



Written Testimony in Strong Support of SB20B-003: Utilities Assistance

My name is Karla Gonzales Garcia. I am the Policy Director for the Colorado Organization for Latina Opportunity and Reproductive Rights (COLOR). COLOR works to engage and empower the Latinx community to speak out about the policies that impacts our community. Together we are working to support the ability of Latinas and our families to build a future for ourselves and to live our lives with dignity.

More than nine months into the pandemic, we're getting a clearer picture of just how many people are falling behind on their bills. Most gas and electric providers are reporting a sharp increase in the number of accounts with outstanding balances. With winter weather around the corner, it will only get worse and with more people at home during the days and many kids doing remote learning, the need for power has only increased in recent months. This means higher bills and much less income – a troubling combination for many families in our state. That's why we are writing to strongly support SB20B-003, which would provide \$5 million to the nonprofit Energy Outreach Colorado Low-Income Assistance Fund. This would help to meet a 25% increase in applications this year.

Utility costs make up 6.6 percent of household expenses, almost on par with average health care costs. Utility rates are the same for all consumers, so lower-income households' utility costs account for a larger share of their incomes than for higher-income households. This cost disparity between households with different income levels holds true even though lower-income households use less energy (PDF) per household and per household member. Not surprising to us, but there are also racial disparities in utility cost burdens.

Current funding isn't enough for all current and new families in need. Most utilities in Colorado suspended shutting off power because of non-payment in recognition of the financial upheaval caused by the coronavirus pandemic. Many of them also tapped foundation money and collected contributions to help cash-strapped Coloradans. They are encouraging people behind on their bills to contact them to work out a payment plan, but many companies have started sending out notices again in recent weeks. The governor had issued a moratorium, but it was temporary. We need to make sure to step in to meet the need and avoid putting people in the position of having to go without such a basic need as clean water, heat or electricity.

We urge to support SB20B-003 and help this important program provide much needed assistance to low-income families. Thank you.

Submitted by: Karla Gonzales Garcia, Policy Director, Colorado Organization for Latina Opportunity and Reproductive Rights (COLOR), 303-393-0382



November 30, 2020

Dear Members of Colorado General Assembly:

Black Hills Energy is in support of the bill, Concerning Assistance for Individuals who are Unable to Pay Their Energy Utility Bills, which allocates \$5 million in General Fund dollars to the low-income energy assistance fund to help households facing economic hardship due to the COVID-19 pandemic.

Coloradans are currently experiencing unprecedented financial strain and some utility customers have been put into a position where they will be unable to pay their bills at this time.

We strongly support programs that assist customers with energy assistance and are doing our part to help customers in this time of great need. Some customer support programs specific to Black Hills Energy include:

- Black Hills Energy Assistance Program (BHEAP) program, which is a bill payment assistance program for income qualified customers.
- Black Hills Cares, which is customer and company funded and administered by Energy Outreach Colorado. These funds go directly for local use in helping customers pay for energy related expenses. As part of this program, Black Hills Energy matches dollar for dollar all customer contributions and is the only electric utility to provide shareholder funds for this purpose. In the past 10 years, Black Hills Cares provided more than \$4 million in donations to assist those in need.
- Prior to the issuance of the Governor's Executive Order, , Black Hills Energy suspended all customer disconnects for nonpayment across its entire service territory to support customers who may be impacted by COVID-19. While we reinstated disconnects for nonpayment in September, we have been working with customers by conducting an unprecedented and wide-ranging customer assistance and outreach campaign. We have conducted "warm" calls to customers to connect them with resources, we have bolstered social media efforts around assistance, and have drafted written communications in the form of letters, postcards, emails, and texts. All messaging has included information on how to connect with energy assistance resources in the community or how to enroll in bill payment options. We remain focused on avoiding each disconnect through extensive measures.
- Black Hills Energy offers various assistance options to customers such as payment arrangements, budget billing and medical extensions. We have modified our payment arrangements and extended budget billing to ensure that more customers can enroll in available programs. This has the effect of keeping customers focused on managing their usage and seeking assistance so that overdue balances do not become unmanageable.
- We continue to work closely with agencies such as Energy Outreach Colorado, Posada, and Catholic Charities regarding needs and support of customers. We are working with EOC to find more ways to reach out to customers across our territory.

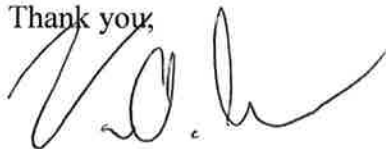
- Black Hills Energy has provided over \$120,000 for COVID relief to entities throughout Colorado and are continuing to evaluate future gifts.
- Our local Black Hills Energy team hosted an in-person event for assistance and arrangements in late September in the Eastside neighborhood of Pueblo and found that to be an impactful way to reach customers who need assistance.
- We have taken measures to make our electric home energy audit available virtually and offer \$100 gift cards by completing the home energy audit process.

Now, more than ever, Coloradans need a safety net to ensure that they can protect their families and maintain access to electricity and natural gas to power and heat their homes. This bill will help bolster programs currently in existence and provide critical support to those who need it most.

As a provider of essential energy services, we are ready and are doing everything we can to continue to serve our customers with safe, reliable service in these uncertain times.

Thank you for your consideration of this critical bill. If we can help to answer any questions, please contact Christina Rosendahl, Manager of Government Affairs at 303-378-1602 or at christina.rosendahl@blackhillscorp.com.

Thank you,



Vance Crocker, VP- Colorado Operations, Black Hills Energy



Nick Wagner, VP- Colorado Regulatory and Policy, Black Hills Energy