

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA,
CALIFORNIA APPROVING THE PARTICIPATION IN THE CALIFORNIA
ARREARAGE PAYMENT PROGRAM**

WHEREAS, on March 4, 2020 Governor Newsom proclaimed a state of emergency due to the COVID-19 pandemic, issued Executive Order N-28-20 directing the California Public Utilities Commission to monitor customer service protection measures implemented by utilities, issued Executive Order N-33-20 to require individuals to stay at home except as needed to maintain continuity of critical operations, and issued Executive Order N-60-20 that created a risk-based approach to reopening the economy, among other executive actions; and

WHEREAS, the stay at home order and risk-based reopening framework were rescinded on June 11, 2021 by Executive Order N-07-21 and many provisions of other Executive Orders were phased out by Executive Order N-08-21; and

WHEREAS, the City of Pasadena on March 17, 2020 implemented the following customer protection measures for customers of the city's local publicly owned electric utility: Suspension of all late fees and penalties on City provided services including but not limited to municipal services (water, power, refuse) and administrative citations until further action by the City Council; and suspension of all utility shut offs for non-payment until further action by the City Council. On April 6, 2020, the Pasadena City Council took additional actions to provide financial relief to PWP customers: Refunding past two years of Utility Underground Surtax (\$11 million); and suspended collection of Utility Underground Surtax for next six months, resulting in bill reductions of approximately \$2 million; and

WHEREAS, there have been economic impacts as a result of the COVID-19 pandemic and associated public health measures, including leaving many Californians unable to pay their utility bills due to lack of reliable and consistent employment; and

WHEREAS, in response to the economic conditions caused by the COVID-19 pandemic, Item 4700-162-8506 of Section 2.00 of the State Budget Act of 2021, as established by Assembly Bill No. 128 (Chapter 21, Statutes of 2021) and as amended

by Senate Bill No. 129 (Chapter 69, Statutes of 2021), provided \$993,500,000 to the State Department of Community Services and Development (“Department”) to administer the California Arrearage Payment Program (“CAPP”) to reduce delinquent electricity and a natural gas utility balances for customers experiencing financial hardships related to the economic impacts of the COVID-19 pandemic; and

WHEREAS, funding for CAPP is payable from the state’s share of the federal Coronavirus Fiscal Recovery Fund of 2021; and

WHEREAS, Assembly Bill No. 135 (Chapter 85, Statutes of 2021), formally established the CAPP within the department, enumerating the program’s requirements for utility participation and setting aside \$298,953,250 of the funds provided in Item 4700-162-8506 of the State Budget Act of 2021 for financial assistance to customers of local publicly owned electric utilities; and

WHEREAS, a local publicly owned electric utility is considered a utility applicant under CAPP and may apply to the department for CAPP funds for eligible customer accounts for past due bills during the COVID-19 pandemic bill relief period.

WHEREAS, “eligible customers” means all residential and commercial customers; “past due bills” means any customer utility bills that are 60 days or more past due and includes both active and inactive accounts, as well as customer accounts that have payment plans or payment arrangements; and the “COVID-19 pandemic bill relief period” means the period starting March 4, 2020, and ends June 15, 2021; and

WHEREAS, the City of Pasadena operates a publicly owned electric utility with eligible customers that have past due bills during the COVID-19 pandemic bill relief period; and

WHEREAS, to receive CAPP funding on behalf of eligible customers a utility applicant must complete both a utility survey and application including submitting all necessary data and information to support the utility applicant’s request for CAPP funding; and

WHEREAS, the department is required to disburse funds as expeditiously as possible to utility applicants, but no later than January 31, 2022; and

WHEREAS, within 60 days of receiving CAPP funds, a utility applicant must issue CAPP Assistance benefits to customers as bill credits to help address the eligible past due balance and must include a statement that the credits are a result of California's CAPP funding; and

WHEREAS, if CAPP funding is not sufficient to meet all need, utility applicants must prioritize the issuance of CAPP assistance first to eligible residential customers and then to eligible commercial customers.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Pasadena, that the city's publicly owned electric utility's participation in CAPP is hereby approved and that the General Manager or his or her designee is hereby authorized to execute any and all program documents for participation on behalf of the City of Pasadena.

This resolution shall be effective immediately upon adoption by the City Council.

Adopted by the following vote at the meeting of the City Council on the ___ Day of ___, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mark Jomsky, CMC
City Clerk

APPROVED AS TO FORM:



Lisa Hosey
Assistant City Attorney