

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** June 28, 2021

**SUBJECT:** INCREASE THE SHARING HOUSEHOLDS ASSIST RIVERSIDE'S ENERGY PROGRAM'S ELECTRIC MONTHLY CREDIT TO \$15.50 AND WATER MONTHLY CREDIT TO \$3.00 TO ALIGN WITH YEARLY ELECTRIC AND WATER RATE INCREASES FOR FISCAL YEAR 2021/22

**ISSUE:**

Approve an increase of the Sharing Households Assist Riverside's Energy Program's Electric Monthly Credit to \$15.50 and Water Monthly Credit to \$3.00 to align with electric and water rate increases for Fiscal Year 2021/22.

**RECOMMENDATION(S):**

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 \$15.00 per month to \$15.50 and Water Monthly Credit from \$2.75 to \$3.00 to align with electric and water rate increases for Fiscal Year 2021/22.

**LEGISLATIVE HISTORY:**

Assembly Bill (AB) 1890 was adopted in 1996 and requires 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.

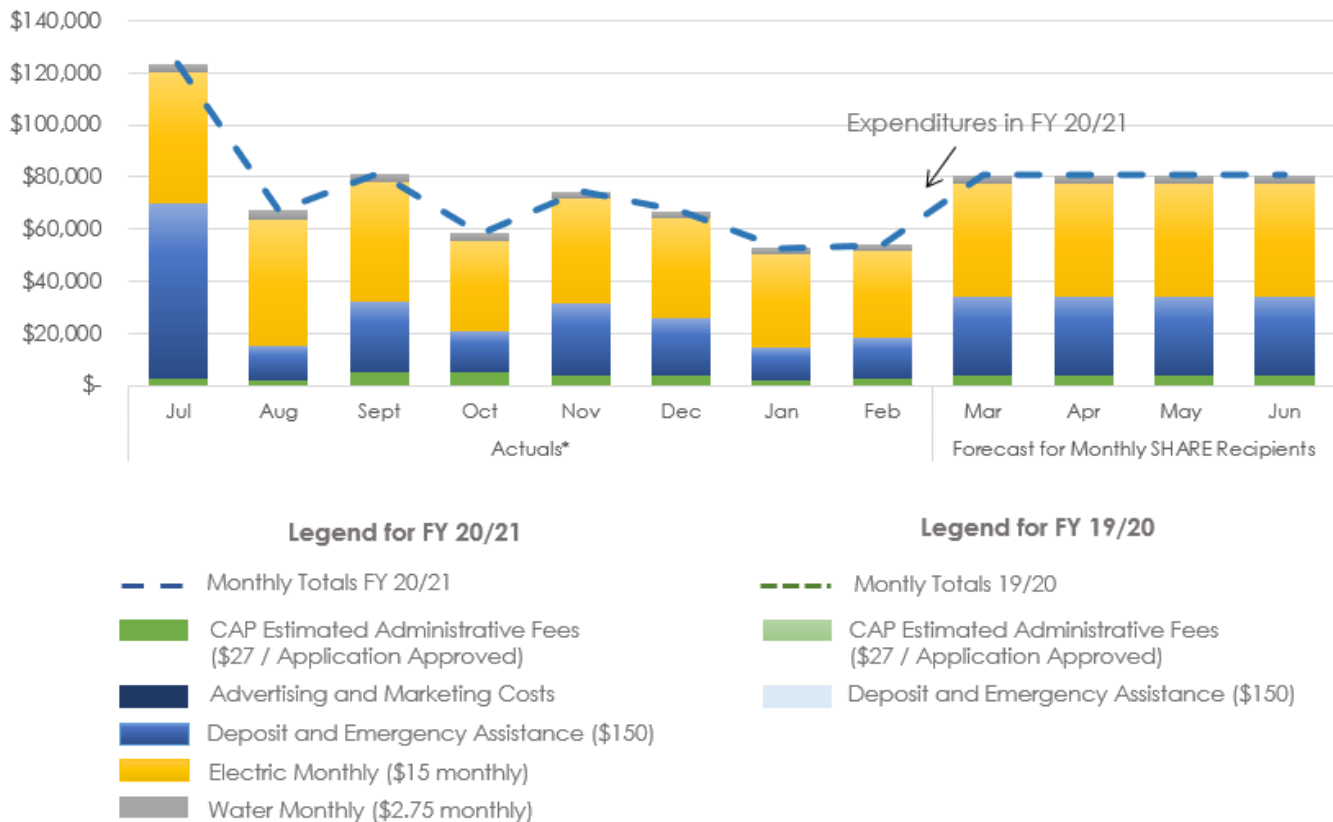
On May 22, 2018, the City Council approved changes to the SHARE Program to address the concerns that the then-proposed rate increases would impact low- and fixed income customers. The program enhancements included adjusting the income qualifications as well as instituting new monthly bill credits for 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.

On July 21, 2020 the City Council approved the second increase to the SHARE monthly electric credit from \$14.50 to \$15.00 and the water monthly credit from \$2.50 to \$2.75 effective July 22, 2020.

On March 23, 2021 the City Council approved the first increase to the SHARE emergency/deposit credit from \$150 to \$250.

**FY 20/21 (to-date) Expenses Associated with the SHARE Program**



\* CAP Administrative Fee for FY 20/21 is Estimated based on Approved Applications.

## **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, 2021, and the implementation of the electric rate was approved by the City Council on June 15, 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 \$15.00 to \$15.50 and the SHARE water monthly credit from \$2.75 to \$3.00 for Fiscal Year 2021/22. 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 of this action is \$2,950,000. Sufficient funds are available in Public Utilities Account Nos. 6020100-456010 (electric) and 6200000-456075 (water).

Prepared by: Carlie Myers, Assistant General Manager  
Approved by: Todd M. Corbin, Utilities General Manager  
Approved by: Al Zelinka, FAICP, City Manager  
Approved as to form: Kristi J. Smith, Interim City Attorney

Certifies availability  
of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachment: Presentation