

RESTART UTILITY BILL REPAYMENT PROGRAM

Customer Engagement

Board of Public Utilities

July 12, 2021

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BACKGROUND

1. COVID-19 Local Emergency Declared
 - a. City Declared an Emergency on March 17, 2020
 - b. Includes direction to suspend utility shutoffs for all customers from the start of the statewide emergency for non-payment (effective, March 1, 2020)
 - c. When the Emergency Declaration ends, so does the direction to suspend utility shutoffs for non-payment
2. City Council on May 5, 2020
 - a. Approved ERAP for residential customers that have lost jobs or had wages reduced
 - b. Approved the concept of the Restart Program

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PANDEMIC IMPACT

1. Duration of the impacts from the COVID-19 Pandemic have been prolonged
2. Customers continue to be unable to pay their utility bills
3. City has experienced significant increases in customer accounts receivable
 - a. A/R increased by 61% or \$18.4 million from March 2020 to May 31, 2021
 - b. During the same period, delinquent accounts receivable has increased 419% or \$20.6 million.

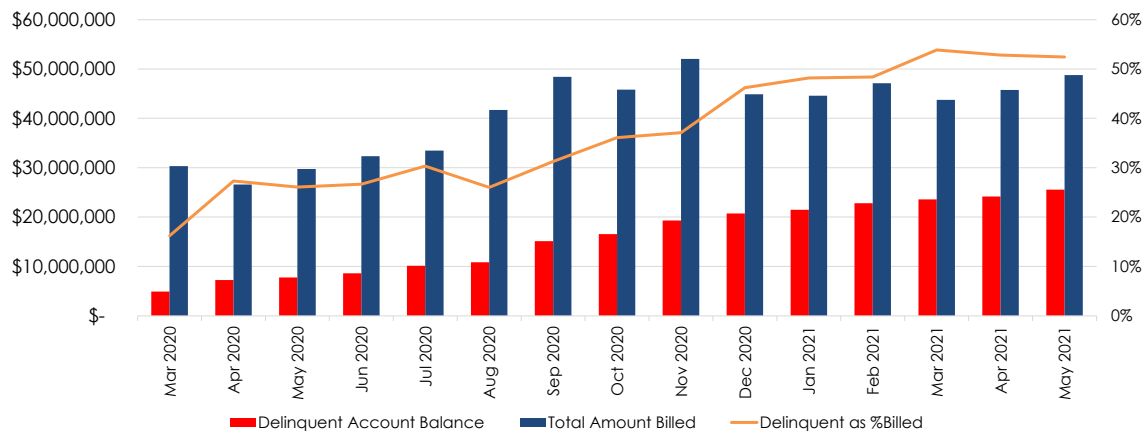
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TOTAL ACCOUNTS RECEIVABLE COMPARISON



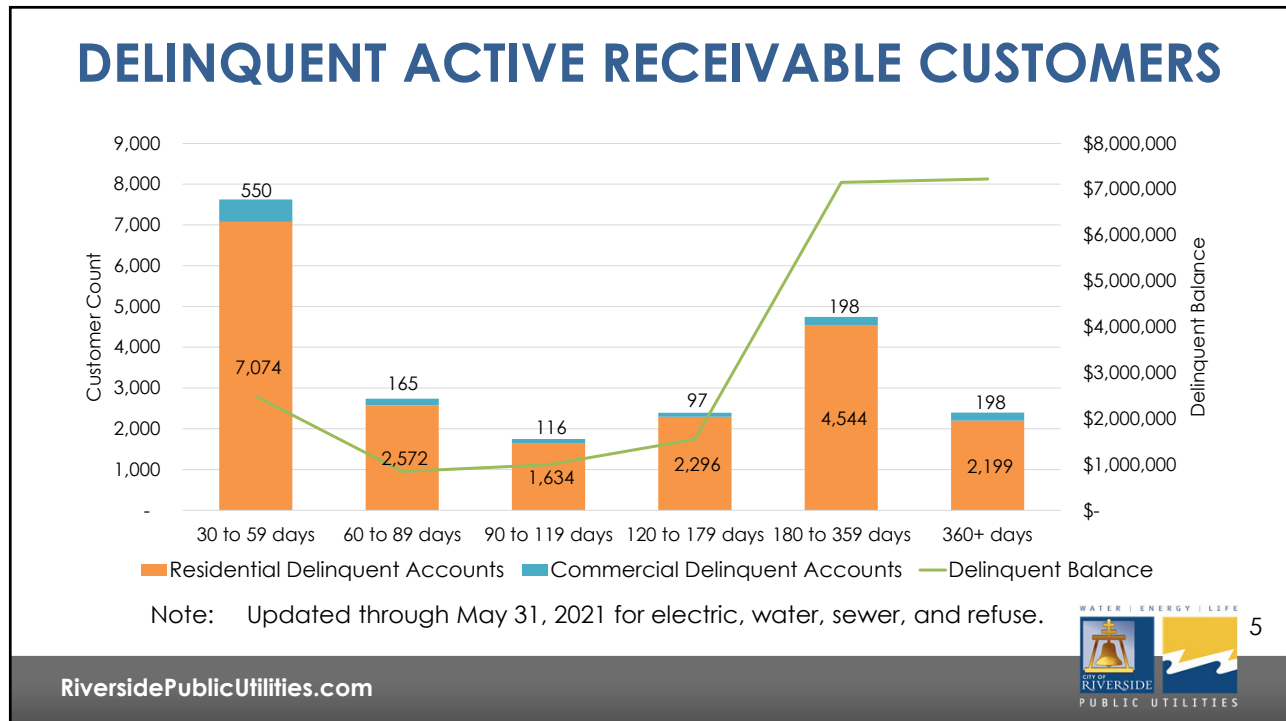
Notes: 1. Delinquent Account Balance includes active & inactive accounts.
 2. Updated through May 31, 2021 for electric, water, sewer, and refuse.

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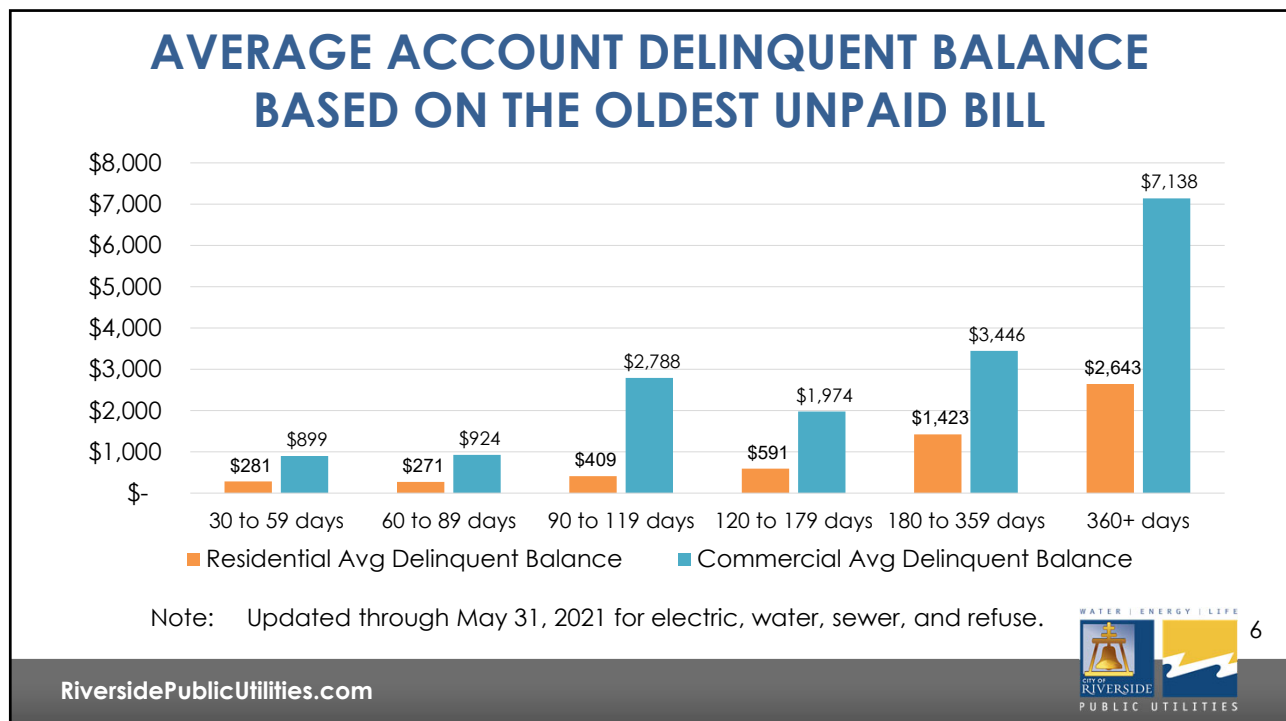


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RESTART PROGRAM PURPOSE

1. Customers that are currently unable to pay their monthly utility bills due to COVID-19 continue to receive utility services
2. Restart establishes the process to help customers repay their bills as the economy recovers from the pandemic.



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RECOMMENDED PROGRAM UPDATES

DELAYED START TO REPAYMENT

As of October 6, 2020

RPU shall provide that customers be provided with a 6-month delay before their first payment towards their outstanding balance is due. Customers may sign up for this program from the time that City Council approves the agreement through two months after RPU resumes utility disconnections.

Recommendation

RPU shall provide that customers be provided with a sixty-day delay from the end of the March 2020 Local Emergency Declaration to sign up for the program.



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RECOMMENDED PROGRAM UPDATES

REPAYMENT AGREEMENTS

As of October 6, 2020

Customers will enter into agreements with RPU to repay unpaid balances on their accounts. This repayment agreement will be a standardized formal agreement for commercial customers and a standardized letter agreement for residential customers. Having a standardized repayment agreement process will streamline the process both for RPU and City staff as well as for the customers.

Recommendation

All payment arrangements to be conducted via the current administrative process using a variety of letters and agreements already in practice with Utilities Customer Service teams to customize payment arrangements with each customer to meet their needs in accordance to the Restart Program guidelines as determined by the Board and City Council.



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RECOMMENDED PROGRAM UPDATES

NO COST OR PENALTY

As of October 6, 2020

The program will be offered at no additional cost to the customer and will ensure a customer's credit is not negatively impacted by late bill payment. Restart agreements will be at no additional cost and no interest.

Recommendation

NO changes



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RECOMMENDED PROGRAM UPDATES

REPAYMENT TIMELINE

As of October 6, 2020

Customers will be provided **12-months** to repay their outstanding bill balance. Twelve equal monthly payments will be established for the customers. Customers may repay their outstanding balances early. For the agreement to remain valid and for the customer to avoid disconnection, customers must pay their monthly utility bills plus the agreed upon monthly payment.

Recommendation

Customers will be provided up to **18 months** from the end of the Local Emergency Declaration to repay their outstanding bill balance. Regular payments will be determined by the Restart Program guidelines. Customers may repay their outstanding balances early. For the repayment agreement to remain valid and for the customer to avoid utility disconnection, customers must make on time payments for the current monthly utility bills plus the agreed upon amount for the past due balance.



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RECOMMENDED ADDITIONS TO THE PROGRAM

DOWN PAYMENT

It is recommended that customers requesting enrollment in the Restart Utility Bill Repayment Program delinquent repayment plan provide a down payment of 10% of the outstanding utility account balance to enroll in the program.

Note: Low-income qualified customers (200% Federal Poverty Guidelines) are eligible to enroll in the SHARE program and upon approval for SHARE may be eligible for a \$250 emergency deposit credit.



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RECOMMENDED ADDITIONS TO THE PROGRAM

RESTART ELIGIBILITY DATES

The program is for delinquent utility bill amounts as defined in the March 2020 Local Emergency Declaration. Any additional account delinquency amounts outside of this defined period of the Local Emergency are not eligible for the Restart Program.



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AVAILABLE ASSISTANCE PROGRAMS

1. **SHARE** Sharing Households Assist Riverside Energy Program - an income-qualified program (200% Federal Poverty Guidelines) and provides emergency/ deposit and monthly bill credit assistance.
2. **ERAP** Emergency Recovery Assistance Program - established in response to COVID, provides \$400 bill credit assistance for residential customers whose incomes have been negatively impacted due to the pandemic.
3. **ERA** Emergency Rental Assistance Program - established through US Treasury funding to assist in paying past due rent and utilities to low-income residents (80% of area median income) whose incomes were negatively affected due to the pandemic. Program funds were exhausted April 16, 2021, now administered through United Lift.

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RECOMMENDATIONS

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

1. Implement the revised Restart Utility Bill Repayment Program for all customers that have been adversely impacted by the COVID-19 pandemic to be effective within 60 days of the City Council reversing the March 17, 2020, direction to suspend discontinuance of service for nonpayment of water, electric, sewer and refuse utility; and
2. Authorize the City Manager, or designee, to implement the Restart Utility Bill Repayment Program for all customers that have been adversely impacted by the COVID-19 pandemic to be effective within 60 days of the City Council reversing the March 17, 2020, direction to suspend discontinuance of service for nonpayment of water, electric, sewer and refuse utility services.

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