

Scott Cooper

Testimony to House Subcommittee on Water and Power  
***“Electricity Costs and Salmon: Finding the Balance”***

Pasco, Washington  
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Good morning. My name is Scott Cooper and I direct Parish Social Ministries for Catholic Charities, Spokane, the largest sectarian social service provider in Eastern Washington State. It is my privilege to be here. Thank you for this opportunity.

Part of my work involves coordinating a network of emergency assistance providers through churches in some of the more rural counties of Eastern Washington, and it is in that capacity that I speak to you today. The bulk of the emergency assistance that our network provides to low-income people and families in crisis is for utility bills. These cases represent not only the majority of the households we assist, but also the majority of our assistance budget. Simply put, we are spending more money to help more families with utility needs than with any other class of needs – such as housing, transportation, food or prescriptions.

I have been working directly with low-income households in the Spokane area for over ten years through three different social service organizations and I have observed firsthand the challenges confronting the poor in our communities. The first thing to note is that there is a large network of governmental, corporate and private assistance to help people struggling to pay utility bills. The second thing to note is that this network is ***never*** sufficient to meet all of the legitimate needs. It is very common to hear from clients who have exhausted all sources of aid but whose need continues, because of a medical crisis, family turmoil, or instability in the job market. It is also common to hear from those who do not qualify for the larger, governmental sources of aid because of their slightly greater income, but who nonetheless face disconnect notices thanks to unforeseen medical costs, a death in the family or even rising gas costs. Again, my concern is that all sources of aid combined are not sufficient to meet the needs ***in the present moment***, not considering any hypothetical or actual increases in utility rates.

With that in mind, I then consider the affect on the poor and on the larger community should utility rates rise and continue to rise. Just because public utilities find it necessary or desirable to raise the rates they charge their customers, I can think of no instance when there has been a corresponding increase in the social security, Welfare or VA benefits the poor rely upon to meet their needs. Neither has there been a corresponding increase in the wages paid to the working poor. This is to say that increases in utility rates have the greatest proportional impact on the budgets of low-income households, even if those households have comparatively modest overall bills. A single-digit rate increase for a family receiving TANF (Temporary Assistance to Needy Families) can easily mean the difference between winter heat and other necessities such as routine prescriptions, adequate clothing for growing children and nutritious food. These added stressors on families have observable results, ranging from increased incidents of domestic violence and substance abuse to increased visits to medical providers and emergency rooms. One private agency director I spoke to reported that two of the last three households she had assisted with utility needs were also dealing with domestic violence at the same time. These situations and needs are interwoven, perhaps not directly causing the negative social outcome, but certainly contributing to it, reinforcing and magnifying it, making it that much more difficult to achieve a positive outcome.

The Spokane Neighborhood Action Programs (SNAP), the primary provider of governmental utility assistance in Spokane County, reports a 7% increase in requests for routine heating assistance in 2006 over 2005, and a 25% increase in demands for emergency heating assistance in the same year. They also report a large number of households seeking help in the past year who had never sought assistance from SNAP in the past, typically the working poor who might have been able to manage their own utility costs in past years. And for all of the resources at their disposal, SNAP is still able to assist only 30 – 32% of the 34,000 Spokane County households eligible for this program. To restate, the current resource is insufficient to the current need. Increases in utility rates will ***only*** have a deleterious effect on low-income households, which in turn will impact the larger community with greater social and family instability, increasing crime rates and greater demands on public services. We know that one utility company in Eastern Washington will be increasing rates by 12% in coming months, following several years of no rate increases thanks to a long-term contract with the Bonneville Power Administration. The gentleman I spoke to at this utility company indicated that such long-term contracts were likely now a thing of the past and that this fact opened the door for more regular and frequent rate increases. He also warned against attempts to shift the rate structure from a cost basis to a market basis. The market, taken as a whole, might be able to sustain any rate increases that would follow from a “charge what the market can bear” philosophy, but low-income households would, without any doubt, be disastrously affected.

Catholic Charities’ own network is small by comparison to some. We work with a total annual assistance budget of approximately \$30,000. In a few Eastern Washington counties, we benefit from EFSP funds administered by FEMA to

provide emergency utility assistance. We then add our own private funds to that pot. In all but a few cases, even this combination of funds is not sufficient and our contacts in rural communities must turn genuinely needy people away for lack of resources. I would propose to this committee that any organization seeking to support families and a stable social structure must consider both the immediate and indirect effects of utility costs on fixed-income and working poor households. Those households and society as a whole will bear the costs, in wider negative consequences.

My final comments concern the balance that this committee seeks in the title of this hearing, the equilibrium between hydropower for a growing economy and basic human needs on one hand, and the economic and social desire for sustainable environmental quality, particularly with regard to salmon runs, on the other hand. The teaching of my faith tradition is a both/and teaching. As much as we advocate and work for the needs of the poor, we also hold up the sanctity of creation, and we cannot be asked to choose between the two. They are also interwoven. Five years ago, the Catholic Bishops of the Northwest issued a pastoral letter, a teaching document, addressing the very topic you are studying today: how do we balance the diverse – and sometimes competing – needs of the human community and also the natural systems upon which all life depends with the limited resources of the Columbia River watershed? I would point you to that teaching document as one example of a balanced analysis.

I urge this committee to seek a balance that honors both sets of concerns, that does not set one above the other, that does not force one community – either the poor or the environment – to pay for short term benefits to the other. Our society is enormously creative – surely we can design solutions that safeguard both our low-income neighbors and the natural world while continuing to provide energy resources for economic needs.

Respectfully submitted –

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