

Customer Assistance & Affordability

Customer Review Panel Study Session

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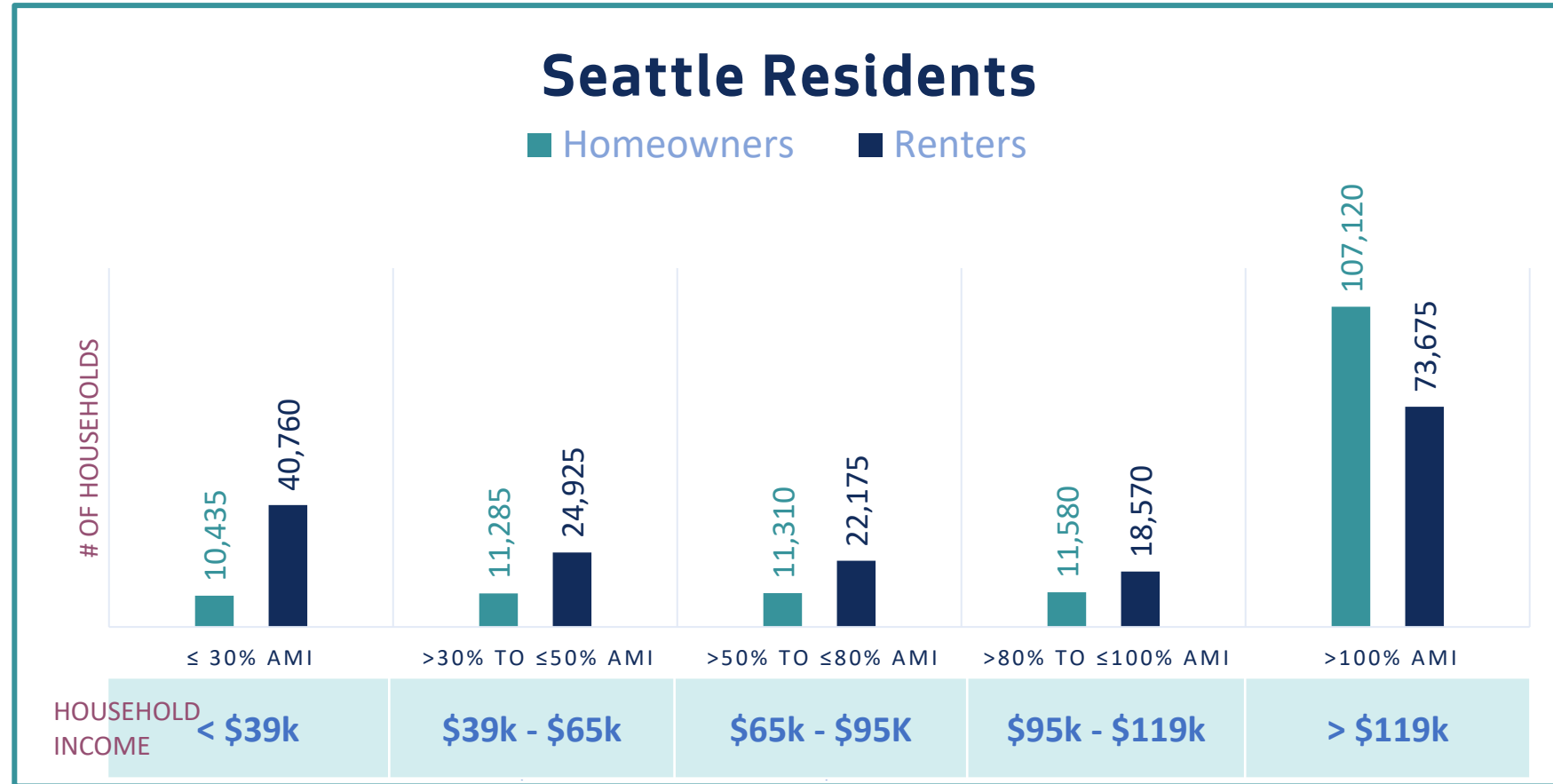
Seattle Public Utilities' vs Seattle City Light's Customer Base

SPU Customers

- One water meter per property
- Property owners: Single family homeowners, townhome owners, owners of apartment buildings, Condominium/Home Owners Associations, etc.

SCL Customers

- One electric meter per “unit”
- Renters/tenants AND all of above



Utility Discount Program

Providing discounted rates to eligible low-income residential customers



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Utility Discount 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



SPU Utility Credits for Renters

- Renters don't directly pay SPU for services, paid through rent or 3rd party biller.
- Renters receive "SPU credit" on electricity account to offset utilities paid through rent

2022 SPU Utility Credit Values (per month)					
	Water	Sewer	Drainage	Garbage	Yard Waste
Single Family	\$23.52	\$36.57	\$26.36	\$21.10	\$6.80
Duplex	\$23.52	\$36.57	\$13.18	\$21.10	\$6.80
Multi-family	\$12.78	\$25.52	\$2.82	\$17.20	\$6.80

- Credit balances often accrue and refund checks are sent annually.

Summary of charges as of September 16, 2021

Payments received after September 16, 2021 are not reflected.

Previous balance:	105.26 CR
Payment:	0.00
Balance:	105.26 CR
Current billing:	65.85 CR
CREDIT BALANCE, DO NOT PAY	\$171.11 CR

DETAILED BILLING INFORMATION

Electric Service

Service From	Service Through	Previous Reading	Current Reading	kWh Multiplier	kWh Usage
Jul 19, 2021	Sep 16, 2021	16977.00	17231.00	1	254.00

Meter Number: 2364771

Service Category: KWH

Base Service Charge.....	10.92
Summer Residential Energy 254.00 KWH x \$0.0999 per KWH	25.37
Utility Discount Program Savings	21.76 CR
Water Utility Credit	25.00 CR
Sewer Utility Credit	55.38 CR

Current Electric Service: 65.85 CR

CURRENT BILLING: 65.85 CR

Applying for the Utility Discount Program (UDP)

Methods:

- Online application @ <https://utilityassistance.seattle.gov/>
Allows application to all three utility assistance programs at one time
- By phone or in person at outreach event
- Paper or PDF application by request; returned by mail, email or fax

Timeline

- Approx 60-90 days from initial contact to application approval
- Discount is reflected on bill in 1 bill cycle and is retroactive to date customer applied

UDP Program Governance

- **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.



Utility Assistance Partnership

Seattle City Light

- Manages emergency assistance for electricity
- Puts SCL UDP customers on rate in billing system
- Manages SPU Utility credit process & refunds
- Manages auto-enrollment partnerships

Seattle Public Utilities

- Manages emergency assistance for water/sewer/garbage
- Places SPU UDP customers on rate
- Managing evaluation effort

Human Services Department

- UDP enrollment & application processing
- Recertification
- Outreach through CBOs & Events



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



SPU Emergency Assistance

Providing financial assistance and payment flexibility for customers experiencing financial hardship



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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).



Applying for Emergency Assistance

- Methods:

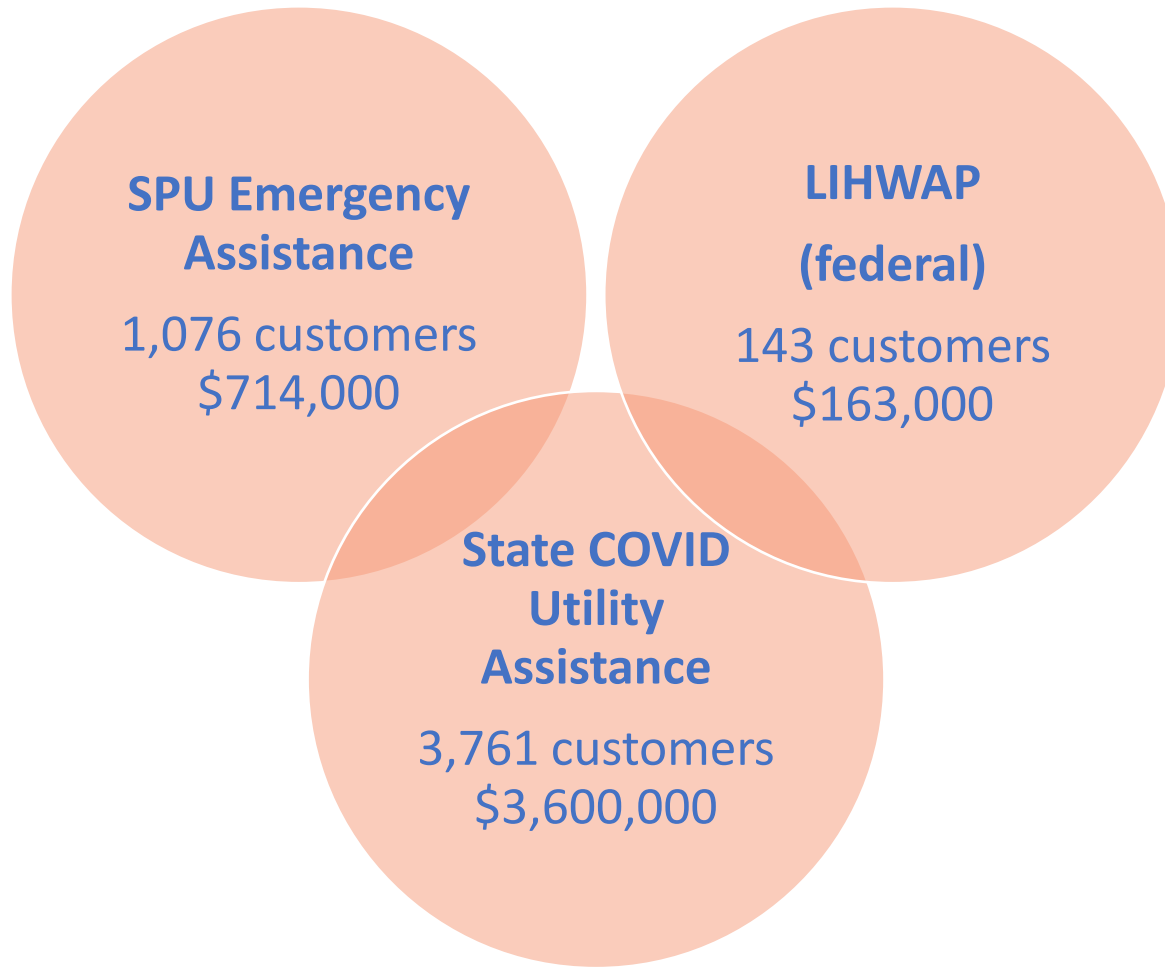
- Online application @ <https://utilityassistance.seattle.gov/>
 - *Same online application for all three assistance programs*
- Paper or PDF application by request; returned by mail, email or fax

- Timeline:

- Accounts applying for assistance are put on “hold” to prevent shutoff process
- Approval in ~60 days
- Applied in billing system within 2 weeks



Emergency Assistance by the numbers...



Collections Policies

Flexibility for all customers during COVID-19 recovery



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Pandemic

COVID -19 Impact

- Closing of businesses
- Loss of income
- Economic struggle

Response

Reduced Severance Activity

- Stopped water shutoffs
- Stopped late fees
- Stopped "urgent" & "final" late payment notices
- Restored water services to disconnected customers
- Auto-applied financial assistance to low-income customers
- Allowed "emergency" access to Utility Discount Program

Outcomes

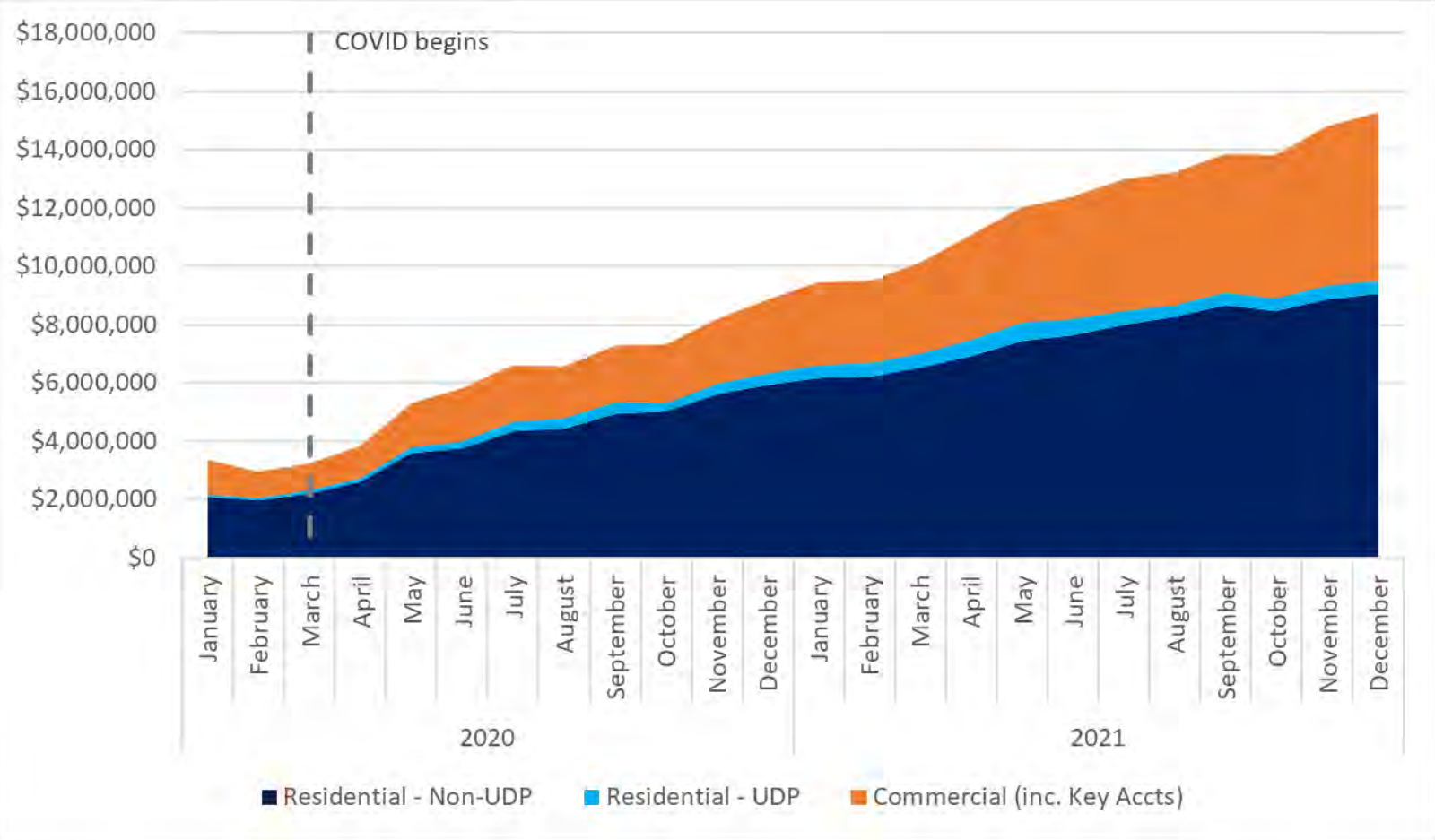
Negative Impact Despite Response

- Delinquent customers increase
- Delinquent balances grow
- Customers still in need of assistance



Financial Impact of COVID-19

2017-2021 SPU Delinquent Accounts Receivable Year-End Snapshots



At the end of 2021

- Total delinquency = \$15.3M
- ↑ 5.1x from Feb 2020
- 10k accounts – about 5%
- Over \$2M in financial assistance

COVID-19 Recovery Approach



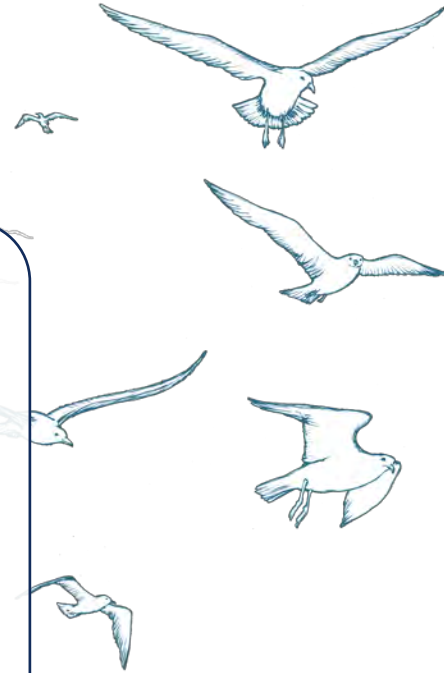
- Offered to ALL customers
- No down payment required
- Repay over up to 36 months
- No fees
- Previously, 50% down was required and with balance due within 60 days

Payment Plans



- Auto-applied assistance to customers known to be eligible
 - \$2M in 2021
 - \$3.6M in 2022
- Previously, customers had to apply even if SPU knew they were low-income

Expanded Financial Assistance



COVID-19 Recovery Approach



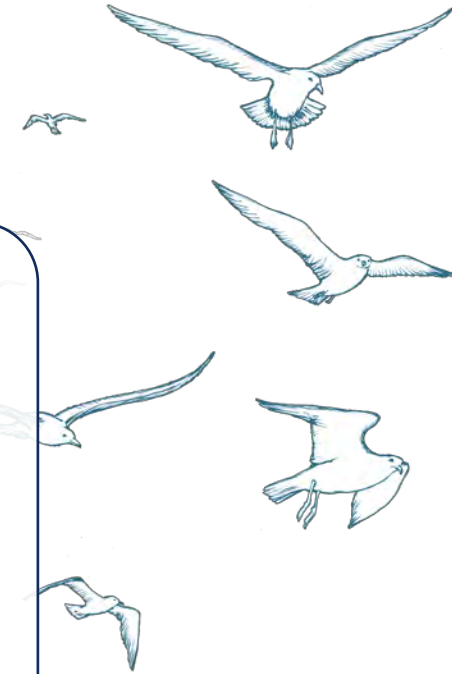
- **Only requirement - sign up for payment plan**
- **Only for customers owing over \$1000**
- **Exempted UDP customers**
- Previously, payment of 50%-75% of delinquent balance required to avoid shutoff for anyone owing > \$300

Increased Shutoff Prevention

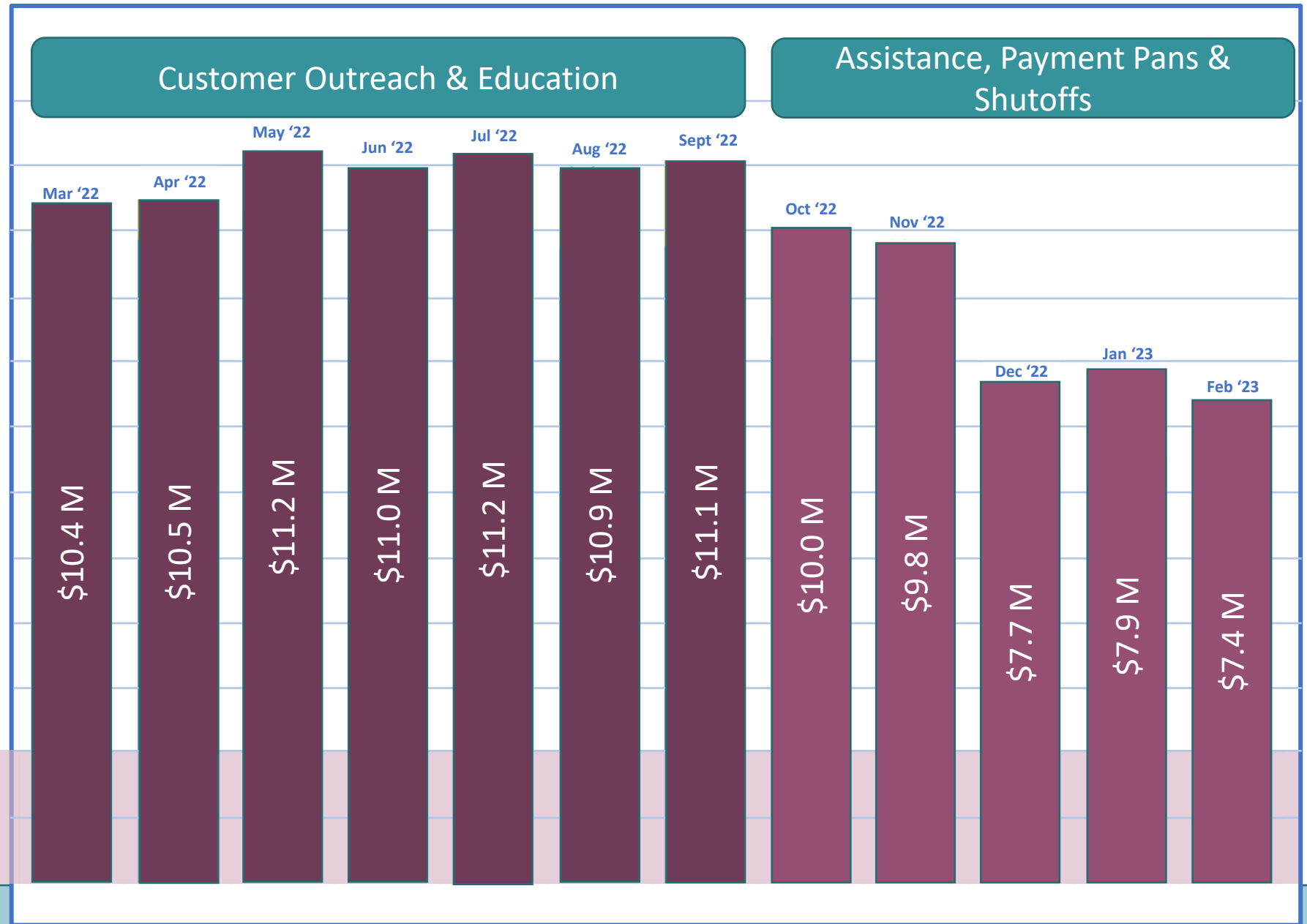


- **Minimum payment to restore service = 25% of delinquent balance**
- **Fees waived**
- Previously, 100% of the delinquent balance was needed to restore water, up to \$170 in fees

Reduced Barriers to Reconnection



SPU's Residential Delinquency Post-Pandemic



Pre-Pandemic Delinquency
~ \$2M



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Utility Assistance Evaluation



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2023 Utility Assistance Program Evaluation



Do our existing offerings meet our customers' needs?

What are their biggest utility-bill related problems?



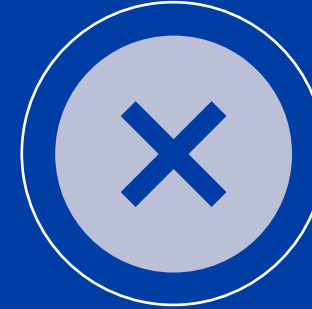
Who are we not reaching?

What barriers do our customers face in accessing service?



Why is our attrition rate so high?

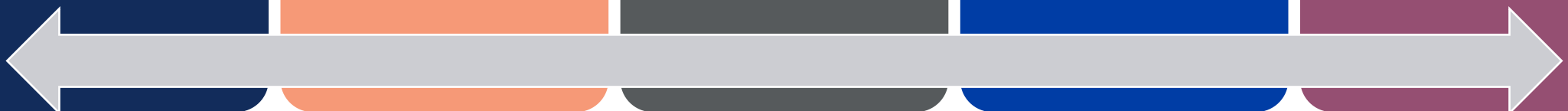
What changes do we need to make to keep eligible customers enrolled in the program?



Why don't some customers participate?



How can we better leverage our energy and water conservation efforts to increase assistance to customers?



Questions?

