



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: APRIL 8, 2019

GENERAL MANAGER'S REPORT

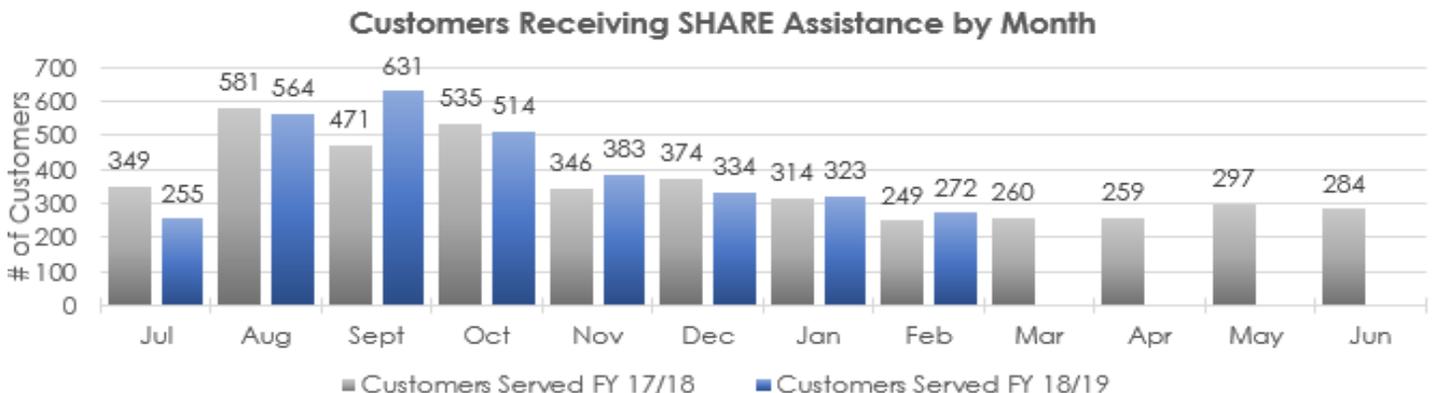
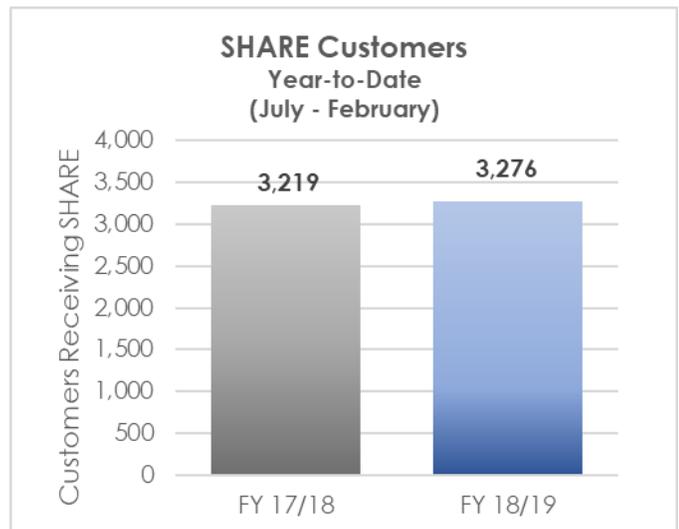
ITEM NO:

General Manager's report on SHARE program participation July through February 2019

Concurrent with the adoption of the rate plan earlier this year, the City also approved enhancements to the SHARE program as well as increasing the amount budgeted for the program from about \$1.7 million per year in FY 17/18 to \$2.8 million for FY 18/19. The SHARE program provides financial assistance to qualified low-income customers.

Enhancements for this fiscal-year included changing the income eligibility for customers from 150% of the Federal Poverty Level to 200% of the Federal Poverty Level, which will allow more customers to qualify. Additionally, the SHARE program also now offers two monthly on-bill rebates for customers. Qualified customers can receive \$14 per month from their electric bill and \$2.25 from their water bill. The SHARE program maintained the once-annual \$150 assistance to customers but has limited it to either deposit assistance or emergency assistance for customers that have receive a disconnection notice but are unable to pay. In prior years, customers did not need to demonstrate an emergency to receive the once-annual assistance.

Over the first eight months, through February 2019, the total number of customers that have received SHARE assistance on their utility bill is 3,276. This represents a year-over-year increase of 2% when compared to 3,219 customers served between July and February 2018. Participation continues to trend similar to prior years.

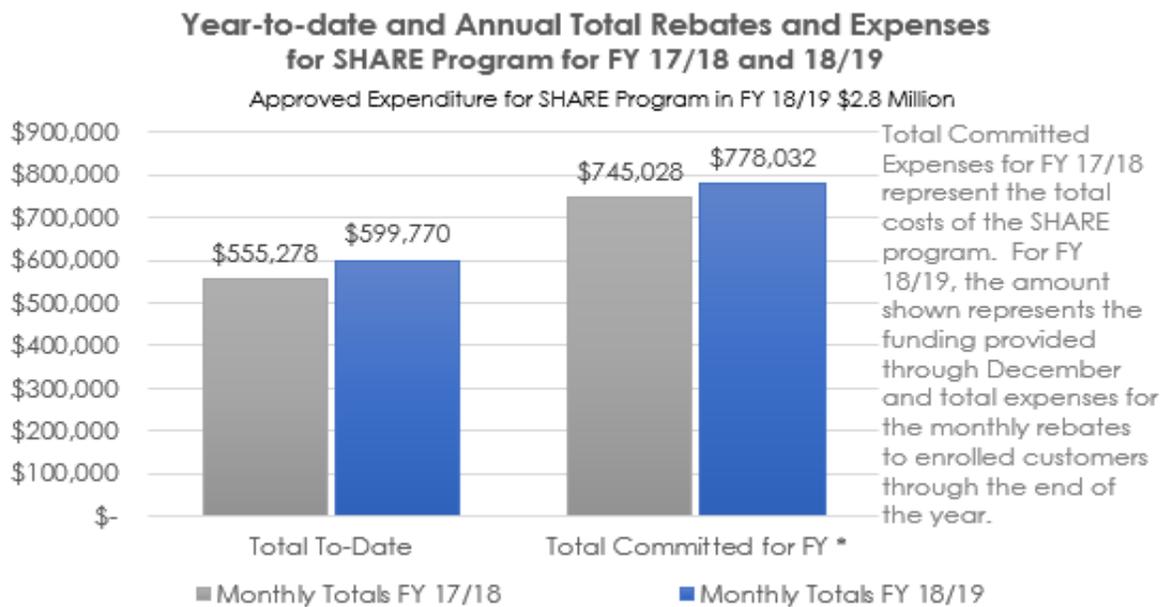


Note: The number of customers served in FY 17/18 in February through June were updated to actual data.

With the electric rate increase in January 2019, staff has shifted focus to collaborating with neighborhood groups, community and city organizations to raise awareness on RPU's assistance programs. Outreach efforts will aggressively continue to increase participation in the SHARE program. The goal is to schedule at least three outreach events a month throughout the city.

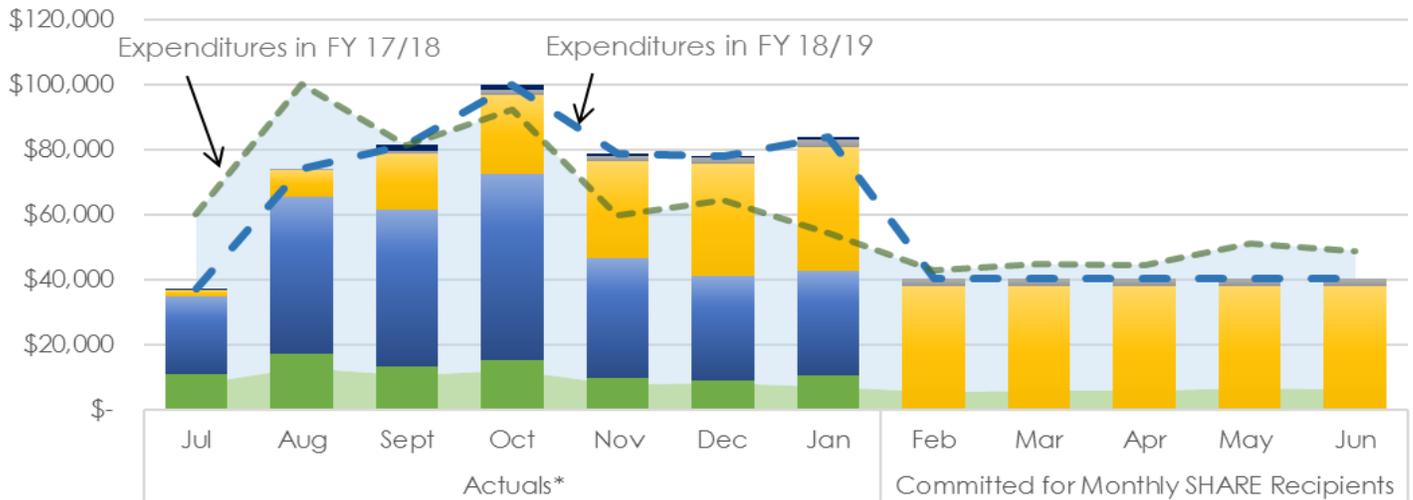
In regards to the funding for the program, the SHARE program continued expenses in FY 18/19 is trending similar to FY 17/18 for costs for the same period. As noted in previous months, this was anticipated by staff as the program soft launched and the rebate provided to customers transitioned to fewer receiving the once-annual lump-sum \$150 emergency or deposit assistance and all customers receiving monthly assistance. As customers enroll in the program for the monthly assistance, the costs will increase throughout the year.

In FY 17/18, the SHARE program cost was \$172.50 per customer, which included the customer rebate of \$150 and the administration cost of \$22.50 for the application processing services provided by the County's, CAP. Program costs in FY 18/19 will vary month to month, particularly in this first year of the enhanced program. Until the enhanced SHARE program has been running for a full 12 months, the monthly average per customer will increase as more customers enroll in the monthly rebate programs. Expenses associated with the rebates per customer are spread throughout the year as customer receive their monthly rebates. The amount expended per customer as of the end of February 2019 was \$183.08. The cost per customer for end of the fiscal year is expected to be \$237.49 (the amount includes monthly payments for enrolled customers through the end of the current fiscal year). Additionally, for FY 18/19, costs include the increased CAP administration cost of \$27 per approved application and marketing expenses.



The chart on the following page provides detail on the history and current progress of the SHARE program participants, expenditures, overhead costs and program goals. CAP administrative expenses are shown in green with the lighter color representing FY 17/18. In February 2019, there was a 65.7 percent difference in costs between the monthly electric rebate and the flat emergency/deposit assistance (shown as light blue for FY 17/18 and darker blue for FY 18/19). This reflects the monthly payments (shown in yellow) increasing as participation increases throughout the year.

Comparison of FY 17/18 and FY 18/19 (to-date) Expenses Associated with the SHARE Program



Legend for FY 18/19

- Monthly Totals FY 18/19
- CAP Estimated Administrative Fees (\$27 / Application Approved)
- Advertising and Marketing Costs
- Deposit and Emergency Assistance (\$150)
- Electric Monthly (\$14/month)
- Water Monthly (\$2.25/month)

Legend for FY 17/18

- - - Monthly Totals FY 17/18
- CAP Administrative Fees (\$22.50 / Application Approved)
- Deposit and Emergency Assistance (\$150)

* CAP Administrative Fee for FY 18/19 is Estimated based on Approved Applications.