



April 13, 2021

The Honorable Sabrina Cervantes
California State Assembly
State Capitol, Room 2175
Sacramento, CA 94249-0060

Re: COVID-19 Assistance for Publicly Owned Water and Electric Customers

Dear Assemblymember Cervantes:

On behalf of Riverside Public Utilities (RPU), we strongly urge the Legislature to allocate dedicated funding in the amount of at least \$1 billion for past-due public water/wastewater agency and publicly owned electric utility bills, which will provide significant relief for Californians as the state continues to grapple with the economic impacts of the COVID-19 pandemic.

In California, publicly owned utilities are facing a staggering amount of customer delinquencies and debt. As of November 2020, the State Water Resources Control Board estimated there is between \$600 and \$700 million in drinking water-related debt, and even more when including wastewater bills. In addition, there is more than \$300 million in unpaid bills to publicly owned electric utilities. These mounting arrearages are negatively impacting communities across the state, and they are continuing to grow.

RPU has been significantly affected by overall revenue loss and past due utility bills. We currently have 60,559 delinquent accounts and \$18.7M in arrearages. We are currently at a 39% delinquency rate (accounts 30+ days outstanding from bill date). It was 11% in March 2019 (pre-COVID). This is a 255% increase between years. Of the 60,559 accounts that are in arrears, 25,810 of them are 120+ days delinquent.

In March 2020, RPU established the Emergency Recovery Assistance Program (ERAP) in response to the COVID-19 pandemic. ERAP was designed and implemented to assist active residential electric customers experiencing reduced income, due to loss of employment or reduced hours, as a result of COVID-19. ERAP provides residential electric customers with a one-time \$400 credit towards their utility bill. Pre-pandemic, RPU provided economic support for customers experiencing financial distress, including (but not limited to) our SHARE and UTILICARE programs.

There have been several efforts to date to provide utility bill relief to customers, including some funding from federal stimulus bills, but unfortunately these amounts continue to fall short of the overall need for utility debt. California publicly owned utilities need support from the state to help our struggling communities with their past-due water, wastewater and electric utility bills. As such, we strongly urge the Legislature to allocate at least \$1 billion in additional and dedicated funding for publicly owned utilities and water/wastewater agencies to work with their customers on arrearages and aid as soon as possible.

If you would like more information about RPU's current efforts to manage the economic crisis caused by the COVID-19 pandemic, or to discuss this request further, please contact Robert Ennis at 951.826.5117.

Sincerely,



Todd Corbin
General Manager

Cc: The Honorable Gavin Newsom, Governor
The Honorable Toni Atkins, Senate President pro Tempore
The Honorable Anthony Rendon, Speaker of the Assembly
The Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee
The Honorable Phil Ting, Chair, Assembly Budget Committee
The Honorable Richard Bloom, Chair, Assembly Subcommittee on Climate Crisis, Resources, Energy, and Transportation
The Honorable Bob Wieckowski, Chair, Senate Budget Subcommittee on Resources, Environmental Protection and Energy