

Seattle Public Utilities
Customer Review Panel
Study Session – Customer Assistance and Affordability
April 3, 2023

Meeting Notes

Members Attending: Noel Miller, Maria McDaniel, Amanda Richer

Andres Mantilla, BDS, opened the meeting.

Public Comment: none

Director's welcome: Andrew Lee welcomed everyone and noted what a hugely important topic this is. Pressure increases on customers with bills going up and costs increase for SPU. He appreciates the good work being done and notes the SPU has the roots of a great program that continues to grow and improve.

Leslie Brinson, Senior Policy Advisor in General Manager's Office, and Maryam Mason, Customer Services and Affordability Programs Manager presented.

Description of customers impacted by Utility Discount Program (UDP) – only property owners receive SPU bills; renters are impacted by SPU costs through their rent. Seattle City Light customers all receive bills; both renters and owners. Consequently, the discount program is offered through City Light. For the electric portion a discount is offered. For the SPU portion a credit is provide on the City Light bill. Please see bill example in slide deck.

- Over 22,000 homeowners and 6,400 renters are eligible for the program. On bills issued after application:
 - 60% discount on electricity
 - 50% discount on water/sewer/solid waste
- Customers income eligible if < 70% State Median Income
 - \$41,292 for single person, \$79,404 for a family of 4
- Streamlined opportunities for enrollment
 - Partnership with Seattle Housing Authority
 - SNAP documentation

UDP applications are now done through a new online process or can be done in person. It takes 60-90 days to approve and discount is back dated to the date of application.

UDP Governance of Program

- **Washington State RCWs:** Authorizes reduced rates for “low-income” customers
- **Seattle Municipal Code:** Establishes UDP and eligibility requirements
 - SCL or SPU account holder; and

- Receives SSI or Household income < 70% State Median Income
- **SPU and SCL Director's Rules:** UDP program policy and procedures
 - Application processing
 - Income calculation and documentation requirements
 - Recertification Timeline
 - Regular households: 2 years
 - Senior-only (65+) households: 3 years
 - Auto-enroll households: 5 years from date last certified by SHA
- **SPU, SCL and HSD Memorandum of Understanding:** Outlines budget, roles and responsibilities of each department. SPU, SCL, and HSD have majority control of the program.

UDP by the numbers

- 35,240 customers enrolled in UDP
 - 6,637 are also SPU account holders
 - 20,346 receive SPU credits on SCL account
 - 8,827 are SCL only and outside SPU service territory
- Financial impact
 - \$23.5M in SPU credits issued in 2022
 - Annual increase to average SPU single family bill = \$54.76 per year
- Enrollment total held steady(ish) in 2022
 - Approx 600 newly activated customers per month
 - Approx 600 per month terminate
 - 44% move out of service territory
 - 11% over income at recertification
 - 42% fail to complete or respond to recertification process
 - Approx 630 per month recertify
 - ***Question: when folks move out of service territory; what is the process to bring in other customers to replace them? Consistent recruiting and on-going outreach communications.***

Emergency Financial Assistance

- Provides urgent help to address current or past due bills
- Up to \$980 available each year (in up to 4 pledges)
- Eligible customers:
 - Already a UDP Customer; or
 - Received SCL bill assistance in current year; or
 - Household < 80% State Median Income

(\$47,184 for single person, \$90,756 for family of 4)

- Available to owners and renters of single-family homes. (Duplexes or condominium owners are not eligible).
- Apply on-line as with other assistance programs
- No shut off during applications process

Question: Will additional funds be coming from the federal and state governments? Answer: still unknown; hoping state legislature will authorize the spending of the last \$3.5 million that was not able to be spent on relief for those behind on their payments (i.e., arrearages).

Question: What was the impact of the COVID and the moratorium on shut offs? Answer: once the moratorium was lifted, the shut off levels have remained unusually high. Before COVID, SPU had \$2M in financial impact of shut offs; after \$15M. UDP did not grow significantly during COVID.

Collections Policies

- COVID recovery approach – more than just UDP-eligible folks needed help with bills during the pandemic. People needed longer timeframes to catch up on their bills. SPU increased the timeframe to pay off debts to 36 months. Offered this to all customers.
- Expanded financial assistance - \$5.6 recovery dollars automatically applied to bills to bring delinquencies down.
- Changed criteria for delinquencies: must not owe over \$1,000; anyone can sign up for payment plan

Question: How much is being donated on people's bills to the Community Donations Fund? Answer: to date, around \$18K. Money is not yet being distributed.

Question: how are we letting people know about the opportunity to donate? Answer: they will get back to us about that.

Utility Assistance Evaluation

Partnering with Seattle City Light, looking at all programs

- Do current offerings meeting customers' needs?
- Who are we not reaching?
- Why is our attrition rate with UDP so high?
- Why don't some eligible customers participate?
- How can we connect our water conservation efforts to customer assistance programs?

Only 40% eligible are enrolled; losing 300 people per month to the recertification process.

Hoping to sign a contract for the evaluation consultant soon and have the evaluation done by the end of the year.

Question: is there a way to determine how many of those lost to recertification have become unhoused? Answer: They are still customers but are no longer receiving assistance and they might still be eligible for it.

Other issues to be considered: what do we do about ADU's and DADU's? Currently, only one property owner can receive a bill. What to do if they are at different income levels?

Question: what are we doing about ensuring access to water at all times for the unhoused?

Answer: Chris Wilkerson at SPU is working on this. Need to arrange for him to come and talk to the CRP.