



City of San Antonio

Agenda Memorandum

File Number: 16-2144

Agenda Item Number: 16.

Agenda Date: 4/7/2016

In Control: City Council A Session

DEPARTMENT: Human Services

DEPARTMENT HEAD: Melody Woosley

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

2016 REAP and WARM Program Agreements

SUMMARY:

This ordinance authorizes an agreement with the Residential Energy Assistance Partnership, Inc. for the issuance of utility assistance credits in a projected amount of \$800,000.00 for the Residential Energy Assistance Partnership (REAP) utility assistance program, and authorizes an agreement with CPS Energy for the issuance of utility assistance credits in a projected amount of \$75,000.00 for the Project Winter Assistance Relief Mobilization (WARM) program through December 31, 2018 with two successive annual terms ending on December 31, 2019 and December 31, 2020, respectively.

BACKGROUND INFORMATION:

In 2002, the City of San Antonio, Bexar County, and CPS Energy established the REAP as a method to help local economically disadvantaged families in need of utility assistance. Specifically, REAP provides direct utility bill credits to income qualifying CPS Energy ratepayers living within the City of San Antonio and Bexar County. REAP funds are raised locally, financed by donations from CPS Energy ratepayers and trust investment income.

CPS provides \$1,000,000.00 for the REAP utility assistance program. Of this amount, DHS will manage and administer 80% or \$800,000.00, and Bexar County will manage and administer 20% or \$200,000.00.

WARM funds also provide utility assistance benefits for qualifying low-income City of San Antonio and Bexar

County residents. WARM was established in 1982 and is funded entirely by interest earned from the \$7.5 million Project WARM Trust.

The City's Department of Human Services (DHS) administers REAP and WARM credits through the Family Assistance Division on an appointment basis or as needed through emergency referrals from the community. Community Services Specialists are funded through the City's general fund to support CPS bill assistance to screen and certify participants to determine program eligibility. Eligible participants must be at or below 125% of the federal poverty guidelines (\$30,375.00 annually for a family of four), and may receive up to \$400.00 in credits per year for REAP or \$150.00 in credits per year for WARM.

Priority assistance is given to low-income CPS ratepayers in the following categories:

- Households with members 60 years and older
- Households that have a member with a disability
- Households with children age 16 years and younger, and in school
- Households with a member that has critical care needs with life-sustaining medical equipment

Through these credits, DHS anticipates providing CPS utility assistance through REAP and WAM to approximately 7,000 households.

ISSUE:

This Council action authorizes an agreement with the Residential Energy Assistance Partnership, Inc. in the amount of \$800,000.00 with two automatic annual renewals; and authorizing an agreement with CPS Energy through December 31, 2018 for the issuance of utility assistance credits as part of the Project WARM Program, with a projected amount of \$75,000.00 in credits for 2016, and with two automatic annual renewals.

ALTERNATIVES:

Should this ordinance not be approved, CPS would need to identify an alternate provider to ensure assistance is provided uninterrupted.

FISCAL IMPACT:

This ordinance authorizes an agreement with the Residential Energy Assistance Partnership, Inc. for the issuance of utility assistance credits in a projected amount of \$800,000.00 for the REAP utility assistance program, and authorizes an agreement with CPS Energy for the issuance of utility assistance credits in a projected amount of \$75,000 for the Project WARM program through December 31, 2018 with two successive annual terms ending on December 31, 2019 and December 31, 2020, respectively.

RECOMMENDATION:

Staff recommends approval of an agreement with CPS Energy and Residential Energy Assistance Partnership, Inc. for the issuance of utility assistance credits through the REAP and WARM programs.