

# Seattle City Light – 2015-2020 Strategic Plan Update

## Summary of Outreach

### OVERVIEW

In February and March 2014 Seattle City Light leadership engaged in a robust outreach effort to inform its commercial and residential customers, community advocates, employees and other interested parties about progress made on the 2013-2018 Strategic Plan, and new initiatives that may be proposed for the updated 2015-2020 plan.

This outreach builds upon the extensive community and stakeholder engagement done in 2011 and 2012 to create the original six-year plan, which was unanimously approved by the Mayor and City Council in 2012. That plan established a path for rate increase, which average 4.7 percent/year through 2018. The updated plan lowers that to 4.4 percent/year for 2019-2020.

The utility's strategy for getting feedback on the proposed updated plan was to maximize its outreach efforts by using a combination of in-person meetings with Neighborhood District Councils and business groups, surveys and focus groups, social media, as well as an unprecedented level of outreach to non-English speaking communities.

### SPECIFIC OUTREACH EFFORTS

#### Surveys

Customers were asked to give City Light feedback by taking an online survey about the original 2013-2018 plan and proposed initiatives for the 2015-2020 updated plan. Approximately 20,000 customers (residential and commercial) were randomly selected and sent an email with an invitation and a link to the survey. In addition, the survey was promoted via social media and prominently displayed on the Strategic Plan website.

Overall knowledge, interest and support for the Strategic Plan is strong. Residential customers give City Light particularly good marks for customer service and environmental leadership. Regarding the Strategic Plan objectives, residential customers rate affordability, investing in renewable energy, and increased efficiencies as important priorities. A slight majority of survey respondents feel that the rate path for the current six-year plan and the update is reasonable.

#### Focus Groups and Town Hall meetings with non-English speaking customers

In February and March, City Light hosted a large number of focus groups and community presentations to engage Seattle's diverse ethnic communities in the utility's rate design and Strategic Plan update. All presentations were conducted in the participant's native languages. Ethnic communities participating included: Chinese, Korean, Somali, Vietnamese, Filipino, Spanish, Cambodian, Native American and Pan-Asian. A summary report of this outreach is attached.

A highlight of this outreach was a first-ever all- Spanish language Town Hall meeting in partnership with KUNS-TV Univision featuring City Light General Manager Jorge Carrasco. City Light staff created a Spanish language video summarizing the Strategic Plan that was included in the broadcast. The half-hour show aired twice and was viewed by tens of thousands of Spanish speaking customers in the Seattle area.

### In-person meetings with neighborhood District Councils

An important component of the outreach included a series of presentations by members of the City Light leadership team followed by discussions with members of Seattle's Neighborhood District Councils (Lake Union, Magnolia/Queen Anne, Central and Northwest. Information was also given to the Department of Neighborhoods District Coordinators, so they could share the information at community events and meetings). The purpose was to gauge customer knowledge of the original six-year plan and talk about the new initiatives proposed for the update. Through this outreach, the utility met with at least one Neighborhood District Council in each of the three regions of the city; South, Central, and North.

Overall, customers clearly understood the concepts in the original plan and generally understood the new initiatives being offered in the updated version. Specific knowledge about the work of Seattle City Light beyond providing electricity varied greatly. While some customers knew little about the utility's conservation efforts and how it produced power, others had extensive knowledge of the utility's operations and programs. Below is a summary of the type of questions asked and comments made at the District Council meetings:

#### *Rates*

There was some discussion at each meeting regarding the rate path described in the original Strategic Plan and in the update. Participants felt that offering some of the lowest rates in the country is a key attribute of the utility. They went on to say that residential and commercial customers are proud of this and want to keep it that way. Some participants wanted more details on how low-income customers could access the utility discount and conservation programs in order to mitigate any rate increases.

Overall, while rate increases are not desirable, customers expressed an understanding that they are necessary in order to ensure continued service reliability. Customers also valued predictable rate increases as a positive change from the unexpected rate increases of the past.

#### *Reliability*

For the most part, customers were pleased with the reliability of City Light's service. One participant said that he had not experienced an outage in 30 years. A participant from the Fremont area said that some businesses had experienced 6 outages in the past year and clearly understood the need for increased attention to the utility's infrastructure.

### *Carbon reduction*

Conservation and carbon reduction came up at every meeting. Customers are very proud that City Light was the first public utility in the country to be carbon-neutral. Others wanted more information on City Light's carbon reduction programs and how climate change is impacting the utility. There were questions about conservation services available to homeowners and if there will be an increase in the subsidies offered for LED lights.

### *Maintenance/Tree trimming*

Customers had questions about the maintenance backlog. Some wanted to know why it is such a problem and how long it will take to catch up. There were also some questions about trees. Some customers would prefer the utility cut fewer and plant more of them for other City properties.

### *Operations*

Overall, participants were engaged in learning about how their utility operates. They had specific questions about City Light's annual budget, its debt service, customer count, and revenue from wholesale power sales. At one meeting, a customer wanted to talk about undergrounding all of its power lines.

Unrelated to the Strategic Plan, some customers who live in large apartment complexes wanted to talk about how they are billed and if their bill included a basic service charge.

### Online/Social Media

City Light staff used social media (Twitter, Facebook) to talk with customers about the values inherent in the Strategic Plan. Utility communications staff organized and hosted a live online chat with City Light chief of staff Saphir Hamilton and chief financial officer Jeff Bishop. Promotion of the live online chat included postings on social media platforms with links to the Strategic Plan website and information about how customers could provide feedback. Customers were asked to submit questions via Twitter to @seacitylight with a #strategicplan hashtag. Currently, City Light's Twitter reach is more than 8,000 customers. Facebook was also used as a forum for customers to submit questions. Answers were displayed on the Facebook page as well as the Strategic Plan website.

The vast majority of questions posted related to rates and environmental protections. Customers wanted to know how the Strategic Plan would impact their bills, and gave support to the utility's environmental programs.

Social media was also used to promote the online survey. All followers of City Light's Twitter and Facebook pages were given a link to the customer survey and encouraged to give City Light their feedback.

Utility communications staff also created content for the Power Lines blog promoting the survey, the live chat and links to community meetings.

The Strategic Plan website was also revised with content related to the update. New content included:

- A folio which included progress made on the 2013-2018 plan and new initiatives planned for the 2015-2020 update.
- A calendar of community meetings
- A customer survey

#### Correspondence/emails

The utility received very few letters or emails from customers about the Strategic Plan- less than ten. Most provided comments about keeping rates low, the Utility Discount Program, new metering technology and continuing the utility's environmental leadership.

#### Materials created

- Printed folio for use at community meetings and other outreach
- PowerPoint presentation for use at community meetings
- Spanish language video for KUNS-TV Univision Town Hall Meeting

## **Seattle City Light Strategic Plan Update and Rate Design Outreach & Engagement of Non-English-Speaking Communities**



**February, March & April 2014**

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## **Background**

In February and March 2014, The Connections Group (TCG) worked with Seattle City Light (SCL) to conduct a series of focus groups, community presentations and an innovative all-Spanish-speaking Town Hall event – to engage Seattle’s diverse ethnic communities in Seattle City Light’s rate design model and strategic plan update. Through the engagement of these often underrepresented communities, our primary purpose was to gauge the public’s ongoing reaction to the long-term plans and priorities of the utility. In addition, our goals included further educating SCL customers about their utility’s service, how to access information, how to apply for the low-income assistance and other programs, and measure the audience’s reaction about the proposed changes in fixed costs that might affect their bills.

Our initial recommendation to Seattle City Light was that the best strategy to engage Seattle’s many ethnic communities is not through a “one-size-fits-all model”, but through a multifaceted approach, connecting individually with each community using key connectors from that culturally-diverse group. These best practices included:

- Presenting the information in the participants’ native languages;
- Explaining hard-to-understand and technical topics simply, allowing for many questions;
- Finding relevancy for these communities in rate discussions and benefits they might access;
- Personalizing the experience in small groups, individual interviews or at locations participants feel safe to express their opinions.

Our action plan was to host a series of focus groups and community presentations in the native language of the participants and in locations that were familiar, then we asked very basic questions about SCL in the form of a quiz. We would then present specific information on rate design changes and listen to their more in-depth conversations through interpreters hired to talk to the audience members in their native language and SCL staff and TCG listened to that conversation through a second interpreter. Through this approach, SCL and TCG could establish an environment that welcomed the unique perspective of each varying ethnic background with the result being unique and valuable ideas pertaining to SCL’s rate design and strategic plan update – results that were very different for some groups.

## **Methodology**

Recognizing the inefficiency and expense of recruiting participants from non-English communities from a phone list, we decided to utilize existing relationships that TCG has developed in working with various community organizations over the past decade. This re-enforced TCG’s recommendation of creating safe spaces for ethnically-targeted populations using familiar local organization staff and volunteers who then helped recruit the participants. TCG worked with the individual community organizations to find meeting rooms convenient to the attendees, and coordinated logistics to make the presentations as inviting as possible. There was an informal screening process allowing our recruiting organizations a chance to review many potential participants from their respective communities. TCG required participants be SCL customers (except not SCL employees), and requested a mix of gender and ages. At least one Seattle City Light staff member attended each event to answer specific questions and to present information on the low-income assistance program.

TCG organized six community (45-60 minute) focus groups for the Chinese, Vietnamese, Korean, Somali, Filipino, and Pan-Asian communities in Seattle. The focus groups began with a seven-question quiz related to City Light services, customer base, and proposed changes. TCG reviewed the answers of the quiz in order to better grasp the audiences’ understanding of their utility and to help them get engaged

with the material before reviewing more specific topics such as the proposed rate changes and City Light service information. The community presentations were between fifteen and thirty minutes in length --- with some of them longer as it was important everyone understood the basics so we could move onto the strategy plan update and rate design information. We presented to El Centro's leadership staff, Cambodian activist community members, a Spanish-speaking family support group, and a lunch group of Native American elders. Both the focus groups and the community presentations resulted in more than 100 participants. The dates, details, and locations of the focus groups and community presentations were:

### **I. Focus Groups**

- February 19, Chinese Information and Service Center (14 Chinese participants)*
- February 22, Spartan Recreation Center (9 Korean participants)*
- February 22, The Harry Thomas Community Center at Lee House (15 Somali participants)*
- February 25, Garfield Community Center (15 Vietnamese participants)*
- March 18, Filipino Community Center (17 Filipino participants)*
- March 22, Pan Asian Community Meeting (9 Pan-Asian participants)*

### **II. Community Presentations**

- March 5, El Centro De La Raza (10 participants from El Centro's Leadership Staff)*
- March 14, Southwest Youth and Family Services (17 Cambodian participants)*
- March 24, Southwest Youth and Family Services (8 Spanish-speaking participants)*
- March 26, Seattle Indian Health Board (25 Native American Elders)*

In order to achieve a relaxed tone and natural flow of discussion, we were wary of conducting the five focus groups and community presentations with an English-speaking moderator and interpreter. Using an interpreter instead of a trained moderator would mean that every time we stopped for interpretation, the conversation would be halted. Also simultaneous interpretation would add a formal overtone that might similarly halt conversation.

We trained one of the interpreters on the material and effective moderating of focus groups – not a typical assignment for professional local interpreters. This interpreter presented the information to the audience, making sure the terms and priorities were understood by the participants. The second interpreter was hired to interpret on the side for the observers. At some of the events, the observer, usually a low-income assistance SCL staff person, presented information on the program in English and the moderator translated. We recorded both the interpretation to the observers and the entire event with a camera so that we could review the entire session with an interpreter again if needed.

### **III. Broadcast Town Hall Event – KUNS-TV UNIVISION**

*March 17<sup>th</sup> Spanish-speaking TV show, Fisher Plaza East (64 Spanish-speaking participants)*

For the first time in local TV history, TCG and SCL produced a half-hour TV Town Meeting entirely in Spanish. With the help of several local agencies and organizations, TCG recruited over 60 Spanish-speaking local customers to attend a forum which would engage and discuss local electric power issues with Hispanic, Latino, Central American and other non-traditional meeting attendees. This included Spanish-speaking former and current state legislators, local county officials fluent in Spanish, and many service providers. While taped in the Fisher Plaza studios on Monday March 17<sup>th</sup>, the show was actually broadcast on Saturday, March 22<sup>nd</sup> at 6 pm and rebroadcast on Saturday, March 29<sup>th</sup>.

## **Executive Summary & Findings**

- **Though some of the Rate Design model explanation is dense and complicated, our multi-cultured audiences were not daunted by the explanation of the proposed changes. In fact, finding, recruiting, arranging for a convenient meeting, engaging and answering questions from these more than 14 different language population proved to be more arduous than getting them to understand the content of what we were discussing.**
- **Where people from more than 14 different ethnicities were not very familiar with the specifics of the SCL Strategic Plan – or key factors which drive the Plan – they were familiar with the messages the utility has driven over the past several years: it is good to conserve and there are many practical ways you can conserve; our costs for electricity in the past have been driven by our water level conditions and that can be more dependable; SCL has lots of help for you, and it has information in your language; etc.**
- **Like most government agencies, SCL is not the first priority of our customers for staying up-to-date with changes, how it works and why customers should pay attention. Our attendees did not know how low our rates are compared to the rest of country, nor did they know how good a job the City was doing in conservation. However, their underlying faith, patience and acceptance of SCL were evident in that they said they tended to believe what they were told by SCL – not the case for other agencies.**
- **Most of these communities are not reading information that comes from “the government” (less than even the majority cultures with whom SCL deals). They prefer the cultural norms of getting important information – or even reading important info – from a few (usually older, wiser, trusted, empowered) well-connected members of their community as well as intake officers from various community organizations. In several groups, there were obvious elder customers whom the entire group would let lead, ask questions or sum up aspects of the points we presented.**
- **In understanding complicated material from SCL, many of these groups are reliant on seeing, hearing and talking about policies instead of reading about them.**
- **Several groups did refer to the mish-mash of government utility processes where it seems that the same government seems incapable of coordinating utility priorities so that if one utility requires rate increases that are substantial, then the others could wait. Several groups mentioned the recent rate increases being proposed by both SCL and SPU at the same time.**
- **The participants were very cost-sensitive – more than any other population or lifestyle group TCG has tested. Intrinsic in their concern is that prices don’t rise. They believe they took the brunt of the recent recession. They believe that as immigrants and differently-cultured customers, they also are victimized by “systems” so they have to pay more without recourse. They also believe the rich have advantages they do not and pay far below what is fair.**

- **SCL customers from other cultures are often living in residences where they share space and do not have separate billing accounts for electricity. Landlords in these cases adjust or apportion who pays what – and it becomes hard to impossible to object or even ask for a review so that a customer might more fairly pay for his or her fair share. In addition, customers from several different countries who are new immigrants are often victimized by landlords who threaten to turn them into “authorities” if they do not pay full rate increases the landlords have said much be paid each time there is a reported SCL rate increase. Many of our ethnic customers urged SCL take the lead in cleaning up this intimidation and possible unfair charging of utility rate increases to tenants.**
  
- **Finally, the low-income assistance program is definitely needed, but seldom known, used or spread by word of mouth by the very customers who would qualify and reap the benefits of up to 60% reduction in electricity bills. In every one of our meetings, presentations or even at the Town Hall, customers who seemed likely to be good applicants listed a range of reasons why they do not apply:**
  - **The applications are very complicated, take lots of time and paper to fill out with potential language barriers as many participants did not speak English;**
  - **Though an applicant may be receiving other assistance which should make the energy program accessible to them as well, this other program verification is not valid to qualify;**
  - **Once an applicant does apply, there is no acknowledgement that the application is even under review;**
  - **There are two (at least) on-ramps to getting accepted to the program – and neither seems to talk to the other, meaning that if a customer forgets which of the avenues he or she took to apply, the agencies are no help in tracking his application down;**
  - **The time to receive approval is too long;**
  - **Reapplying seems random with no advance notice that customers on the program will fall off if they do not apply in a timely manner;**
  - **There seems to be little outreach to the people who really could use the low-income program as there are always lots of openings available – it’s almost as if the utility knows that if few people sign up, then there will be more money the utility can use for other priorities.**

## **Individual Results from Each Public Engagement Session**

### **Knowledge of Seattle City Light (based on quiz questions and answers)**

Based on the feedback and quiz results of the participants at the start of the process, the majority of participants had little understanding of SCL's services, rates, and customer base. In many of the countries from whence they came, utilities are undependable, costly, subject to political whims and purposely mysterious. The quiz was taken in large part as a game, but the conversation which followed it was worthwhile. At least a third of the participants brought their bills, a recent newsletter or a special mailing from City Light. In general, audience members at all of the presentations were eager to ask questions and state their opinions.

Participants were very surprised to hear that SCL is owned by the rate-payers. Audience members were also very surprised to hear that Seattle has the lowest rates compared with the other top 25 cities in the U.S. However, there was always an expressed opinion in every forum about the need for rates to stay the same and not increase. One participant responded to this by saying, "do you think what we pay now is cheap?" When asked about why they thought SCL rates were lowest, many knew that Seattle had access to a large amount of hydropower and other forms of energy. When questioned about the low-income assistance program, the majority of people had no knowledge of how the utility discount program could benefit many customers.

### **Understanding the proposed Rate Design and proposed changes**

Once presented with the information, the participants acknowledged an overall understanding of SCL's proposed rate design change. When asked to reiterate what they learned, many discussed the increase in the fixed rates and the decrease in the flexible rates. The audience members demonstrated understanding that the service and infrastructure costs of running SCL have increased while energy consumption has gone down due to better conservation practices by customers. One Filipino woman articulately summarized the presentation, saying,

"In the future we will need more services than energy consumption, so right now little by little you are increasing the percentage for the fixed rate so that in the future it will not be too much for us to increase all at once. We will not consume too much energy in the future, so we will be ready to pay more for the fixed rate for the services, little by little."

Once there was a general understanding, participants stated that increasing the fixed rate in the future would lessen the incentive to conserve energy. One participant said, "Customers aren't going to like this." When the audience members were presented with the graph that illustrated the proposed changes, several participants asked why high usage customers were getting the break.

One woman from the Chinese focus group questioned, "Is this really going to make the rich pay less and the poor pay more? It sounds like it."

After this question came up several times, TCG and SCL had the moderator explain that higher usage does not necessarily correlate with wealth, often it is poorer customers who do not have access to expensive conservation materials.

Participants, often the elderly who rely on a fixed income, stated that any increase in cost would be difficult to manage. They were concerned of any change and while they wanted SCL to remain a viable,

well-run utility, they were more insistent that Seattle City Light minimize the increase on customers – especially those most affected by downturns in the economy.

### **Utility Discount Program**

Only a few participants were aware of the utility discount program (UDP), and a much lower percentage was actually enrolled in the program. After a brief explanation of the qualifications for the UDP, audience members expressed interest and excitement about enrolling, but also explained difficulties they faced supplying the relevant documentation and working with materials that were only in English. They said the application process was hard. They seldom got any verification the application had been accepted, or that it was still under review, or even if it had been rejected. Many participants strongly urged City Light to produce more materials that were in their native languages. Staff from the community organizations recommended setting up a table at some of the upcoming popular community events, so that people could approach and apply directly. At the end of the presentations, many participants took several copies of the UDP brochure and promised to distribute to their friends and family and share what they learned.

When giving the presentation at community centers, including El Centro de la Raza and the Filipino Community Center, there were several questions about qualifying for the low-income assistance program as the organization pays for the housing.

One area that came up at several meetings was the awkwardness that happens when many individual and/or families share the same living space and the landlord arbitrarily determines who pays what. In addition, the landlord may charge more than the actual cost of a person's share but there is no way for the consumer to be able to receive the justification for subsequent utility increases to the consumer. Three different people from separate groups mentioned that landlords sometime use a consumer's immigrant status to keep them from asking about rate increases. This came up in the Chinese, Spanish-speaking and Somali audiences.

### **Other Key Questions**

Other key questions centered on requests for more detailed information about the rate design changes. For example, consumers asked how Seattle City Light determines low usage, medium usage, and high usage. One participant asked how this change would affect their community positively. Several groups questioned why SCL was doing this outreach, if ultimately they are not going to see significant changes in their bill. When people were told that Seattle has the lowest energy rates in the country, some were wary, and asked if they were told this so as to justify a rate increase in the future.

### **Spanish TV Town Hall**

On Monday, March 14<sup>th</sup> the Connections Group and Seattle City Light organized the first Spanish TV Town Hall meeting, taping it at the Univision Studio at KUNS-TV studios (KOMO TV offices). There were approximately 64 Spanish-speaking community members that attended the event, including some of Seattle's top Latino leaders. The community members sat in the audience while Jorge Carrasco, General Manager and CEO, was interviewed by Univision's news anchors. Audience members were invited to ask Mr. Carrasco questions at the end of the recording session. The program will be aired on Saturday, March 29<sup>th</sup>, 2014.

**Identified questions to be asked in the Q&A section of Town Hall Event:**

1. How will this plan impact my monthly bill?
2. How are the changes with Seattle City Light going to benefit the community?
3. How can I monitor my own usage so I can conserve if I want to do that?
4. You have mentioned “values” like conservation and maintenance – how much is this going to add to my bill?
5. The story mentioned we’re saving \$18 million dollars. If we’re saving so much why are rates going up?
6. How much do I need to make to qualify for rate assistance?
7. I value conservation, even if it means I pay a little more. Will SCL be expanding its investments in renewable energy like solar and wind power?
8. I don’t mind paying my fair share but I want those who use a lot of power to be paying more. What are you doing about this?
9. I know we depend on hydro power which is dependent on the weather...how can you make rates predictable if we can’t predict how much rain or snow we’ll get from year to year?
10. Are there other things City Light can do to tighten its belt?
11. Once we get done implementing the plan, will we still have the lowest rates in the country?
12. How can I make more comments on the plan?
13. How are you going to improve customer service?
14. My power went out for a short time – will these changes mean my power won’t go out?

## **Community Focus Groups:**

### **Community Focus Group (Chinese)**

**Noon to 2 PM, Wednesday, February 19, 2014**

**Chinese Information and Service Center, 611 S Lane St, Seattle, WA 98104**

#### **Summary**

- Fourteen Cantonese and Mandarin participants from various communities attended from across Seattle, five of them were already in the SCL utility discount program.
- Participants were highly involved in the discussion (which is very unusual) and most of them understood what Seattle City Light was proposing to do with rate design changes.
- From the initial quiz exercise, participants demonstrated they had little knowledge about Seattle City Light, its rate structure and especially how the utility discount program could benefit many customers.
- Some participants had issues with the proposed fixed rate increase, suspecting that all changes will result in higher rates for low income customers (disproportionately to others).
- Most participants were not aware of the Seattle City Light's number 206-684-3417.
- Many participants strongly urged that the utility produce more materials in Chinese so that they could understand their bills, general information, and especially information that deals with applications for the utility discount program.
- Some participants wanted to know how to compare their usage with other customers, with customers heeding SCL conservation recommendations, with their own past history and with new proposed rate structure changes. In general, they also thought that it would waste less time and get right to the point if SCL would propose changes based on what their specific bill looks like. One gentleman who brought his bill (retired engineer and active volunteer), said after seeing the rate design change presentation that one or two additional slides with specific rate change examples would be the easiest way to understand the impacts.
- Most participants had various problems understanding the details of their bills and how to seek help, mainly because of the language barrier. One participant gave an example of how she gave up seeking help because she couldn't understand the process and decided not to go back and forth with Seattle City Light. "Seattle City Light estimated my bill while I was on vacation in Hong Kong for more than a month. At the end, it's easier to just pay the bill than to deal with them... even though that was \$400."
- Some participants worry the rate design changes could impact them significantly as they are already struggling financially (homemaker, unemployed and retired).
- Even the five of the participants who are already on the utility discount program knew very little about it. They said the application process was hard (they seldom got any verification the application had been accepted, or that it was still under review, or even if it had been rejected.)

One gentleman said it was confusing with two different paths (agencies) to getting approved and that one side was not prepared to explain what the other side was doing (HSD versus SCL). Some of the process was in Chinese; some in English. This is the most important process that must be all in Chinese, he said.

- For those interested in applying for the utility discount program, they had little or no knowledge regarding the income eligibility requirements and how they could potentially contact Seattle City Light to apply for the program.

### **Key Participants' Questions**

- What is the definition of summer and winter periods?
- How does Seattle City Light determine high, middle, and low end usage?
- How does Seattle City Light estimate electricity usage? Isn't that unfair sometimes?
- How will these rate design changes impact me and my bill?
- You told me about the need to have a rate design adjustment. Yet, you are telling me Seattle City Light wants to do a better job to assist low income customers. Isn't that going to create more financial pressure/problem for the utility?
- How come high usage customers could potentially get a lower rate?
- Where do you find the electricity meter? Why can't we be told how to find it, read it and monitor our own usage?

### **Most Interesting Comments**

- There was much interest and excitement in the utility discount program. Many participants had heard of the program but had found the application too hard to complete, not convenient to finding an application, and not easily processed with no follow up as to what is happening during the long review process (over two months, according to two participants).
- One participant said he was raised to make sure businesses were run on a strong fiscal basis – first and foremost, and wondered if SCL had researched the impact of so much conservation before advising it.
- Another interesting comment came from a woman on utility discount program who said SCL should not be so aggressive about marketing the utility discount program as it might also result in the “rest of us” having to pay more to keep the utility's fiscal picture strong.
- A woman who spoke English, Mandarin and Cantonese said in astonishment, is this really going to make the rich pay less and the poor pay more? It sounds like it.”

**Community Focus Group (Korean)**  
**11AM to 12:30 PM, Saturday, February 22, 2014**  
**Spartan Recreation Center 202 NE 185th St, Shoreline, WA 98155**

**Summary**

- Nine Korean speaking participants, the majority were graduate students at the University of Washington who have paid Seattle City bills for more than five years. There was also one senior who has been using Seattle City Light for 27 years.
- Based on the feedback gathered after the quiz, the participants demonstrated very little knowledge about Seattle City Light.
- After some questions and answers by the Seattle City Light staff member, the participants showed an in-depth understanding of the material presented; though many expressed concern that Seattle City Light was conducting outreach because they were going to raise rates in the future. They informed the moderator after the presentation that they understood the content and planned on explaining to others in the Korean community about the changes.
- Some participants were confused as to why the graph on the initial slide used U.S. GDP rather than Seattle's GDP specifically. The audience member asked, "U.S. GDP and not Seattle GDP, how does this relate to Seattle City Light's reason to raise the 'fixed cost'?"
- Much of the conversation centered on the difference between the fixed rate and the "flexible" energy rate. There were questions focused on why they were raising the fixed rates now and whether they would actually be saving money or paying the same. They were concerned about the unknown future changes in energy demand.
- Some participants wondered why they were being included in the outreach process if the changes do not make a significant difference to most residential customers.
- When the Seattle City Light employee guided the discussion, one participant was concerned about the lack of incentive to conserve energy if the fixed costs kept going up. He said consumers were not going to like this.
- Participants wanted more specific data about the changing costs, one asked, "Is there a before and after bill that we can look at?"
- Everyone took the utility discount program application forms to share with friends and family members to see if they would qualify.

**Questions and Audience Feedback:**

- "What is the financial reason for changing the rate?"
- "Energy means usage of electricity?"

- “Is Seattle City light losing money so they are trying to raise the rate?”
- “Seattle City Light has the lowest rate now, are you just saying that so residents will accept a higher rate in the future?”
- “There is not reasonable understanding of the concept about why the price has to raise.”
- “So what you are saying is that the amount we will be paying is the same, even though the rate is going up?”
- “So this doesn’t make a difference for the customer? It sounds the same.”
- “Has the utility rate been changed?”
- “So fixed amount goes up and the rate is the same?”
- “Is the price per kilowatt going to change?” Yes –I see it will go down.
- “This presentation is about raising the awareness for the Seattle consumer?”

#### **Most Interesting Comments**

- “The customer is not going to like if they continue to become more energy efficient, but the fixed costs continue to go up.”
- “I am worried that if this is a trend that we will follow, that the base charge will go up and up.”
- “So what is the difference right now? So it will be different how we collect the distribution fee from the cost, revenue, but the energy is the same?”
- “So the kilowatt cost proportion goes down with the increase of the base charge?”

## **Community Focus Group (Somali)**

**2:30 PM to 4 PM, Saturday, February 22, 2014**

**The Harry Thomas Community Center at Lee House, 7315 39th Ave S., Seattle**

### **Summary:**

- There were fifteen Somali speaking participants. There were about 70% women, several with children or their mothers. There was one male business owner and two other male participants, ages ranging between 25 and 55.
- All of the participants have been customers of Seattle City light for at least seven years. A couple participants mentioned that they have been living here for nearly 20 years. Many expressed the desire for some reduction in their Seattle City Light bills while making an introduction or signing in.
- The quiz revealed that the participants had little knowledge of Seattle City Light. People were especially surprised that SCL has the lowest rate and is owned by Seattle citizens. When the moderator informed participants Seattle had the lowest rate, one person responded, “Do you think the money we pay is cheap?”
- All of the audience members complained that their bills were far too high, some mentioned that they felt Seattle City Light had increased the cost over the last year and are simultaneously becoming more aggressive in their bill collection. Many wondered if they can lower their bills through conserving energy and using LED lights or if there was some assistance available.
- Very few audience members were aware of the utility discount program; though some mentioned that they may have seen information flyer came with their bills, but they have since lost it or have trouble reading the paperwork because it is in English. One participant said, "It's in their best interest not to advertise the discount program – what they should do is to call us using local representatives that speak our language."
- The audience members that were aware of the utility discount program said that they have tried to apply several times, but have been consistently rejected. One said, “When someone applies several times and continues to get rejected they are less likely to apply again.”
- There was a lot of confusion about discrepancies between one person’s bill and their neighbor’s bill. They said they are never home and yet their bill is the same.
- One of the female community leaders expressed gratitude for being kept informed about the Seattle City Light rate process and strategy update, but also wanted to know more about how they thought the changes will benefit her community.
- All participants took copies of the utility discount program application to distribute to their friends and families.

### **Audience concerns and questions:**

- “The bills are getting too high, we want to learn more about conserving energy.”

- *In regards to the utility discount program*
  - “They sent me something like that, but I lost it.”
  - “We didn’t know about it.”
  - “In real life these costs are not what I pay, usually they are \$200-300 every two months.”
  - “The problem is everything (all the paperwork on the low income programs) is in English, and many people cannot read English.”
  - “There is one in Somali and English, but I have never seen it.”
  - “But most of the time when I apply, they tell me I am not qualified.”
- “I’m concerned because my bill is getting \$10-\$15 higher per month. I can barely afford to keep food on the table or provide for my kids, why can’t SCL distribute energy saving bulbs, these apartment buildings use so much energy, they don’t trap heat well.”
- “Let me tell you an example, we turn off all the lights and we do not use the energy, but my bill is still \$300.”
- “Sometime there is conflicting information between my bill and my neighbor.”
- “So we should conserve energy and turn off our lights to save money?”
- “Can you change some of your rules, like when someone has children and cannot afford to pay for their electricity and then Seattle City Light shuts it off, can you change the system? Can you at least give them a chance?”
- “A year ago Seattle City Light became aggressive and turned electricity off more quickly if someone did not pay their bill.”
- “Why do two neighbors have different bills? What is the cause of the high bill? I noticed that in the last two years the bills are changing. Wanting to know what is going on. One year I do not qualify, another year maybe I do.”
- “Is there something poisonous in the light bulbs that may cause negative effects on children?”

**Most Interesting Questions and Comments:**

- “Puget Sound energy is more expensive.”
- “How are the changes with Seattle City Light going to benefit the community?”
- *In response to the question, do you think this change is fair?* “We have to see the change, and then we will know if it is fair.”
- “Why don’t they work on other ways to make more money instead of targeting customers and citizens...if we’re truly owners, our decision is to suggest they find a new way of increasing revenue, maybe taxes? – or focus on the big businesses that use so much”
- “Can you change the system so that the electricity isn’t turned off right away, but maybe they can set up a payment plan instead?”

**Community Focus Group (Vietnamese)**  
**Tuesday, February 25, 12 pm to 1:30 pm**  
**Garfield Community Center: 2323 E Cherry St, Seattle, WA 98122**

**Audience:**

- There were 15 participants. The audience was primarily composed of Vietnamese speaking seniors from a variety of areas in Seattle City Light's service area including, Yesler, West Seattle, Rainier, Beacon Hill, Broadway, and Jackson and 23<sup>rd</sup>.
- In general, the audience demonstrated little knowledge of Seattle City Light based on the results of the survey. However, most of the participants were aware that Seattle residents own Seattle City Light. As they answered, "the people who pay the bills own the utility."
- Participants guessed that Seattle is in the average rate range for utilities and many were surprised to hear that Seattle has the lowest rates.
- The audience was especially interested in the discussion of declining energy use. Many did not understand why this was happening. After the audience was given an explanation about energy conservation, they became concerned about the future of Seattle City Light and many said that they were going to tell their friends and family to use more energy so that the utility would not fail.
- While the participants acknowledged an understanding of the content covered in the presentation, in general, many did not understand what services their Seattle City Light bill covered. As some said, "I have paid my bill every month, why is my cable signal not good?"
- The participants were divided about costs and the rate change. One participant mentioned that he was retired and did not make much money when he was younger so any increase would be a burden. Another said, "If I have to pay a little bit more, it won't be a problem."
- At the end of the presentation, all participants took at least five copies of the low-income discount program paperwork. Many had not heard of the program before the presentation and expressed that they will share it with friends and family.

**Questions and Concerns:**

- "If I live on Broadway, how come my bill is over \$100 something?"
- "If the revenue is low, the electricity is low, but the distribution is high, then why do we need to save energy?"
- "You have explained everything, I do not have anymore questions."
- "If the distribution of energy is high, then why do we need to save it with LED light bulbs and other conservation techniques?"

- “If I have to pay a little bit more, it won’t be a problem.”
- “The electricity distribution has been very good.”
- “Electricity is really high and the cost has been going up, my salary does not support the increases in cost.”
- “I have paid my bill every month, why is my cable signal not good?”
- “I think we should use what we need.”
- “I have the computer set up so that I use it 24 hours per day.”

**Most Interesting Comments:**

- “I will tell my friends to use more electricity so that City Light has more money.”
- “I worked when I was younger, but I did not make very much money so my retirement is low. The bills keep getting higher. My retirement is not enough to pay the electricity bill.”
- “If the usage is low and there is a lot of energy available, does City Light want us to use more and pay more?”
- “I do not know where the electricity comes from, but when the electricity comes into my building, my manager changes the light bulbs to use less. If there is a lot of energy and we do not use it, why do we change the lights to use less energy?”

**Community Focus Group (Filipino)**  
**11:00 AM to 12:00 PM, March 12, 2014**  
**Filipino Community Center, 5740 Martin Luther King Jr. Way S Seattle, WA**  
**98118**

**Summary**

- There were a total of seventeen participants from the Filipino community. They lived in a range of places in the Seattle City Light customer area, the majority living in south Seattle.
- Audience members expressed surprise that Seattle's rate payers are the owners of Seattle City Light, one woman said, "E is the answer for the corporation?"
- The participants were very astonished to hear that Seattle has the lowest rate. There was a large vocal response after the answer was given.
- In response to why Seattle has the lowest rates, the audience seemed to understand that Washington has a lot of energy sources, like hydropower. One person said, "Washington has a lot of dams."
- Overall, the responses to the quiz demonstrated that the participants had little understanding of Seattle City Light and its services.
- Throughout the presentation, audience members acknowledged understanding of the material. When the moderator asked participants to relay what they grasped from the presentation, many responded by saying that SCL is raising the fixed rate and lowering the flexible rate.
- Many acknowledged that they thought this would deter people from conserving their energy.
- Only one woman in the audience was signed up for the low-income assistance program. Some demonstrated a little background understanding of it, saying that they had applied for it before.
- Every audience member took a copy of the low income brochure and promised to share the information that they learned with family and neighbors.

**Key Participant Questions/Comments:**

- "Every two months I pay my utility bills, and then I apply for the low income, do I qualify for every two months?"
- "We have applied for this program, but we pay to the owner of the building because it (SCL bill) is included in the overall cost."
- "Why aren't the winter and summer prices the same?"

- “That’s not a small increase, it’s almost half.”
- “What happened to the 180 allowance for the winter?”
- “How are you increasing your incentive for consumption, if you are shifting the fixed rate up?”
- “Does this take into consideration issues like solar energy? Because there are many businesses that focus on energy conservation, so does this take this into consideration? For example, solar energy. Would that flexible rate drop? And how much?”
- “This is a community center who gives housing to people, but we are the ones that pay the bill. How can we help those people save money?”
- 

**In response to the question about what the audience learned from the presentation:**

- “You are lowering the fixed cost and the rate will be solely based on consumption.”
- “Lower consumption and pay more.”
- “I’m surprised that I have ownership of the public utility.”
- “In the future we will need more services than energy consumption, so right now little by little you are increasing the percentage for the fixed rate so that in the future it will not be too much for us to increase all at once. We will not consume too much energy in the future, so we will be ready to pay more for the fixed rate for the services, little by little.”
- “According to what we have heard, how do we encourage our neighborhood to save money?”

**Community Focus Group (Pan-Asian)  
11:30 AM to 12:30 PM, March 19, 2014  
Four Seas Chinese Restaurant**

**Summary**

- There were nine participants who represented several pan-Asian community organizations in Seattle.
- Participants in this focus group demonstrated a deeper understanding of City Light's services than any other previous group. On the whole, they answered most of the questions on the quiz correctly.
- At first participants were confused about the information presented, as they were unfamiliar with the current rate design. After some in depth explanation from the City Light staff person, participants demonstrated a deeper understanding of the material and showed great interest in the upcoming changes.
- Participants wanted to know about the specifics of the proposed rate design including what constitutes the different levels of energy consumption illustrated on the graph.
- Another concern of the participants was what effects the changes would have in another ten years. One woman said she would stop using City Light if the fixed rates kept increasing.
- Many participants gave feedback about how to spread information on the utility discount program. Some recommended contacting listservs of the various organizations they represented. They promised to share their recommendations with Ramnika over email.

**Questions/Comments**

- "What proof of income is needed to apply for the (UDP) program?"
- "You are saying that you will raise the fix cost and lower the variable cost?"

- “Sometimes it is hard to rely on raising the fixed cost, if I know that the fixed cost is going up and up and in the future maybe it will go up to \$100 per month then I will switch off City Light and go with a different utility company.”
- “How many years is this strategic plan?”
- “Isn’t there an internal policy where you can shift the source of the revenue?”
- “If you are increasing the fixed cost, what percentage is that compared with the variable cost?”
- “Is it better to shift the variable, fixed costs, or is it better just to give them a rebate back?”
- “Does it cost the same for city light to charge a condo versus a single family house?”
- “What constitutes the low, medium, and high consumption on the graph?”
- “You talk about the impact of this change for just the first year, but what about in five years, or six years?”
- “You are going to raise the fixed cost to maintain the average cost of using the utility, you want to keep it one rate so the customers don’t get confused.”
- “The basic concept is that the basic charge per month will go up a little bit, which is the same service that everyone pays across the board, but the rate that I’m charged for actually using the lights will decrease a little bit.”
- “Is this likely to be approved by the council?”
- “The earlier comment where the price is going up 3 to 7 dollars, this is huge!”“That’s the actual service charge not the per dollar rate”

#### **Most Interesting Questions/Comments**

- “I think my bill will go up in five years, as I am a low use consumer, and right now I’m being provided an incentive to not use that much energy. This will no longer be true.”
- “90% of the people do not go line by line over their bill.” “I don’t think you guys would really have to worry about it given its only a \$3.00 increase per bill.”
- “What is the timeline for implementing this?”
- “When you set a rate you account for all of the costs right? So why do you need to raise the fixed cost?”
- “Does City Light make a profit that they turn back to the general fund in the city?” “So the answer is yes, we pay a butt-load to the city, 6% is a lot of money.”
- “I like living in a city that electricity is cheaper than other cities.”
- “What percentage of the residential units are in the low, medium, and high consumption brackets?”

### **Community Presentations:**

#### **El Centro Leadership Meeting, El Centro de la Raza Wednesday, March 5, 2014, 2:30 PM-3:30 PM**

##### **Questions and Comments from Participants:**

“So you are jumping from four something to seven something?”

“Seattle’s rates are three hundred percent less than the east coast because of air conditioning. I see this changing.”

“To me, that sounds like an increase in cost. But given the lower energy costs maybe not?”

“It needs to be clearer that the energy cost is going down.”

The Institution/owner is paying the bill and the customer is not able to get the discount, even though he is paying on behalf of low-income community members.

The enrollment happens in the office of human services? How does that work? For someone who doesn't speak English, where would we tell them to go?

"We have a very successful Cinco de Mayo event where lots of people come out. This would be a great opportunity to have a table to help people enroll. "

"This is clearly not enough information for us, even for the food bank, the child care center. We need somewhere between five to six thousand pieces of information."

**(Cambodian) Community Presentation  
Southwest Youth and Family Services,  
Friday, March 14, 10 AM to 12 PM  
4555 Delridge Way SW Seattle, WA 98106**

**Questions and Comments from the Participants**

The audience was composed of approximately seventeen Cambodian, Seattle residents attending a regular family health seminar at Southwest Youth and Family Services.

A woman brought her bill along with her. She said that she is in the process of applying for a new UDP application and wanted to know if her request was being processed. She applied three months ago.

\*\*\*This woman's name was Yoeurn Yin, Wendy Johnson from the UDP program followed up with her case, and she was able to be enrolled on the program as of March 21, 2014.

When questioned about the utility discount program, about five out of the seventeen audience members are in the UDP program. Participants were eager to take home a copy of the UDP brochure and share it with family and friends.

## **Community Presentation (Spanish Speakers) Southwest Youth and Family Services March 21, 2014 at 6:30 PM to 7:00 PM**

There were a total of eight Spanish speaking audience members who were attending their regular positive family discipline course at Southwest Youth and Family Services.

### **Questions and Comments from the Participants**

On the slide with the blue and the green table, what is the green color referring to?

What about the houses that are now setting up their own energy panels, do they have a certain rate?

The smaller heating unit is more expensive?

Changing the temperature up and down also uses more electricity?

When you leave things plugged in they are constantly using energy?

If there is going to be a fixed rate, will there be a fee if you go over a certain amount of energy use?

I have been calling the electric company (and a woman named Monica) to make some arrangements to pay my bill, but I never receive an answer.

Does the water company have a discount program?

## **Community Presentation (Indian Elders Program) Seattle Indian Health Board March 26, 2014 at 11:00 AM to 11:30 AM**

There were approximately 25-30 Native American Elders attending weekly luncheon at Seattle Indian Health Board.

No one attending the event was aware of the UDP program.

### **Questions and Comments of Participants**

Microsoft saves more money than I would save? You know how many computers they use?

My bill is covered in the rent, so I don't expect to be affected by this change.

My brother put in solar panels to lower our monthly fee of \$500.

## Seattle City Light – Rate Design Outreach Commercial and Residential Customer Outreach Summary

### Overview

Over the past four months Seattle City Light (SCL) has sought feedback from its commercial and residential customers regarding potential changes in its rate design. The outreach was both qualitative and quantitative in nature in order to give the utility a complete picture of what customers value most in terms of rate predictability and fairness as well as the services SCL provides. Overall, the utility reached more than 30,000 customers representing all rate classes.

Below is a brief description of the various methods used, as well as a summary of the feedback received to date.

### Surveys

In Oct. 2013, approximately 20,000 randomly selected residential and commercial customers were invited to take an online survey about SCL rates and services. There were 1,177 total respondents. Nine out of 10 respondents represented the residential perspective. Real estate and manufacturing companies were among the top business respondents.

A majority of those surveyed felt that the amount charged by City Light for electricity is fair. Fifty-seven percent of the business customers and 66 percent of the residential customers surveyed did not see the current rate design as much of a problem. The survey also revealed that prices are more of a factor in motivating conservation for businesses than for residential customers. Across all respondents, conservation and environmental programs are rated very highly. In fact, residential customers ranked it number one. Business customers put rate predictability first. Approximately 232 respondents shared suggestions about rate design.

### Social media outreach

More than 8,000 residential and business customers were invited to participate in a first-ever live social media chat about SCL and rate design with some of the utility's top executives. The event, which took place on Jan. 28 was promoted through online advertising and on the utility's Facebook and Twitter pages in the days leading up to the session. Promotion also included a link to a recorded PowerPoint presentation which offered customers background information. Customers were invited to submit questions in advance via Twitter (@seacitylight with a #ratedesign hashtag) or in the comments section of the SCL Facebook page. The utility received approximately 20 questions in advance of and during the session.

### City Light Website

The utility built a special website dedicated to offering information about the rate design process and seeking feedback from customers. The site included a one-page fact sheet, a rate structure video and PowerPoint presentation, a rate calculator and a place to submit comments, among other things.

The utility also posted an article about rate design and the live chat on its online blog.

### **Paid advertising**

The utility placed online banner ads in several community newspapers to increase interest in the live chat and the rate design website. This also led to an increase in our outreach impression numbers and being able to reach customers from our service territory.

### **In-person discussions with commercial ratepayers**

City Light executives hosted a series of group discussions with various commercial and residential ratepayers (Dec., 2013 through Jan., 2014).

- Seattle Metropolitan Chamber of Commerce Policy Committee
- The Northwest Energy Coalition
- The Manufacturing Industrial Council
- The Building Owners & Managers Association
- Representatives of the 150 largest City Light customers
- Hospitals/Major Institutions
- Low Income/Affordable Housing Stakeholders

### **Outreach to non-English speaking communities**

Focus groups with non-English speaking business customers will begin on Feb. 19 and last until the end of March. This outreach will also include information and discussions about the Strategic Plan update.

### **CUSTOMER FEEDBACK**

Below is a summary of the topics covered during the outreach sessions with commercial, and some residential customers:

**Rate Stabilization Account (RSA):** Customers asked about the history of why the RSA was created, how it works and its current balance.

**Timeline:** Customers asked when the utility anticipated any rate design changes taking effect.

**Calculating energy use:** Customers asked if there is a ways for them to calculate the specific impact of the new rate design concepts on their business. Businesses customers also asked about net metering and how the utility plans to continue promoting conservation.

**Recovering fix costs:** Customers were generally supportive of the utility's need to recover its fixed costs, but encouraged SCL to think about the pace of implementation. Some customers want SCL to create a rate structure that does not encourage commercial customers to deliberately increase their usage in order to get the benefit of lower rates. Comments from business customers also touched on making certain that we continue to provide conservation incentives. Customers were very supportive of the utility's goal of keeping rates low, and predictable were also mentioned.

**Efficiencies:** Commercial customers, in particular, praised the utility for its cost savings and efficiency efforts. Some wanted to know how the utility was going about controlling its operating costs. Specifically, they asked about the utility's projected savings and increased load demands

**Low income:** Advocates representing low income rate payers complimented the utility on its generous Utility Discount Program and recent efforts to increase enrollment. There were questions about the utility's Home Wise program, which helps customers with energy conservation, and the impact of a proposal to lower the size of the low income discount from 60 to 50 percent. Most felt that the discount should be kept at 60 percent for the neediest customers, but perhaps tiered based on income.

**Impact on businesses:** Commercial customers were supportive of the new rate design concept, but wanted more information about the specific impact on the different business classes. There were some concerns about the impact on the cruise line industry and small general service business customers.

**Resource stabilization:** Customers wanted to know about the utility's plans for pursuing new energy resources, since water levels are becoming more and more unpredictable.

**Rate predictability:** Both commercial and residential customers mentioned, several times, that slow, consistent rate increases are better than big jumps after a period of no increases.

**Decoupling:** The decoupling concept was discussed with commercial customers with a few asking questions about how it could be structured.