

Utility Rate Relief Program Status Report

Salem offers a Utility Rate Relief Program in the form of a monthly discount on City of Salem single-family residential utility bills for qualified elderly or disabled customers meeting program requirements. The proposed operating fee ordinance provides a discount equal to the residential rate for qualified residential customers who are approved for the Utility Rate Relief Program. If approved, the operating fee exemption of \$8.00 would be added to the existing utility rate relief discount of \$11.80 for a total discount of \$19.80 for qualified single-family residential customers inside the City of Salem. Approval of the operating fee exemption for qualified customers would result in loss of revenue to the General Fund of up to \$170,000.

In April 2019, City Council approved changes to the Utility Rate Relief Program including assistance of up to \$250,000 for qualified customers. Based on the discount of \$11.80, this would allow for up to 1,765 people to receive assistance for one year. The Utility Rate Relief program is available to all single-family rate payers who meet program qualifications. As of September 16, 2019, a total of 568 single-family residential accounts have been qualified to receive the discount, of which 424 are inside the Salem city limits.

The City of Salem is partnering with the Mid-Willamette Valley Community Action Agency (MWVCAA) to screen applicants and offer the Utility Rate Relief program to clients who are being qualified for other assistance programs managed by MWVCAA. To qualify for the discount, an applicant must meet the following requirements:

- A household member must be elderly (60 years of age or older) or disabled;
- Have an active City of Salem single-family residential wastewater account and live at the address;
- Household members may not be receiving assistance from a local housing authority; and,
- Combined gross household income must be equal to or less than 60 percent of the Salem area median income, based on family size.

MWVCAA is beginning their annual qualification process for new and returning applicants. As they qualify recipients, eligible people will be identified for the City of Salem Utility Rate Relief Program. MWVCAA will continue to qualify applicants on a monthly basis. Staff will review the status of the program and provide an update to City Council in April 2020 in preparation for the utility rate setting process in fall 2020. This review will provide the opportunity to assess the number of households assisted and whether any changes will be recommended for the Utility Rate Relief program.