

Utility Rate Relief Program

Background

In 1987, Salem City Council adopted Ordinance No. 131-87 amending Salem Revised Code 73.115(a)(1) to provide a sewer rate reduction for a single family dwelling occupied by a senior. The Wastewater Rate Assistance Program was available to customers both inside and outside the city limits. In more recent years, the fixed monthly discount has been adopted as part of the biennial utility rate resolution. Eligible recipients must be disabled or over the age of 62, the head-of-household, the named account holder of a single-family residential utility account, and have an income of less than 30 percent of the Salem-area median income, based on family size. During the rate adoption process in 2018, staff was directed to examine existing programs and opportunities for partnerships to reach more customers. The Utility Rate Relief Program increases the income limit to 60 percent of median income and places a cap on foregone revenue of \$250,000.

Funding Sources

- Reduction in City of Salem utility revenue of up to \$250,000 per fiscal year.

Program

- A fixed monthly discount, as identified in the adopted utility rate resolution, is applied to the City of Salem utility bill.
- Applicant must reapply annually for program qualification.
- The discount will be applied to one utility account per eligible applicant and one applicant per service address.

Qualification

Customers needing ongoing financial assistance will be referred to local nonprofit service agencies which qualify customers for the Utility Rate Relief Program based on the following criteria:

- Applicant must be the named account holder;
- Utility account must be a single-family residence;
- Applicant may not be a Salem Housing Authority client or receive housing assistance;
- Applicant must be at least 62 years or disabled – unable to obtain gainful employment; and,
- Applicant must have income equal to or less than 60 percent of Salem-area median income, based on family size, established by the U. S. Department of Housing and Urban Development.

Assistance Provided

Once qualified by the service agency, City of Salem utility billing staff are notified and will apply the monthly discount beginning with the next monthly bill after qualification notification.