



**DATE:** September 3, 2024

**TO:** Environmental Services Commission

**FROM:** Scott Edwards, Deputy Director  
Matt Thurber, Assistant Director – Resource Management and Customer Services  
Jacob Edwards-King, Business Services Manager  
Hana Abdulrahman, URR Program Administrator

**SUBJECT:** Utility Rate Relief (URR) Program Overview and Outlook

---

## **ACTION REQUIRED**

This is an informational report. There is no action required by the Commission.

## **BACKGROUND / PROGRAMS**

Utilities Rate Relief Program is designed to help ease the financial burden of utility costs for our most vulnerable residents, ensuring everyone has access to essential utility services regardless of economic circumstances, with the purpose of fostering a supportive and equitable community.

Bellevue Utilities has five rate relief programs designed to support those in need within our community. The programs include:

- **Direct Discount Program**  
This program serves residents who are either (1) 62+ years of age and low-income or (2) permanently disabled and low-income in need of long-term assistance paying their utility bills. The program provides a 70% discount to their utility bills.
- **Indirect Discount Program**  
This program serves residents who are either (1) 62+ years of age and low-income or (2) permanently disabled and low-income, and are not directly billed by the City for utility services. Residents not billed directly by the City typically reside in multi-family housing where utility services are billed to the owner/management company. The program provides a 70% annual rebate.
- **Tax Rebate Program**  
The Tax Rebate program provides a rebate to low-income residents who lived in Bellevue Utilities' service area during the prior year. Applicants who qualify for the Direct or Indirect assistance programs automatically qualify for the Tax Rebate program. In 2023, the rebate amount was \$146 per qualified participant. This program is funded by the General Fund and is administered by the Utilities Department.
- **Emergency Assistance Program (EAP)**  
The EAP is a short-term assistance program that serves qualifying low-income residents who have experienced a financial shock. The EAP is designed for residents in situations such as layoffs, a death in the family, or medical incidents resulting in loss of income due to illness or large medical bills. The EAP

pays up to four months of basic utility services. Residents are eligible for this program once every three years.

- Neighbors Helping Neighbors (NHN)

NHN is our newest program launched in 2024. This short-term program serves qualifying low-income residents with a delinquent account. The goal is to give residents support to bring their account current. NHN pays for up to two months of basic utility services. Residents are eligible for this program once per year.

- Non-qualifying Residents

When residents do not qualify for an assistance program, the department offers payment arrangements to ease their immediate financial burden, and to help bring their account current. Our goal is not to shut-off utility service unless necessary. In most cases, the department is able to achieve resolution, preventing service disruption and eventually recouping the service costs incurred.

### ***Regional Benchmarking***

Periodically, the department benchmarks Bellevue's rate relief programs to compare with other utilities in the region, including Issaquah, Kirkland, Mercer Island, Redmond, Renton, Sammamish Plateau Water, and Seattle. Our benchmarking considers the type of programs offered, income qualifications, and level of assistance provided (i.e., benefit). Bellevue Utilities conducted benchmarking in August 2024 and noted the following:

- Services Offered: Benchmarking demonstrates Bellevue Utilities and Sammamish Plateau Water are the only regional entities currently providing a full assortment of programs that includes ongoing Direct Discount, Indirect Discount, and Short-term assistance programs.
- Qualifying Income: With determining qualifying income, regional utilities use either a percentage of the area's Average Median Income (AMI), a percentage of the national poverty line, or choose a specific income amount for their respective community. Bellevue Utilities uses 50% of AMI (\$47,950 annual income for single person household in 2024) as the eligibility requirement, which is lower than most other regional utilities.
- Level of Benefit: Bellevue Utilities offers the highest level of benefit compared to utilities benchmarked. Other utilities offer a range of assistance levels, with some offering a higher percentage discount than Bellevue Utilities. However, most of the other utilities discount programs exclude specific service charges (e.g., wastewater), which reduces the overall level of benefit to the resident. Bellevue offers a 70% bill discount on all utility services.

### ***Program Activity***

The following provides an overview of the URR Program's recent outreach, level of participation, and overall financial benefit to Bellevue Utilities' customers in 2023.

Current Enrollment and Level of Benefit: In 2023, the utility rate and tax relief programs served almost 1,000 participants with a budget of approximately \$1.3 million. Customer enrollment has experienced a slight decline in recent years and as a result, approximately 79% of program funds were expended. This means we are able to increase program participation without requesting additional resources.

Neighbors Helping Neighbors (NHN) is the newest program, which started in June of 2024. Bellevue Utilities seeded the program with \$50,000 and budgeted funding to match community donations up to \$50,000 a year. Although the program is new, Utilities has already received 154 donations totaling \$1,031 through September 4, 2024, from customers choosing to make a donation when paying their utility bill using Utilities online payment portal.

Outreach and Engagement: In recent practice, Utilities has advertised the URR Program via the City's website, City publications and in-person events. Additionally, the URR Program Administrator has partnered with Mini City Hall as well as engaged certain community groups, apartments, and senior living facilities to promote our services.

The URR Program is undergoing significant refinement and rebranding in 2024. Utilities anticipates robust messaging to market the refined program in the fall 2024 and spring of 2025, focusing on expanding our partnerships to reach a greater community population.

### ***Program Refinement and Outlook***

In an effort to refine and improve our services, Bellevue Utilities recently partnered with the University of Washington (UW) School of Human Centered Design & Engineering to provide the department with a URR program review and consultation. The UW concluded their work in June of 2024 with the following recommendations:

- Remove excessive, duplicative information from application form.
- Redesign website with an accessibility lens.
- Categorize programs into long-term or short-term assistance.
- Use plain and relatable language (e.g., rate relief vs bill assistance).

### Next Steps

In 2025, staff will implement these refinements, including enhanced community outreach and engagement, to increase the overall level of participation.

### **POLICY IMPACTS**

In 2025, the department will conduct a review of all program policies.