



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 8, 2020

ITEM NO: 12

SUBJECT: INCREASE THE SHARING HOUSEHOLDS ASSIST RIVERSIDE'S ENERGY PROGRAM'S ELECTRIC MONTHLY CREDIT TO \$15.00 AND WATER MONTHLY CREDIT TO \$2.75 TO ALIGN WITH YEARLY ELECTRIC AND WATER RATE INCREASES FOR FISCAL YEAR 2020/21

ISSUE:

Recommend that the City Council approve an increase of the Sharing Households Assist Riverside's Energy Program's Electric Monthly Credit to \$15.00 and Water Monthly Credit to \$2.75 to align with electric and water rate increases for Fiscal Year 2020/21.

RECOMMENDATION:

That the Board of Public Utilities recommend that the City Council approve an increase of the Sharing Households Assist Riverside's Energy Program's Electric Monthly Credit from \$14.50 per month to \$15.00 and Water Monthly Credit from \$2.50 to \$2.75 to align with electric and water rate increases for Fiscal Year 2020/21.

LEGISLATIVE HISTORY:

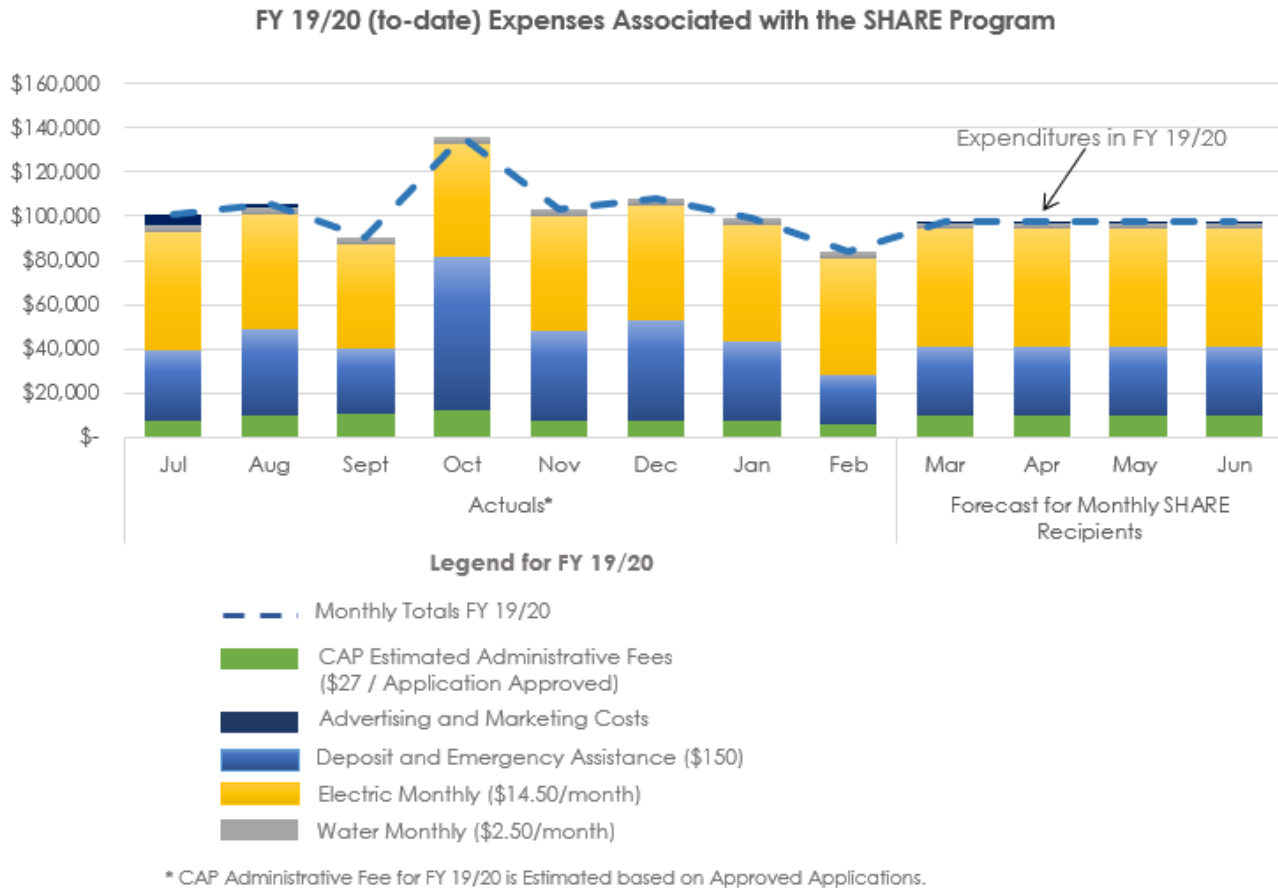
Assembly Bill (AB) 1890 was adopted in 1996, which required publicly owned utilities to collect and spend Public Benefits Charge funds for low-income assistance, energy efficiency and conservation programs, renewable energy, and research, development and demonstration projects.

BACKGROUND:

Riverside Public Utilities (RPU) established the Sharing Households Assist Riverside's Energy (SHARE) Program in 1989 to provide low-income residents with utility bill assistance. The SHARE Program was initially only supported with funding from direct customer contributions and donations. In 1999, RPU expanded the program with the utilization of a portion of the Public Benefits Charge funds in order to assist more customers.

On May 22, 2018, the City Council approved changes to the SHARE Program to address the concerns that the then-proposed rate increases would impact low- and fixed income customers. The program enhancements included adjusting the income qualifications as well as instituting new monthly bill credits for both electric and water service. The expanded income limits changed from 150% of the Federal Poverty Level to 200% Federal Poverty Level. The new monthly bill credits included a credit of \$14 per month for income-eligible electric customers and \$2.25 per month for income-eligible water customers. These program changes were available to customers on July 1, 2018.

On July 2, 2019, the City Council approved the first increase to the SHARE monthly electric monthly credit from \$14.00 to \$14.50 and the water monthly credit from \$2.25 to \$2.50 effective July 3, 2019.



DISCUSSION:

As part of the approved rate plan, RPU committed to increase the SHARE Program’s monthly assistance coincident with ongoing rate increases. The next water rate increase is scheduled for July 1, 2020, and the next electric rate increase is scheduled for January 1, 2021.

In order to alleviate the impact of the electric and water rate increases on RPU’s low-income customers, RPU staff proposes to increase the SHARE electric monthly credit from \$14.50 to \$15.00 and the SHARE water monthly credit from \$2.50 to \$2.75 for Fiscal Year 2020/21. Future alignment of the SHARE Program monthly credit adjustments will be presented annually during the Board of Public Utilities’ and City Council’s review and consideration of utility rates.

Funding for both programs will remain the same as approved for the last fiscal year. Annual funding will be \$2.95 million per year. This includes \$2,550,000 for electric customer assistance and \$250,000 for the County’s administration fee from the Public Benefits Charge funding. An additional \$150,000 from wholesale water sales revenue is allocated for the water customer assistance.

FISCAL IMPACT:

The total fiscal impact is \$2,950,000. Sufficient funds are available in Public Utilities Account Nos. 6020100-456010 (electric) and 6200000-456075 (water).

Prepared by: Daniel E. Garcia, Utilities Deputy Assistant General Manager/Resources
Approved by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds: Brian Seinturier, Utilities Fiscal Manager

Attachments:

1. Revised SHARE program guidelines
2. Presentation