



College Station Utilities

Reliable, Affordable, Community Owned

Inter-Office Memorandum

To: Glenn Brown, Assistant City Manager

Through: John Woody, Director of College Station Utilities

From: Carol Baker Roach, Utility Administration Manager
Randy Brumley, Community Development Administrator

Date: January 13, 2005

RE: Discussion Issues Related to Emergency Utility Assistance

Introduction

Council recently directed staff to explore needs related to utility assistance as provided by local charitable organizations. These agencies, using local, state and federal funds, provide emergency utility assistance to lower-income citizens having difficulty paying utility bills. Agencies providing this assistance often exhaust funding before the end of the year, leaving needy citizens without payment options on utility bills, particularly during the holidays.

Discussion

Agencies providing utility assistance include: Salvation Army; St. Vincent de Paul Society; Project Unity and; BVCAA (Brazos Valley Community Action Agency). Approximately \$25,000 was pledged to College Station Utilities (CSU) for payment of its customers' utility bills by these charitable organizations in 2004. Of that amount, \$12,500 came from BVCAA, making it the leading contributor for CSU customers. BVCAA serves 9 counties with a variety of services, and is the largest organization of its type in the area.

Proposal

CSU would like to partner with BVCAA by providing \$25,000 in utility bill assistance for its low-income customers. Many other utilities, such as Entergy, BTU, Atmos Energy, TU, etc. already provide assistance for their needy customers. CSU proposes to allow BVCAA to use the same federal and state guidelines currently in place to qualify the need of CSU customers requesting assistance. These guidelines include income restrictions and other criteria to include: the elderly/disabled; households with children under the age of six and; persons with a documented medical condition. There are also limits on the dollar amount a customer may receive.

BVCAA has a timeliness of expenditure requirement on its state and federal money, so those funds are used before other funds for utility bill assistance. Federal and state dollars are allocated only to the energy portion of utility bills, so CSU customers currently receive no assistance with the other services that are included on the utility bills. CSU proposes that its contracted amount be used to cover the remaining portion of the utility bills including water, wastewater, sanitation, etc. When all federal and state dollars are expended, the CSU contracted amount would then cover the entire utility bill amount.

Funding for this endeavor would come from CSU's electric fund operating budget.