

COVID-19

Assistance for Individuals and Small Businesses



April 27, 2020

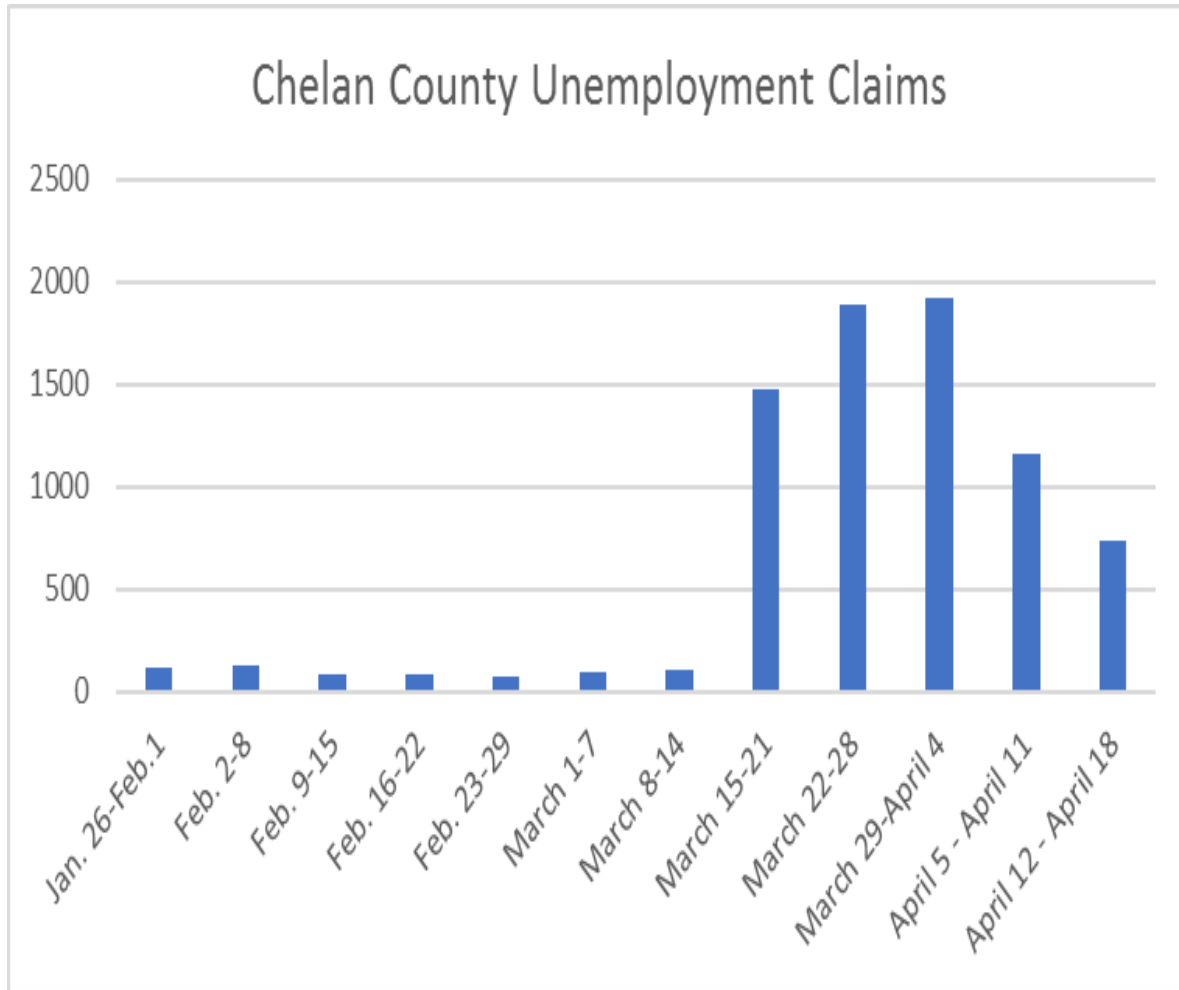
Why we're here

Objectives:

- Review updated countywide unemployment data
- Provide update on staff discussions of options
- Seek board guidance on options

Note: No actions requested from the Board today, requesting feedback on options

Updated Chelan County unemployment trends



- **March 15-21:**
Claims coming from hospitality, restaurants, bars, retail & other
- **March 22-28:**
Claims coming from residential & commercial construction, & other supporting services
- **March 29-April 4**
Trends similar to last week, fewer hospitality, more support services, construction
- **April 5-April 18**
Reduced from prior weeks, but last two-week total is still almost 2,000 new claims (7,180 claims since March 15)

Chelan PUD Customer Call Stats (March 16 thru April 20)

Total Active Customers

Electrical	52,212
Water	6,320
Wastewater	517

Customers Contacting PUD w/Hardship

	<u>April 6 Total</u>	<u>April 20 Total</u>
Electrical	130	200
Residential	110	166
Commercial	20	34

Customers with Active Payment Arrangements

	<u>April 6 Total</u>	<u>April 20 Total</u>
Residential	65	29
Commercial	0	0

*Currently there are no long-term arrangements (out more than 1 month)

Customers approved for the Energy Assistance thru Community Action = 55

Customers received Helping Hands Assistance = 118



Revenue Past Due (over 61 days past due)

Residential= \$ 39,000 (April 6, 2019)
88,000 (April 6, 2020)

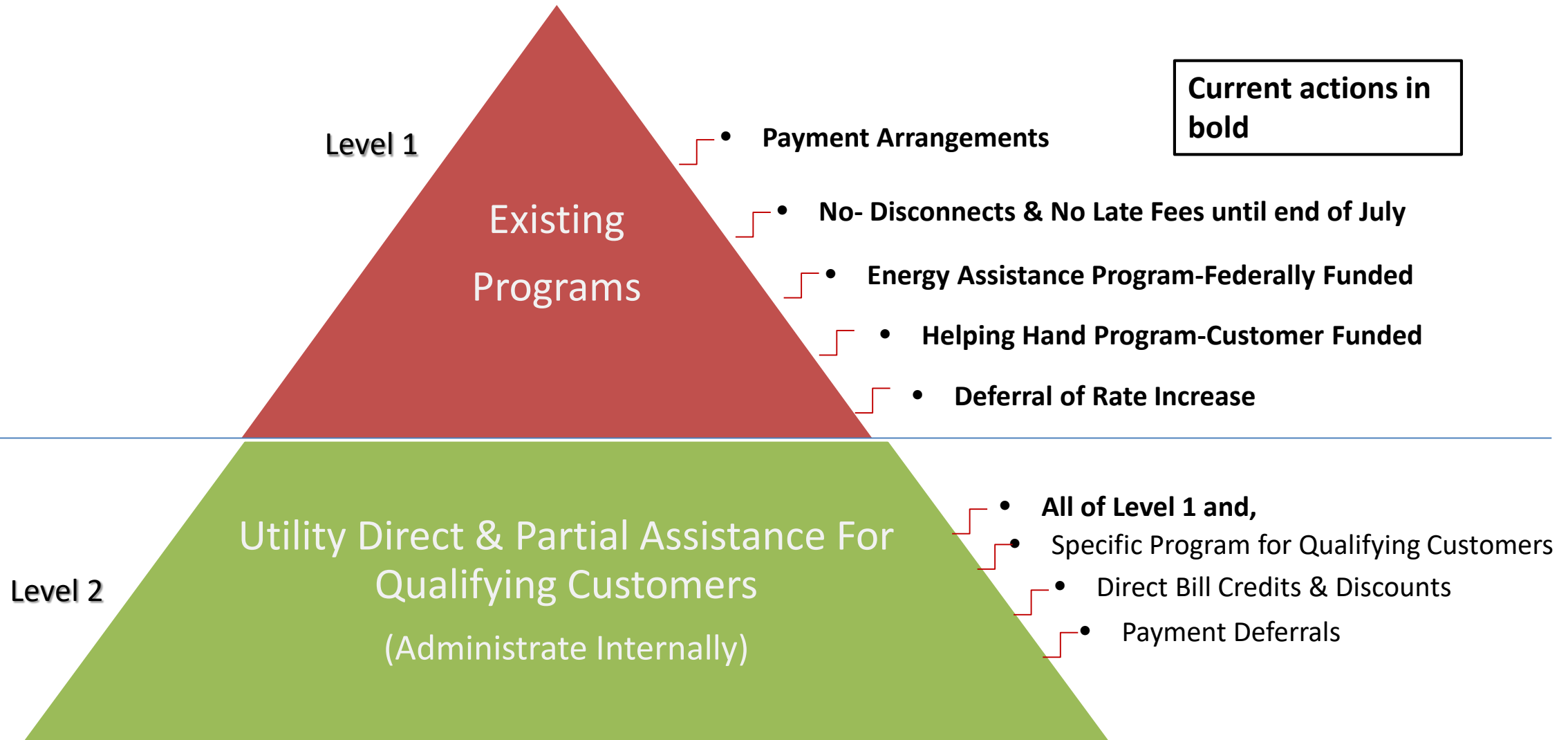
Residential= \$ 44,000 (April 20, 2019)
120,000 (April 20, 2020)

Commercial= \$ 6,000 (April 6, 2019)
16,000 (April 6, 2020)

Commercial= \$ 5,000 (April 20, 2019)
15,000 (April 20, 2020)

Normal credit & collection processes have not been in effect since March 9. (No disconnections for non-payment or door hangers being left by serviceman)

Review of current and potential future actions



How should we help?

- We asked the board: Should we do something for individuals and small businesses?
 - We heard yes, but....
 - Need to ensure the assistance helps those in need
 - Operate any program in an administratively efficient manner
 - Provide additional information on the order of magnitude cost
 - Take into account federal/state assistance

If provide bill relief, how much?

- Public Power Benefit increased from \$4 million to \$6 million.
- If full PPB increase allocated to COVID19 that would make available \$2 million
- Already committed:
- Hot spot program estimated to cost \$250,000 through the end of the year
- Community health support ~\$100,000

If provide bill relief, when?

- Three options:
 - Now
 - July when our cutoff/late fee policy is scheduled to end
 - Fall when there is risk for a COVID19 rebound
- Leaning toward July as primary focus, but also leaving some reserves in case there is an infection rebound and associated economic impact

Which small businesses should be eligible?

- There is no immediate and reliable way to identify small businesses that have been impacted. All commercial customers are in the same class
- Offering a fixed credit amount will impact our smaller users more than larger users
- Focusing on businesses that were forced to close helps those harmed the most

Commercial customer options

1. Status quo-maintain current program, waiving late fees and no disconnects through July. Payment arrangements can also be made including potentially further delays in making payments
2. Provide a bill credit* to commercial customers that are closed due to COVID 19 shutdown (based on confirmation by Customer Relations staff)
3. Add a bill credit* for any customer that self-certifies they have been negatively impacted by COVID 19

*1 or 2 months (\$250 or \$500). Assumption: credit is split between front end and back end with commitment to payment arrangement.

Residential Options

1. Status quo-maintain current program, waiving late fees and no disconnects through July
2. Add a bill credit* program for residential customers that provide documentation that they have qualified for unemployment insurance (including anyone in the home of the account holder)
3. Add a bill credit* program for any customer that self-certifies they have been negatively impacted by COVID19

*1 or 2 months (\$45 or \$90). Assumption: credit is split between front end and back end with commitment to payment arrangement.

Estimated options cost-Commercial

Total Commercial Accounts-5,700

	One Month	Two Month
Estimated costs of commercial programs-Very high level estimates (guesses on utilization)	\$250	\$500
Option 2-Bill Credit to Closed businesses (n=730, 75% Utilization)	\$137,250	\$274,500
Option 3-Bill Credit to any Customer that Self Certifies (n=2,300, 50% Utilization)	\$288,250	\$576,500

Estimated options cost-Residential

Total Residential Accounts-38,000

Estimated costs of residential programs- Very high level estimates (guesses on utilization)	One Month \$45	Two Month \$90
Option 2-Bill Credit to Only Those with Unemployment Claims (n=10,000*,75% Utilization)	\$337,500	\$675,000
Option 3-Bill Credit to Any Customer that Self Certifies an Impact (n=38,000, 50% Utilization)	\$855,000	\$1,710,000

* Forecast of where claims may be in the next two- three weeks.

Discussion

- Request board direction
- Next Steps:
 - Return to the May 11, 2020 Board meeting with staff recommendation(s) based on direction from commissioners