeding prior to issuance of the final  
18 order in the Idaho Power rate case.

## 19 II. SUMMARY

20 Q: Please summarize your testimony?

21 A: My testimony will establish the following:

- 22 1) That AVISTA's proposed rate increase would have significant implications for  
23 the Company's low income customers;
- 24 2) That these low income customers are at risk of paying a disproportionate  
25 percentage of their income for a basic need commodity essential to human

1 survival, exposing them to potential payment arrears, disconnection of electricity,  
2 and even homelessness;

3 3) That there is a significant number of residential customers who are low income  
4 and are in need of assistance in lowering their energy bills through home  
5 weatherization, and other means, and;

6 4) That AVISTA's low income weatherization program provides relief to the  
7 Company's impoverished customers as well as system-wide benefits to ratepayers  
8 and shareholders in the form of reduced debt collection costs, arrearages, and  
9 write-offs.

10 **III. NEED FOR ASSISTANCE**

11 Q: What definitions are you using to describe a "low income household" and how many of  
12 these households are located within the service area of AVISTA?

13 A: The state of Idaho uses an income definition to define eligibility for low income  
14 weatherization and energy assistance as 150% of the federal poverty guidelines as established by  
15 the Federal Office of Management and Budget. Exhibit 802 to my testimony provides a chart of  
16 incomes in relation to the poverty level.

17 Q: Would you please provide the Commission information regarding the state of poverty in  
18 Idaho and, more specifically, within AVISTA's service territory?

19 A: Yes. According to the Idaho Department of Commerce, 12% of Idaho's population,  
20 based on the 2002 Idaho Census, fall within federal poverty guidelines and 21% fall within the  
21 state guidelines set at 150% of the federal poverty level. The Idaho Census is a state update of  
22 the Federal 2000 Census figures and is conducted by the Idaho Department of Commerce.

1 Specific to AVISTA, the poverty rate in the ten northern counties<sup>1</sup> is 14.29%, based on Idaho  
2 guidelines, thus, higher than the statewide average by approximately 17%. The 2000 Idaho  
3 Census reveals that those living in poverty are categorized as 8.3% elderly, 13.8% children, 8.3%  
4 all other families, 35.3% single mothers and 34% all others.

5 Q: Do you have relevant information based on numbers of low income households?

6 A: Yes, according the AVISTA's response to CAPAI's discovery request there are 106,515  
7 total electric customers in Idaho of which 91,076 are residential customers (i.e. households)  
8 served in 2002. Of the residential customers in the AVISTA service territory, based again on  
9 2000 Census figures, it is estimated that almost 24,700 households, or 26% of customers in the  
10 AVISTA area, are at or below 150% of the federal poverty level (see Exhibit 403).

11 According to 2002 LIHEAP statistics obtained from the U.S. Department of Energy,  
12 91,923 households were eligible in Idaho for assistance and 29,867 households (74,693 people)  
13 statewide received LIHEAP assistance. In 2003, 9,449 households applied for LIHEAP funding  
14 out of the estimated 24,700 eligible, representing only 38% of those eligible. Exhibit 404  
15 contains figures confirmed by the Idaho Department of Health and Welfare concerning the  
16 LIHEAP funds distributed in AVISTA territory in 2003.

17 Q: Please discuss the "ability" of low income customers to pay their monthly energy bills?

18 A: According to the U.S. Department of Energy ("DOE"), the "affordability burden" for  
19 total home energy is set nationwide at 6% of gross household income and the burden for home  
20 heating is set at 2% of gross household income.

21 According to the Idaho LIHEAP data provided by the Idaho Department of Health and  
22 Welfare ("IDHW"), 7.6% of all LIHEAP program participants fall into the "High" energy

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23  
24 <sup>1</sup> Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez  
25 Perce, and Shoshone.

1 burden category, paying 11% or more of their annual income for utilities (“medium” burden is  
2 determined to be 5-10% of annual income and “low” is considered at less than 5%. IDHW does  
3 not keep statistics for medium or low burdens. Exhibit 405 from the Idaho Department of Health  
4 and Welfare shows these figures.

5 IDHW’s data also support a recent study conducted nationwide by Fisher, Sheehan &  
6 Colton, a public finance and general economics consulting firm. That study is attached to this  
7 testimony as Exhibit 406. This study is an extremely well-known work relied upon nationwide  
8 by a myriad of different organizations and governmental entities. I rely upon it frequently in  
9 conducting my business affairs.

10 Based on the Fisher study, the following statistics apply to Idaho.

11 % OF INCOME – FEDERAL	% OF INCOME PAID ON	<u># OF HOUSEHOLDS</u>
12 <u>POVERTY LEVELS</u>	<u>2002 HOME HEATING</u>	
13 50% of poverty level	45%	21,000
14 50-75% of poverty level	18%	14,000
15 75-100% of poverty level	16%	19,000
16 100-125% of poverty level	11%	28,000
17 125 to 150% of poverty level	8%	35,000

18 Q: Will you please provide a context for foregoing figures?

19 A: According to the Fisher, Sheehan & Colton study, these figures represent a gap of  
20 \$96,000,000 between what Idahoans could afford to pay (based on federal standards) for energy  
21 in 2002 and what they actually did pay. This gap is expected to increase to \$113 million in 2003  
22 based on rising energy costs. Currently, the LIHEAP program funds \$10.5 million (for energy  
23 assistance, weatherization and administration) to the state of Idaho providing an average benefit  
24 of \$202 per household to help close, but far from eliminate, this gap.

25 Q: What are some other relevant demographics of low income customers?

1 A: According to the 2000 Census, approximately 32,688 customers occupied units  
2 (representing 35.8% of the total residential customers in the AVISTA service area) heating  
3 primarily with electricity. Almost all households that are low income use electricity for lighting,  
4 refrigeration and small appliances. Idaho 2002 State Weatherization program data shows that  
5 1487 homes were weatherized with D.O.E. funds in the amount of \$1,997,798 at an average of  
6 \$1,344 per home. An additional 995 were weatherized by LIHEAP funding and 132 by  
7 Bonneville Power Administration (for 2002-2003 only). To date, according to the CAP  
8 receiving AVISTA weatherization funds, approximately 1391 households in AVISTA's Idaho  
9 service area have had weatherization measures installed by Company programs since 2000.

10 AVISTA (including its predecessor Washington Water Power Company) has contributed  
11 weatherization program funds since 1980. Based on currently existing electrically heated homes  
12 weatherized with AVISTA funds (average of 21 households per year) and other funding, we can  
13 assume that an average of 300 households per year have been weatherized in the past ten years  
14 (one must understand, however, that even if households were weatherized in the past, they will  
15 require future weatherization measures).

16 Based on 300 homes per year over the past ten years, approximately 3,000 homes out of  
17 24,700 determined to be currently eligible have been weatherized. It is estimated, therefore, that  
18 over 21,000 households in AVISTA's Idaho service area are currently eligible and in need of  
19 funding. At a rate of 300 households per year (based on and including past and future  
20 anticipated funding levels of AVISTA, D.O.E. and B.P.A. weatherization programs) it will take  
21 nearly 70 years to weatherize all households in AVISTA's Idaho service area that are eligible  
22 and in need of weatherization.

23 As previously mentioned, the poverty rate in the AVISTA service area is considerably  
24 higher than the statewide average at 14.29% compared to 12% statewide. Furthermore, AVISTA  
25

1 has a higher percentage of total households eligible than Idaho Power at 26% compared to 18%.

2 This is due to higher poverty and unemployment rates.

3 Q: Please discuss the level of energy costs in relation to the ability of low income customers  
4 to pay those costs?

5 A: More than 11,358 of the households in the AVISTA Idaho service area have annual  
6 income of less than \$9,000. The average yearly energy bill for low income customers is \$1,607  
7 with 30-35% of that amount spent on home heat alone. Though low income people are more  
8 easily described in statistical terms, in reality they are our neighbors, friends and relatives. When  
9 considering the possibilities of accidents, ill health, loss of employment, etc., they potentially  
10 include each of us.

11 Q: What are the special circumstances that low income households face?

12 A: These households pay the highest percentage of their income for energy costs compared  
13 to other income groups and are the most vulnerable and at risk to change in a competitive  
14 market. They live in society's worst case housing stock, are at risk to hypothermia and indoor  
15 air quality problems. Coupled with an array of other financial burdens (cost of child care, lack of  
16 affordable housing, lack of living wage jobs, cutbacks in federal assistance of most kinds, etc.)  
17 they are increasingly moving closer to homelessness.

18 Often, the affordability of a utility bill can mean the difference of eating, a medical  
19 prescription, having a roof over their heads rather than living in a car, or worse. When  
20 calculating the average take-home pay of a low income head of household, and deducting basic  
21 living expenses such as housing (often 70% of their income), childcare and food, they are in  
22 financial crisis before even looking at the cost of utilities, clothing, transportation, and other  
23 basic needs.

24 Q: What is the need for electrically heated weatherization and efficiency retrofits?  
25

1 A: According to IDHW, there are approximately 21,000 households in AVISTA's service  
2 area that remain to be weatherized. According to CAP data, only 85 households have been  
3 weatherized since 2000 with AVISTA funds. These funds have been supplemented with federal  
4 weatherization funds bringing the total to approximately 300 households per year. At the  
5 current level, with all current funding sources it would still take almost 70 years to reach all  
6 eligible homes in the AVISTA Idaho service area.

7 In responses to CAPAI's production requests, AVISTA stated that its Idaho gross  
8 operating revenue for 2002 was \$229,561,337. The Comprehensive Review of the Northwest  
9 Energy System, sponsored by each of the Governors of the four Northwest states asked for each  
10 utility to spend 3% of its gross operating revenues for public purpose energy programs. Of that  
11 3%, 14% was to be spent for low income weatherization. Fourteen percent of 3% of their Idaho  
12 revenue for AVISTA then suggests a weatherization program level of \$964,158 annually.

13 As set forth in the testimony of Mr. Larry Stamper, AVISTA's current funding level is a  
14 small fraction of this amount, allowing for the Weatherization of an average of 21 homes a year.  
15 CAPAI requests that AVISTA's funding level be increased to the level identified in Mr.  
16 Stamper's testimony and that the program more closely match D.O.E. requirements so that  
17 funding can be utilized on all homes meeting the eligibility requirements.

18 Q: You previously testified that you participated in the recent Idaho Power general rate case.  
19 What was the nature of your request in that case?

20 A: CAPAI took a position on several issues in that case, including matters of rate design, as  
21 well as an increase to funding levels of Idaho Power's low income weatherization program and  
22 program design changes.

23 Q: How did the Commission rule on the low income weatherization issues raised by CAPAI  
24 in Case No. IPC-E-03-13?

25

1 A: The Commission granted the full amount of LIWA funding requested by CAPAI in the  
2 amount of \$1.2 million per year for at least the next three years and suggested an increase in  
3 administrative project costs, among other things. CAPAI is immensely grateful to the  
4 Commission for recognizing both the plight of the impoverished, and the tangible benefits to  
5 ratepayers and shareholders provided by Idaho Power's LIWA program.

6 Though there are some fundamental differences between AVISTA and Idaho Power and  
7 their respective customers, CAPAI's objective with respect to weatherization funding in this case  
8 is to propose a funding level for AVISTA that is in relative parity to Idaho Power's funding level  
9 as recently ordered by this Commission.

#### 10 IV. CONCLUSION

11 Q: Could you summarize your recommendations to the Commission?

12 A: Yes. They are listed below:

- 13 1) Do not approve a general rate increase, and associated customer class revenue  
14 allocation, without taking into consideration the disproportionate impact that it  
15 will have on the ability of low income customers to pay;
- 16 2) Increase electric low income weatherization and efficiency retrofits from its  
17 current level to \$490,000 annually as proposed by CAPAI witness Larry Stamper;
- 18 3) Allow for contract changes in the AVISTA low income weatherization program  
19 to include windows and doors as part of the S.I.R. of 1.0, baseload measures as  
20 proposed, eligibility requirements to meet D.O. E. and explained in detail, by Mr.  
21 Stamper.

22 Q: Does that conclude your direct testimony?

23 A: Yes it does. I thank the Commission for the opportunity to participate in this proceeding.  
24  
25

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 21<sup>st</sup> day of June, 2004, I caused to be served the foregoing DIRECT TESTIMONY OF TERI OTTENS on the following, in the manner indicated.

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## TERI L. OTTENS

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### EDUCATION

- ⌚ Bachelor of Arts, Government, California State University at Sacramento, 1977
- ⌚ Completed 19 credits of Masters of Public Administration courses, University of Wyoming and Boise State University 1983-1990

### RELATED EXPERIENCE

Executive Director, Community Action Partnership Association of Idaho, **2000 to Present**, Boise, ID  
CAPAI is a non-profit association advocating for low income issues including energy. Duties include administration of numerous grants and programs, staff supervision, working with eight member agencies, coordination of policies and issues, financial oversight.

Owner, Association Management Solutions, **1998 to Present**, Boise, ID. This company provides management services to public and private associations. Services offered include membership recruitment and tracking, administrative services, legislative monitoring and lobbying, desktop publishing of newsletters, directories and conference material; conference and event planning and other services required by the association. The company currently manages six associations one of which has a contract with the Northwest Energy Efficiency Alliance to provide energy code and efficiency education to cities and counties.

Deputy Director 1997 to 1998, Technical Services Director 1994-1996, Association of Idaho Cities, Boise, ID. AIC is a non-profit membership organization for Idaho cities. Duties included:

- ⌚ Worked with over 100 cities and the majority of the 44 counties on planning issues from comprehensive planning, implementation ordinances, area of impact, open space preservation and other related issues
- ⌚ Worked as the Energy Coordinator for AIC and the Idaho Association of Counties to promote energy efficiency and address energy related concerns of their citizens at a statewide level.
- ⌚ Developed and followed through on public participation/education plans
- ⌚ Worked with cities and counties to develop regional partnerships in meeting planning goals
- ⌚ Participating in the writing and preparation of AIC publications, reports and articles
- ⌚ Acting as spokesperson or liaison for the organization with many other groups, the media and the state legislature
- ⌚ Identifying and developing funding resources and partnerships, including extensive grant writing and administration

Administrative Officer, City of Caldwell, ID, **1989-1993**. Duties included:

- ⌚ Daily administration of all facets of city government including working with AIC and local utilities on related issues including how energy issues affected Caldwell citizens.
- ⌚ Served as Budget Officer in preparation and management of \$14 million budget
- ⌚ Served as Personnel Officer and the American with Disabilities Coordinator
- ⌚ Preparation of meeting agendas and staff reports
- ⌚ Grants Officer responsible for over \$250,000 in grants
- ⌚ Involved in strategic planning at all levels including the city comprehensive plan, area of impact

negotiations, infrastructure master plans, budgets and the Regional/Urban Design Assistance Team (R/UDAT) Study.

Information Officer/Planner, Ada County Development Services, ID, 1988. Ada County serves a population of over 200,000. Duties included:

- ⌚ Knowledge of land use planning, zoning laws and issues, growth management.
- ⌚ Interpersonal skills in dealing with general public, governmental agencies and developers in complaint and enforcement issues.

Executive Director, Downtown Casper Development Corporation, 1986-1987. DCDC is a non-profit membership agency with responsibility for downtown redevelopment. Duties included:

- ⌚ Business retention, expansion and recruitment
- ⌚ All administrative functions of organization including budgeting, preparation of Board agendas and reports, staff supervision, membership development
- ⌚ Fund raising for the organization, including membership development, identifying grant resources and corporate/business donors. This included preparing and making presentations
- ⌚ Responding to membership needs/technical assistance

Assistant City Manager, City of Laramie, WY 1980-1986. Duties included:

- ⌚ Working with the City County Planning Office to coordinate city/county growth
- ⌚ Preparation and management of \$17 million budget as City Budget Officer.
- ⌚ Understanding and management of city risk management program, utility franchises, personnel, grant writing and contract negotiations and administration.
- ⌚ Public Information Officer

Director of Planning and Research, City of Tracy, CA 1977-1979. Duties included:

- ⌚ Facilities and program planning and implementation
- ⌚ Grant administration, volunteer coordinator

#### **OTHER RELATED EXPERIENCE**

- ⌚ United Way Board Member, Canyon Area United Way, 1988 to present
- ⌚ United Way Board Member, Wyoming (Laramie and Casper), 1980-1988
- ⌚ Member, Idaho Community Forestry Council 1993-Present
- ⌚ Member, Caldwell Beautification Committee 1988-1998
- ⌚ Coordinator, Caldwell Area Paint the Town 1989-1995
- ⌚ Member, Mayor's Committee for the Disabled, Caldwell 1988-94
- ⌚ Member, IDOC Fair Housing Advisory Committee, 1996-1997
- ⌚ Member, Middleton School District Parents Advisory Committee, 1995-Present
- ⌚ United Way FEMA Committee – 1992
- ⌚ Volunteer Member, Wallace Institute Agricultural Preservation Task Force, 1998-1999

#### **HONORS**

- \* Outstanding Young Woman of America, 1983 and 1987
- \* Distinguished Service Award, Laramie Jaycees 1985
- \* Outstanding Young Wyomingite, Wyoming Jaycees, 1986
- \* Friend of American Education, Natrona County School District
- \* Woman of the Year, Beta Sigma Phi, 1992

#### **REFERENCES**

Deb Hemmert, President  
SEICCA  
208-746-3351

Michael McEvoy  
Canyon County Farm Bureau  
208-585-2277

## Percent of Poverty for States

**100 Percent, 110 Percent, 125 Percent, 150 Percent and 175 Percent  
of the 2003 HHS Poverty Guidelines**

For All States (Except Alaska and Hawaii) and for the District of Columbia

Size of family unit	100 Percent of Poverty	110 Percent of Poverty	125 Percent of Poverty	150 Percent of Poverty	175 Percent of Poverty
1	\$8,980	\$9,878	\$11,225	\$13,470	\$15,715
2	\$12,120	\$13,332	\$15,150	\$18,180	\$21,210
3	\$15,260	\$16,786	\$19,075	\$22,890	\$26,705
4	\$18,400	\$20,240	\$23,000	\$27,600	\$32,200
5	\$21,540	\$23,694	\$26,925	\$32,310	\$37,695
6	\$24,680	\$27,148	\$30,850	\$37,020	\$43,190
7	\$27,820	\$30,602	\$34,775	\$41,730	\$48,685
8	\$30,960	\$34,056	\$38,700	\$46,440	\$54,180

For family units with more than 8 members, add \$3,140 for each additional member.

Note: For optional use in FFY 2003 and mandatory use in FFY 2004

**TERI OTTENS EXHIBIT NO. 403**

Calculation of 24,789 households at or below 150% of Poverty Level.

This was figured from 2000 Census figures which shows number of households at an income at or below \$24,999. In AVISTA service area 38,137 households are at or below \$24,999. It is estimated, based upon poverty figures in the census, that approximately 65% of all households that are at or below \$24,999 will qualify for the 150% of poverty level, or 24,789 households.

HWPEI55P

STATE OF IDAHO  
DEPARTMENT OF HEALTH AND WELFARE

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RUN DATE: 05/28/2006

ENERGY ASSISTANCE  
SUMMARY OF DISPOSITIONS OF ASSISTANCE APPLICATIONS

AGENCY	COUNT OF APPROVED HOUSEHOLDS RECIPIENTS	ELDERLY/ HANDICAPPED/ CHILD 0-5	ELDERLY	HANDI- CAPPED	MIGRANT	CHILD 0-2	CHILD 3-5	HH COUNT CHILD 0-5	INDIAN	NON- TARGET	DISAPPROVED HOUSEHOLD COUNT
CAP 1	2,903	2,248	879	1,513	9	447	423	593	118	622	22
CAP 2	6,546	5,214	2,259	2,895	3	1,359	1,370	1,611	38	1,249	13
CAP 3	5,153	4,233	1,396	2,880	0	1,055	1,059	1,435	5	915	30
CAP 4	3,715	3,020	1,319	1,756	17	749	768	983	33	676	51
CAP 5	4,264	3,237	1,052	1,617	17	1,043	1,083	1,374	338	896	73
CAP 6	4,049	10,468	1,102	1,821	0	1,051	928	1,290	7	791	154
CAP 7	5,271	12,827	1,484	2,585	0	816	873	1,173	153	1,194	1
STATE TOTAL	31,901	25,240	9,491	15,067	46	6,520	6,496	8,659	692	6,343	344

ENERGY ASSISTANCE PROGRAM  
PAYMENT SUMMARY OF ENERGY ASSISTANCE

COUNTY NAME	REGULAR		EMERGENCY		TOTAL PAYMENTS	
	NUMBER OF HOUSEHOLDS	AMOUNT	NUMBER OF HOUSEHOLDS	AMOUNT	NUMBER OF HOUSEHOLDS	AMOUNT
<b>CAP AGENCY 1</b>						
CLEARWATER	210	66,805	236	86,028	446	152,833
IDAHO	470	138,144	189	63,625	659	201,769
LATAH	320	81,818	221	66,903	541	148,721
LEWIS	166	42,911	72	23,552	238	66,463
NEZ PERCE	540	103,542	489	120,368	1,029	223,910
	1,706	433,220	1,207	360,476	2,913	793,696
<b>CAP AGENCY 2</b>						
ADAMS	153	53,818	9	3,385	162	57,203
BOISE	172	51,466	4	1,297	176	52,763
CANYON	3,217	683,273	925	234,773	4,142	918,046
GEM	417	89,378	18	4,603	435	93,981
PAYETTE	720	151,530	104	26,098	824	175,628
VALLEY	225	80,008	26	9,878	251	89,886
WASHINGTON	512	111,037	33	8,830	545	119,867
	5,416	1,220,510	1,119	286,864	6,535	1,507,374
<b>CAP AGENCY 3</b>						
ADA	3,417	678,088	734	179,980	4,151	858,068
ELMORE	530	115,859	0	0	530	115,859
OHYEE	480	123,792	8	2,261	488	126,053
	4,627	917,739	742	182,241	5,169	1,099,980
<b>CAP AGENCY 4</b>						
BLAINE	65	15,460	13	4,272	78	19,732
CANAS	7	2,219	1	493	8	2,712
CASSIA	577	151,163	172	53,514	749	204,677
GOODING	228	45,832	37	8,572	265	54,404
JEROME	403	87,658	59	14,899	462	102,557
LINCOLN	41	11,983	10	3,207	51	15,190
MINIDOKA	561	155,609	133	39,642	694	195,251
TWIN FALLS	1,155	239,520	249	61,880	1,404	301,400
	3,029	709,444	674	186,479	3,703	895,923

ENERGY ASSISTANCE PROGRAM  
PAYMENT SUMMARY OF ENERGY ASSISTANCE

COUNTY NAME	R E G U L A R		E M E R G E N C Y		TOTAL PAYMENTS	
	NUMBER OF HOUSEHOLDS	AMOUNT	NUMBER OF HOUSEHOLDS	AMOUNT	NUMBER OF HOUSEHOLDS	AMOUNT
<b>CAP AGENCY 5</b>						
BANNOCK	1,261	298,106	475	137,976	1,736	436,082
BEAR LAKE	209	55,142	47	14,962	256	70,104
BINGHAM	1,072	291,643	166	52,754	1,238	344,397
CARIBOU	209	45,720	20	5,307	229	51,027
FRANKLIN	301	96,461	15	5,677	316	102,138
ONEIDA	221	79,668	4	1,537	225	81,205
POWER	236	56,208	38	12,073	274	68,281
	3,509	922,948	765	230,286	4,274	1,153,234
<b>CAP AGENCY 6</b>						
BONNEVILLE	1,697	438,549	395	122,064	2,092	560,613
BUTTE	83	32,003	11	3,779	94	35,782
CLARK	14	4,867	2	1,084	16	5,951
CUSTER	151	56,724	6	2,311	157	59,035
FREMONT	329	117,154	30	9,388	359	126,542
JEFFERSON	322	98,681	44	15,198	366	113,879
LEWIS	407	131,235	16	6,268	423	137,503
MADISON	435	122,198	20	5,536	455	127,734
TETON	79	31,344	5	2,141	84	33,485
	3,517	1,032,755	529	167,769	4,046	1,200,524
<b>CAP AGENCY 7</b>						
BENEWAH	275	77,780	150	46,133	425	123,913
BONNER	1,004	300,945	312	102,228	1,316	403,173
BOUNDARY	290	83,989	55	17,754	345	101,743
KOOTENAI	1,623	360,694	1,008	277,436	2,631	638,130
SHOSHONE	482	103,973	62	16,608	544	120,581
	3,674	927,381	1,587	459,959	5,261	1,387,340
	25,278	6,163,997	6,623	1,874,074	31,901	6,038,071

## HEAVY BURDEN REPORT PY 2003

AREA	SELECTED	PROCESSED	%
CAP 1	179	3021	5.93
CAP 2	439	5950	7.38
CAP 3	334	5117	6.53
CAP 4	283	3298	8.58
CAP 5	286	3943	7.25
CAP 6	49	4199	1.17
CAP 7	302	4644	6.50
TOTAL	1872	30174	6.20

## HEAVY BURDEN REPORT PY 2004 (through 23 Jan 04)

AREA	SELECTED	PROCESSED	%
CAP 1	46	1068	4.31
CAP 2	114	3643	3.13
CAP 3	31	1972	1.57
CAP 4	46	1850	2.49
CAP 5	27	1319	2.05
CAP 6	2	1234	0.16
CAP 7	105	1681	6.25
TOTAL	371	12769	2.91

Energy burden is determined by dividing the participant's October - June energy costs, from the previous year, by their annual income. This percentage is then ranked by either, Low (0 - 5%), Median (6 - 10%) or High (11% or more). This percentage also assists the LIHEAP program to determine how much the participant's benefit will be.

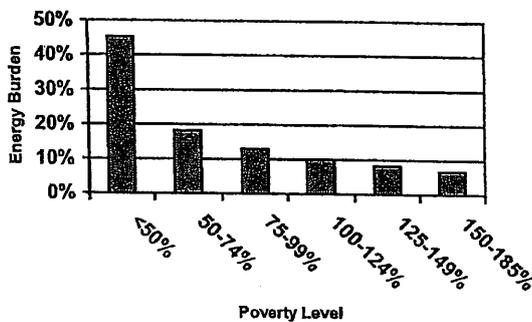
# ON THE BRINK

## The Home Energy Affordability Gap in IDAHO

APRIL 2003

### Finding #1

**Home Energy Burdens for Households at Various Federal Poverty Levels**

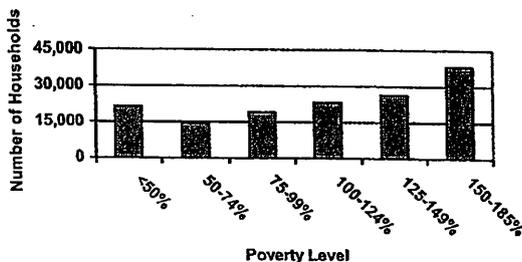


Home energy is a crippling financial burden for low-income Idaho households. Idaho households with incomes of below 50% of the Federal Poverty Level pay 45% or more of their annual income simply for their home energy bills.

Home energy unaffordability, however, is not simply the province of the very poor. Bills for households between 50% and 100% of Poverty take up 16% of income. Even Idaho households with incomes between 150% and 185% of the Federal Poverty Level have energy bills above the percentage of income generally considered to be affordable.

### Finding #2

**Number of Low-Income Idaho Households by Federal Poverty Level**

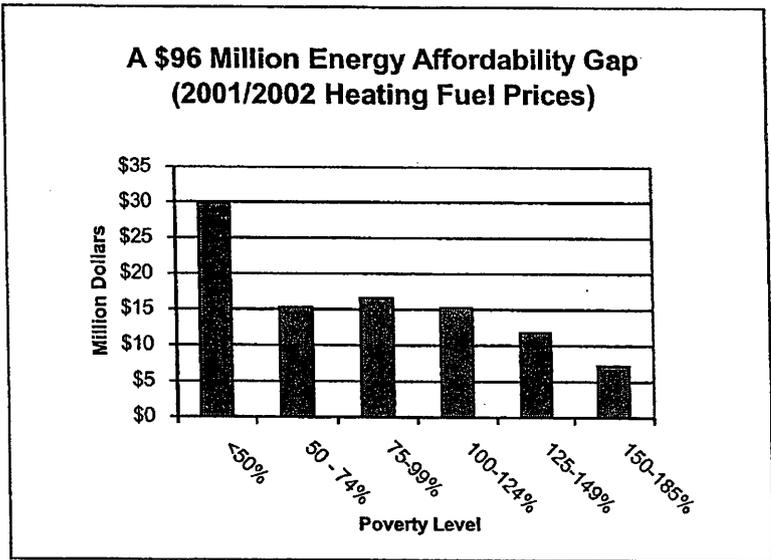


The number of households facing these energy burdens is staggering. More than 21,000 Idaho households live with income at or below 50% of the Federal Poverty Level and thus face a home energy burden of 45% of income or more.

14,000 additional Idaho households live with incomes between 50% and 74% of Poverty (home energy burden of 18%).

19,000 *more* Idaho households live with incomes between 75% and 99% of the Federal Poverty Level (home energy burden of 13%).

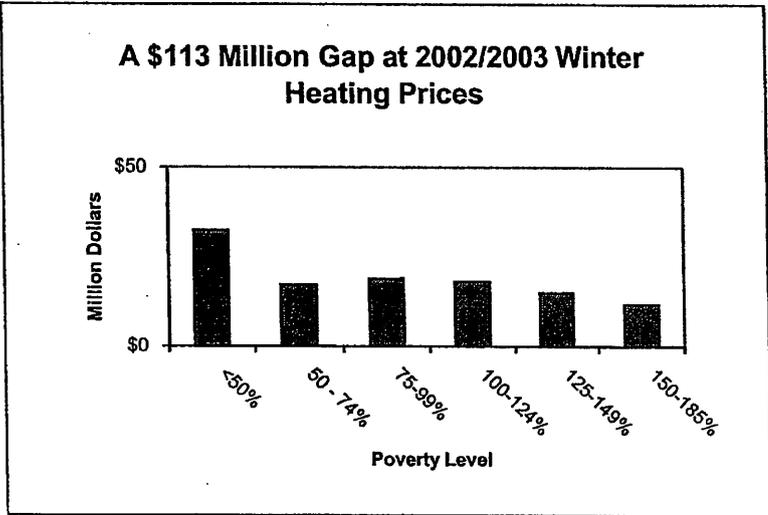
**Finding #3**



Existing sources of energy assistance do not adequately address the energy affordability gap in Idaho. Actual low-income energy bills exceeded affordable energy bills in Idaho by more than \$96 million at 2001/2002 winter heating fuel prices.

In contrast, Idaho received a gross allotment of federal energy assistance funds of \$10.5 million for Fiscal Year 2003. Some of those funds will be used for administrative costs, weatherization, and other non-cash assistance.

**Finding #4**

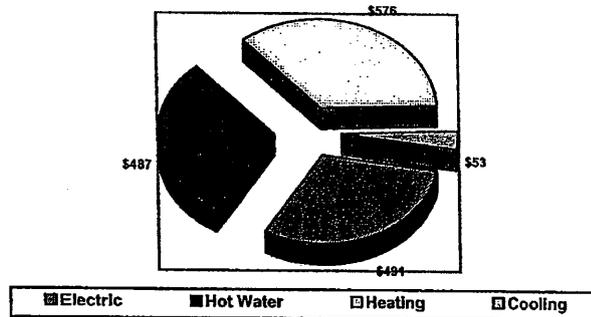


Increases in the prices of natural gas, propane and fuel oil during the 2002/2003 winter heating season drive the unaffordability gap up to more than \$113 million.

While the gap for the lowest income households (0-50% of Poverty) increases by nearly 9% (from \$30 million to \$32 million), the gap for the highest income households (150-185% of Poverty) increases by nearly 65% (from \$7 million to \$12 million).

### Finding #5

#### Low-Income Energy Bills in Idaho by End Use (2001/2002 Winter Heating Prices)



The energy affordability gap in Idaho is not created exclusively, or even primarily, by home heating and cooling bills.

At 2001/2002 winter heating prices, while home heating bills were \$576 of a \$1,607 bill (35.9%), electric bills (other than cooling) were \$491 (30.5%). Annual cooling bills represented \$53 in expenditures (3.3% of the total bill), while domestic hot water represented \$487 in expenditures (30.3%).

### Finding #6

The unaffordability of home energy bills frequently causes low-income households to take drastic actions that are detrimental to their health, safety and welfare. A survey of energy assistance recipients by the Iowa Department of Human Rights found that:

- Over 12 percent of the surveyed energy assistance recipients went without food to pay their home heating bill.
- More than one-in-five went without medical care to pay for heating bills, including not seeking medical assistance when it was needed, not filling prescriptions for medicine when a doctor has prescribed it, and/or not taking prescription medicines in the dosage ordered by the doctor.
- Almost 30 percent reported that they did not pay other bills, but did not elaborate as to which bills were not paid.
- In addition to not paying other bills, many low-income households incurred debt in order to pay both their home heating bills and other basic necessities: borrowed from friends and/or neighbors; used credit cards to pay for food and other necessities, or did not pay the heating bill.

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**IDAHO Energy Gap Rankings**  
(scale of 1 - 51)

<p>AVERAGE DOLLAR AMOUNT BY WHICH ACTUAL HOME ENERGY BILLS EXCEEDED AFFORDABLE HOME ENERGY BILLS FOR HOUSEHOLDS BELOW 185% OF POVERTY LEVEL.</p> <p>\$672 per household</p> <p><b>RANK: #33</b></p>	<p>AVERAGE TOTAL HOME ENERGY BURDEN FOR HOUSEHOLDS BELOW 50% OF POVERTY LEVEL.</p> <p>45.3% of household income</p> <p><b>RANK: #36</b></p>
<p>PERCENT OF INDIVIDUALS BELOW 100% OF POVERTY LEVEL.</p> <p>11.8% of all individuals</p> <p><b>RANK: #29</b></p>	<p>COMBINED HEATING/COOLING AFFORDABILITY GAP COVERED BY FEDERAL HOME ENERGY ASSISTANCE.</p> <p>23.0% of gap is covered</p> <p><b>RANK: #27</b></p>

#### DEFINITIONS AND EXPLANATIONS

Each state (along with the District of Columbia) has been ranked (from 1 to 51) in terms of four separate measures of the extent of the energy affordability gap facing its low-income customers:

- (1) The percent of individuals with annual incomes at or below 100% of the Federal Poverty Level. This data is obtained directly from the 2000 U.S. Census.
- (2) The average total home energy burden for households with income at or below 50% of the Federal Poverty Level shows the percentage of income which households with these incomes spend on home energy. "Total home energy" includes all energy usage, not merely heating and cooling. A home energy bill is calculated on a county-by-county basis. The statewide average is a population-weighted average of county-by-county data.
- (3) The average affordability gap (in dollars per household) for all households with income at or below 185% of Poverty is the dollar difference between actual total home energy bills and bills that are set equal to an affordable percentage of income. Affordability for total home energy bills is set at 6% of household income.
- (4) The extent to which federal energy assistance covers the combined heating/cooling affordability gap for each state. The combined heating/cooling affordability gap is the difference between actual heating/cooling bills and bills that are set equal to an affordable percentage of income. Affordability for combined heating/cooling bills is set at 2% of income. This measure thus examines the proportion of the heating/cooling gap that is covered by the gross federal Low-Income Home Energy Assistance Program (LIHEAP) allocation to the state assuming that the entire LIHEAP allocation is used for cash benefits.

In the state's rankings, a higher ranking indicates better conditions while a lower ranking indicates worse conditions relative to other states. Thus, for example:

- (1) The state with the rank of #1 has the lowest percentage of individuals living in households with income at or below 100% of the Federal Poverty Level while the state with the rank of #51 has the highest percentage.
- (2) The state with the rank of #1 has the lowest average home energy burden for households with income below 50% of the Federal Poverty Level while the state with the rank of #51 has the highest average home energy burden.
- (3) The state with the rank of #1 has the lowest average affordability gap (dollars per household) while the state with the rank of #51 has the highest dollar gap.
- (4) The state with the rank of #1 has the highest percentage of its heating/cooling affordability gap covered by federal energy assistance while the state with the rank of #51 has the lowest percentage of its heating/cooling gap covered.

All references to "states" include the District of Columbia as a "state." Low-income home energy bills are calculated using average residential revenues per unit of energy. State financial resources and utility-specific discounts are not considered.