COVID-19 EMERGENCY RECOVERY ASSISTANCE PROGRAM (ERAP) IN AMOUNT OF $5 MILLION, SUSPENSION OF OTHER PUBLIC BENEFIT FUNDED PROGRAMS, AND CONSIDERATION OF RESTART PROGRAM – SUPPLEMENTAL APPROPRIATION OF $3,600,000
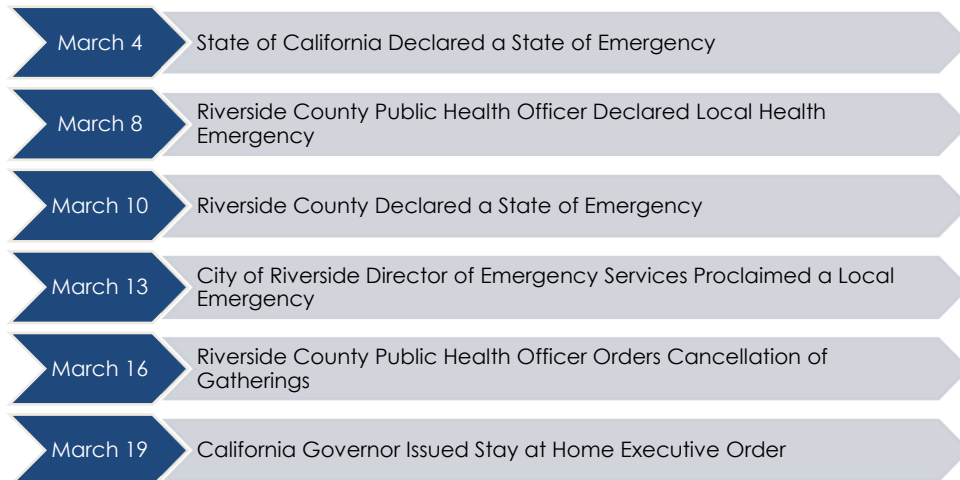
Riverside Public Utilities
Finance and Resource Operations and
Strategic Analytics

Board of Public Utilities
April 27, 2020

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TIMELINE OF EMERGENCY DECLARATIONS

March 4	State of California Declared a State of Emergency
March 8	Riverside County Public Health Officer Declared Local Health Emergency
March 10	Riverside County Declared a State of Emergency
March 13	City of Riverside Director of Emergency Services Proclaimed a Local Emergency
March 16	Riverside County Public Health Officer Orders Cancellation of Gatherings
March 19	California Governor Issued Stay at Home Executive Order

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RPU BACKGROUND

1. Many RPU customers financially impacted
2. March 17, 2020 – City Council suspended all utility shut-offs retroactive to start of the emergency
3. Issues:
   1. Many businesses are closed – reducing load
   2. The City cannot waive utility payments
   3. Unpaid customer bills will accrue

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PUBLIC BENEFITS CHARGE

Permitted Uses

RPU is required by State Law to collect a Public Benefits Charge

(Public Utilities Code Section 385, enacted 1996)

Energy efficiency and energy conservation	Renewable energy resources
Research and development	**Services for low-income residential customers**

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SHARE LOW-INCOME ASSISTANCE

1. Sharing Households Assist Riverside's Energy (SHARE)
2. Began in 1989 – expanded in 2018
3. Provides bill assistance to low-income residential customers
   a. Eligibility: 200% below the Federal Poverty Level
   b. Monthly assistance: $14.50 for electric customers and $2.50 for water customers
   c. Emergency or deposit assistance: $150 once per year for electric residential customers

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IMPACTS OF THE EMERGENCY

1. Load reduction and corresponding revenue beginning in April/late March
   a. Current and future impacts being assessed
2. Suspension of utility shut-offs and delayed customer payments

How can RPU assist customers and the communities' economic recovery?

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COVID-19 EMERGENCY RECOVERY ASSISTANCE PROGRAM (ERAP)

1. <u>New</u> Low-Income Program for customers who have lost their jobs, been furloughed, or have had work hours reduced due to the COVID-19 Emergency

2. Program details
   a. Limited time program – start of emergency to 3 months following
   b. Provide a one-time bill credit of $250 for up to 20,000 residential customers
   c. Additional program guidelines will be established

3. $5 Million Funding
   a. Paid for solely by Public Benefit Funds (electric customers only)
   b. $3.6 Million supplemental, $1.4 Million from unprogrammed

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RESTART PROGRAM

1. Repayment program that will help business customers repay any unpaid utility bills

2. Program Options
   a. Delayed start to repayments
   b. Standardized repayment agreements
   c. Ensure that a customer's credit is not negatively impacted by late utility bill payments
   d. Establish flexible repayment timelines

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RECOMMENDATIONS

That the Board of Public Utilities recommend that the City Council:

1. Authorize the City Manager, or designee, to implement the COVID-19 Emergency Recovery Assistance Program (ERAP) with a program amount of $5,000,000 in order to assist low income residential electric customers that have been adversely financially impacted by the COVID-19 pandemic, as outlined in this report;

2. Authorize the City Manager, or designee, to make adjustments to or temporarily suspend any or all programs funded with Public Benefit Funds except for the SHARE program as needed in order to assist low income residential electric customers that have been adversely financially impacted by the COVID-19 pandemic, and to transfer the funding of such programs to the ERAP Program, if necessary, as outlined in this report;

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RECOMMENDATIONS (CONT.)

3. Authorize a supplemental appropriation in the amount of $3,600,000 from the Electric Public Benefits Fund Cash Reserve to the Electric Public Benefits Low Income Assistance Residential COVID-19 Program Account No. 6020100-456100 to fund the ERAP Program; and

4. Consider customer financial relief programs for all electric and water utility customers and direct staff to return with recommendations for such programs.

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