

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO**

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IN THE MATTER OF ADVICE LETTER)
NO. 1857-ELECTRIC OF PUBLIC)
SERVICE COMPANY OF COLORADO)
TO REVISE ITS COLORADO PUC NO.)
8-ELECTRIC TARIFF TO REVISE)
JURISDICTIONAL BASE RATE) PROCEEDING NO. 21AL-____E
REVENUES, IMPLEMENT NEW BASE)
RATES FOR ALL ELECTRIC RATE)
SCHEDULES, AND MAKE OTHER)
PROPOSED TARIFF CHANGES)
EFFECTIVE AUGUST 2, 2021)

DIRECT TESTIMONY OF ANDREW R. HAWKINS

ON

BEHALF OF

PUBLIC SERVICE COMPANY OF COLORADO

July 2, 2021

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
EAP	Electric Affordability Program
EAP Tariff	Company's Colo. PUC No. 8 Electric Tariff at Sheet Nos. 116 – 116E
Electric Tariff	Company's Colo. PUC No. 8 Electric Tariff
EOC	Energy Outreach Colorado
GAP	Gas Affordability Program
HAF	Homeowner Assistance Fund
Income-Qualified	Colorado customers who received assistance for the current or most recent heating season from LEAP
LEAP	Colorado Low-Income Energy Assistance Program
LEAP File	LEAP payment file provided to Public Service by the State LEAP Office
LIHEAP	Federal Low-Income Home Energy Assistance Program.
Public Service or Company	Public Service Company of Colorado
State LEAP Office	Colorado Department of Human Services, Division of Low-income Energy Assistance.
Xcel Energy	Xcel Energy Inc.
XES	Xcel Energy Services Inc.

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DIRECT TESTIMONY OF ANDREW R. HAWKINS

1 I. **INTRODUCTION, QUALIFICATIONS AND PURPOSE OF TESTIMONY**

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

3 A. My name is Andrew R. Hawkins. My business address is 3115 Centre Pointe
4 Drive, Roseville, Minnesota.

5 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?

6 A. I am employed by Xcel Energy Services Inc. ("XES") as Supervisor of Energy
7 Assistance Programs. XES is a wholly owned subsidiary of Xcel Energy Inc.
8 ("Xcel Energy") and provides an array of support services to Public Service
9 Company of Colorado ("Public Service" or the "Company") and the other utility
10 operating company subsidiaries of Xcel Energy on a coordinated basis.

1 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THE PROCEEDING?**

2 A. I am testifying on behalf of Public Service.

3 **Q. PLEASE SUMMARIZE YOUR RESPONSIBILITIES AND QUALIFICATIONS.**

4 A. As the Supervisor of Energy Assistance Programs, I am responsible for
5 managing the bill payment assistance programs in Colorado and Minnesota. My
6 duties include managing an operations team which is the sole resource for the
7 Electric Affordability Program (“EAP”) and Gas Affordability Program (“GAP”)
8 customers that administer funding for Income-Qualified households.¹ A
9 description of my qualifications, duties, and responsibilities is set forth after the
10 conclusion of my Direct Testimony in my Statement of Qualifications.

11 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

12 A. The primary purpose of my Direct Testimony is to provide an overview of the
13 Company’s EAP, including program, participation, and funding information in
14 order to provide insight into the assistance provided by the Company to
15 customers through this program. As other forms of bill payment assistance are
16 also available to our customers, I further discuss the Company’s coordination
17 with other entities regarding utility bill payment assistance and other resources
18 available to the Company’s customers seeking help with their electric bills.

¹ As used in my Direct Testimony, the term “Income-Qualified” means those Colorado customers who received assistance for the current or most recent heating season from the Colorado Low-Income Energy Assistance Program (“LEAP”).

1 **II. PUBLIC SERVICE'S EAP**

2 **Q. WHAT IS THE PURPOSE OF THIS SECTION OF YOUR DIRECT**
3 **TESTIMONY?**

4 A. In this section of my Direct Testimony I describe the EAP Public Service offers to
5 its qualifying Income-Qualified customers, along with eligibility and participation
6 information.

7 **A. EAP Overview**

8 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY'S EAP.**

9 A. The Public Service EAP is a customer-funded energy assistance program
10 administered and supervised by Public Service pursuant to Commission rules
11 and the Company's EAP Tariff.² The EAP is available to qualifying residential
12 customers who have been qualified for and receive assistance from the Colorado
13 Low-Income Energy Assistance Program ("LEAP") during the federal fiscal year
14 (program year), which runs from November through October. As I explain in
15 more detail below, the Company's EAP is intended to provide supplemental
16 assistance to Income-Qualified households that have a high energy burden and
17 the lowest incomes, covering the unaffordable portion of energy bills beyond
18 what LEAP covers. The EAP is designed so customers that are enrolled can
19 stay connected and stay on the program with the intent to make a payment

² See Rule 3412 "Electric Service Low-Income Program" and the Company's Colo. PUC No. 8 - Electric Tariff ("Electric Tariff") at Sheet Nos. 116 – 116E (the "EAP Tariff").

1 towards their utility bills and also reduce the arrears for the customer and
2 Company.

3 **Q. PLEASE ELABORATE ON THE BENEFITS AVAILABLE UNDER THE**
4 **COMPANY'S EAP FOR QUALIFIED CUSTOMERS.**

5 A. Under the Company's EAP, there are a few different scenarios in which a
6 qualified customer can receive benefits: the affordability options and the
7 arrearage forgiveness components. A qualified customer's payment schedule
8 includes both payment of their current month's bill after inclusion of the monthly
9 affordability bill credit, and payment of a portion of the qualified customer's pre-
10 EAP arrears, if any.

11 With respect to the EAP affordability options, customers can receive a
12 monthly bill credit through a percentage of income average monthly budget plan
13 or a discount on their monthly bill, depending on the household's consumption
14 and income level. Customers with monthly income of zero dollars (\$0.00) must
15 pay \$10.00/month towards their current bill, and benefits under the EAP
16 affordability options cannot be less than five dollars (\$5.00) per month.

17 Separately, under the arrearage forgiveness components of the EAP, the
18 qualified customer can receive assistance in retiring pre-EAP arrears through
19 either a monthly credit or a one-time credit, as permitted by the EAP Tariff. For
20 example, if the qualifying customer is in arrears for \$200 or less, the Company
21 can provide a one-time arrearage forgiveness credit for the outstanding amount.
22 If the customer is in arrears for more than \$200, the Company will place them on

1 a payment arrangement for up to 24 months and retire the arrears that do not fit
2 into that payment arrangement term as permitted by the EAP Tariff.

3 **Q. WHAT IS THE CURRENTLY APPROVED EAP FUNDING LEVEL?**

4 A. The currently approved EAP funding level is \$6,600,000³ per year, which is
5 provided to residential customers, but recovered from all customer classes.
6 Table ARH-D-1 shows the currently monthly EAP adder included within the
7 Company's S&F charges for the major customer classes:

8 **TABLE ARH-D-1: EAP Rates⁴**

Customer Class	EAP Rate (Part of S&F Charge)
Residential	\$0.18
Commercial	\$0.25
Secondary General	\$5.07
Primary General	\$70.19
Transmission General	\$494.73

9 This level of funding generally allows the Company to provide EAP benefits to
10 approximately 27,000 customers per year. The Company is continually
11 evaluating the EAP funding levels in order to ensure that it has the ability to
12 provide EAP benefits to all qualified LEAP participants.

³ The Company filed Advice No. 1855 on June 22, 2021 requesting an additional \$4.5 million due to increased participation in the program to be effective August 1, 2021 that is not reflected in the \$6.6 million because it has not been approved yet. If approved, annual EAP funding will be \$11.1 million.

⁴ *Id.* If the requested \$4.5 million increase is approved, the monthly EAP rates will also change.

1 **Q. HOW MUCH HAS THE COMPANY DISBURSED UNDER EAP SINCE**
2 **PROGRAM INCEPTION AS PART OF A PILOT LAUNCHED IN 2010?**

3 A. As I discuss later in my Direct Testimony, the Company provides utility bill
4 assistance to thousands of Income-Qualified customers annually through the
5 EAP. From 2010 (when an EAP/GAP pilot was started), through May of 2021,
6 the Company has disbursed a total of \$52,913,471 to EAP participants.

7 **B. EAP Eligibility and Participation**

8 **Q. IS THE COMPANY ABLE TO DETERMINE WHICH OF ITS CUSTOMERS**
9 **QUALIFY FOR LEAP SINCE LEAP PARTICIPATION IS A PREREQUISITE**
10 **FOR EAP ELIGIBILITY?**

11 A. No. The Company does not track, collect, or verify income information for its
12 customers and does not know the total number of customers within its service
13 territory that would qualify for LEAP. The State LEAP Office,⁵ not the Company,
14 performs a customer's income verification calculation for receiving LEAP
15 benefits. The State LEAP Office then provides a LEAP payment file to Public
16 Service (the "LEAP File"). Thus, the Company only knows the number of
17 customers that have qualified for and received energy assistance through LEAP,
18 based on information provided directly to the Company by the State LEAP Office.

⁵ The "State LEAP Office" is the Colorado Department of Human Services, Division of Low-income Energy Assistance.

1 **Q. PLEASE GENERALLY DISCUSS HOW EAP ELIGIBILITY IS DETERMINED.**

2 A. Once LEAP approved, participants are auto-enrolled (no application needed) into
3 the EAP program if their electric costs are deemed unaffordable and/or are past
4 due. The Company automatically uses the LEAP File, and the current LEAP
5 income eligibility guidelines, in order to evaluate customers for EAP eligibility.
6 Currently, Colorado LEAP income eligibility guidelines are 60 percent of state
7 median income, which translates to approximately 200 percent of the federal
8 poverty level. Pursuant to the EAP Tariff, as the Colorado LEAP income
9 guidelines change, the Company uses those income guidelines to determine
10 eligibility for the EAP.

11 **Q. ONCE DETERMINED BY THE COMPANY, ARE CUSTOMERS NOTIFIED OF**
12 **THEIR ELIGIBILITY FOR EAP?**

13 A. Yes. Qualified customers are notified via an enrollment welcome letter and given
14 the option to opt out if they do not want to participate. LEAP participants who do
15 not qualify for assistance under the Company's EAP are also notified of their
16 ineligibility by letter. The Company reviews LEAP enrollment data annually to
17 ensure that customers are continually eligible for the EAP program from year to
18 year.

1 **Q. HOW MUCH IN LEAP AND EAP ASSISTANCE WAS PROVIDED TO PUBLIC**
2 **SERVICE CUSTOMERS DURING FISCAL YEAR 2020 AND THROUGH MAY**
3 **2021 FOR FISCAL YEAR 2021?**

4 A. As mentioned earlier, for LEAP and EAP, the fiscal year runs from November
5 through October. Tables ARH-2 and 3 below provide the Company's LEAP and
6 EAP participant information and dollars distributed for Fiscal Year 2020 and
7 through May 2021 for Fiscal Year 2021.

8 **TABLE ARH-D-2: Company LEAP Data**

Data	Fiscal Year 2020	Fiscal Year 2021 (Through May 2021)
LEAP Participant #	41,784	36,794
LEAP Benefits total	\$31,129,814	\$12,614,963

9 **Table ARH-D-3: Company EAP Data**

Data	Fiscal Year 2020	Fiscal Year 2021 (Through May 2021)
EAP Participant #	26,803	27,653
EAP Benefits Total	\$6,349,294	\$5,253,863

10 I would also add that for Fiscal Year 2020, the State LEAP Office provided
11 a large extra supplemental benefit to LEAP recipients in the amount of \$13
12 million for the Company's customers. If the State LEAP Office decides to provide
13 supplemental benefits for the current fiscal year, the amount of LEAP benefits
14 available to LEAP participants will increase accordingly.

1 Assistance program. Each of these programs include features that provide
2 assistance for the payment of utility bills.⁷

3 The Emergency Rental Assistance program makes available funding to
4 assist households that are unable to pay rent and utilities due to the COVID-19
5 pandemic. The funds are provided by the Federal government directly to states,
6 U.S. Territories, local governments, and Indian tribes. Grantees use the funds to
7 provide assistance to eligible households through existing or newly created rental
8 assistance programs. Utilities and home energy costs are separately stated
9 charges related to the occupancy of rental property. Accordingly, utilities and
10 home energy costs include separately stated electricity, gas, water and sewer,
11 trash removal, and energy costs, such as fuel oil. Payments to public utilities are
12 also permitted.

13 The purpose of the Homeowner Assistance Fund (“HAF”) is to prevent
14 mortgage delinquencies and defaults, foreclosures, loss of utilities or home
15 energy services, and displacement of homeowners experiencing financial
16 hardship after January 21, 2020. Funds from the HAF may be used for
17 assistance with mortgage payments, homeowner’s insurance, utility payments,
18 and other specified purposes. Federal law prioritizes funds for homeowners who
19 have experienced the greatest hardships, leveraging local and national income
20 indicators to maximize the impact.

⁷ While the Company is aware of the additional funds that are available to customers through the Emergency Rental and Homeowner Assistance programs, we do not have information on the total amount of utility bill assistance in dollars or the percentage of the total program funding for Colorado.

1 **Q. HAVE ANY OF THESE PROGRAMS BEEN ENHANCED IN ORDER TO HELP**
2 **CUSTOMERS WITH UTILITY PAYMENTS DURING THE COVID-19**
3 **PANDEMIC?**

4 A. Yes. Each of these programs were significantly increased as part of the American
5 Rescue Plan Act of 2021.⁸ For example, LIHEAP received an additional \$4.5
6 billion⁹ (on top of a \$3.75 billion appropriation for fiscal year 2021),¹⁰ the
7 Emergency Rental Assistance program received an additional \$21.5 billion¹¹ (on
8 top of \$25 billion appropriation for fiscal year 2021) and the HAF received
9 approximately \$10 billion.¹² While funds from these programs are used
10 throughout the United States and are not only for the payment of utility bills, there
11 has been a significant commitment on behalf of the Federal government to make
12 resources available to those struggling with utility bills.

13 **Q. ARE YOU AWARE OF OTHER FORMS OF UTILITY BILL PAYMENT**
14 **ASSISTANCE AVAILABLE TO THE COMPANY'S CUSTOMERS?**

15 Yes. For example, EOC provides direct energy bill assistance payments to utility
16 customers using a network of around 100 nonprofit partner agencies. EOC
17 provides bill payment assistance to households across Colorado who are behind
18 on their energy bills and are at risk of not having home energy. Payments are

⁸ Pub. L. 117-2, available at <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf> [hereinafter American Rescue Plan Act].

⁹ American Rescue Plan Act, § 2911. "LIHEAP" refers to the Federal Low Income Home Energy Assistance Program.

¹⁰ Combined, the 2021 appropriations are significantly higher than prior LIHEAP appropriations. See https://liheapch.acf.hhs.gov/Funding/energyprogs_hist.htm.

¹¹ American Rescue Plan Act, § 3201.

¹² American Rescue Plan Act, § 3206.

1 made directly to a local utility or fuel company. Bill payment assistance is
2 provided through EOC's network of local resource centers, faith-based
3 organizations, healthcare providers and social services agencies.

4 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

5 **A. Yes.**

Statement of Qualifications

Andrew R. Hawkins

Andrew Hawkins is the Supervisor of Energy Assistance Programs at Xcel Energy. In this role, he manages a team that provides bill payment resources and assistance to income-qualified households and social service agencies within Xcel Energy's service territories in Colorado and Minnesota.

Mr. Hawkins collaborates with individuals and other groups such as regulatory and government organizations, community action agencies and nonprofits to secure and administer funds for income-qualified households' energy bills.

Mr. Hawkins graduated from Metropolitan State University's College of Management with a Bachelor of Science degree in Management Information Systems and has been with Xcel Energy for 20 years.

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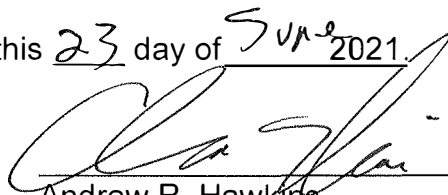
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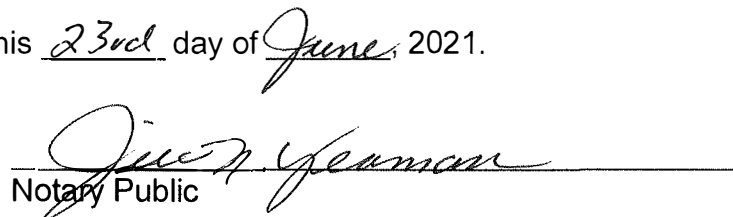
I, Andrew R. Hawkins, being duly sworn, state that the Direct Testimony was prepared by me or under my supervision, control, and direction; that the Direct Testimony is true and correct to the best of my information, knowledge and belief; and that I would give the same testimony orally if asked under oath.

Dated in Minneapolis, Minnesota, this 23 day of Sept 2021.



Andrew R. Hawkins
Supervisor, Energy Assistance Programs

Subscribed and sworn to before me this 23rd day of June 2021.



Notary Public

My Commission expires Jan. 31, 2026

