

BACKGROUND

Since 2012, California law has declared that every person in the state has a right to clean, safe, and affordable drinking water. And, it is incontrovertible that the lack of electrical power puts residents at an extreme disadvantage and potential risk of harm.

Low-Income communities and communities of color such as South LA, East Los Angeles, portions of the San Fernando Valley, and the Harbor are disproportionately impacted by high utility burdens, arrearages, and water or power shut-offs.

Our own data shows that majority Black and LatinX communities were nearly 2.5 and 2 times, respectively, more likely to experience shutoffs than majority white communities. Black and Latino-majority communities also generally experience the longest shut-off durations.

These impacts are exacerbated by the ongoing economic and climate crisis, as seen with the recent heat storms that spread across the City. Utility burden and shut-offs are symptoms of broader structural and systemic disparities, such as redlining and lack of economic and community development, that have created and reinforced inequality.

Against this backdrop, LADWP has made a commitment to equity and seeks to ensure baseline protections for its customers as we work to achieve utility debt relief, affordable rates, a just clean energy transition, and better customer service. Notably, as part of its commitment, LADWP participated in the US Water Alliance's Preventing Shutoffs for Low-Income Households pilot project in partnership with SCOPE and South LA community members, which included extensive analysis of utility shut-off data, community impacts, and recommended strategies to discontinue utility shutoff as a debt collection practice with respect to low-income customers.

A review of customer bill paying patterns before, during and after the COVID shutoff moratorium revealed that low income customers continued to pay their utility bills at a rate equal to or higher than the overall customer base. And, based on its review of publicly available data, researchers from the UCLA Luskin Center for Innovation and UCLA Institute of the Environment currently supporting the Department's LA 100 Equity Strategies effort concluded that service shut off of low-income customers is not plausibly justified as a revenue recovery imperative.

At our September 27, 2022, Board Meeting, LADWP staff shared plans to restart shut-offs for residential non-discount customers in May 2023 and residential discount customers in September 2023 in addition to efforts to develop and deploy a range of programs intended to offer more robust support for economically vulnerable customers.

**MOTION TO DISCONTINUE SHUT-OFFS AS AN ACCOUNT
MANAGEMENT/COLLECTION TOOL FOR CUSTOMERS ENROLLED IN LADWP
EZ-SAVE AND LIFELINE DISCOUNT PROGRAMS**

**I move that the Board of Water and Power Commissioners instruct the
Department to:**

1. Discontinue collection-related water and power shutoffs aimed at low-income residential customers enrolled in LADWP EZ-SAVE, Lifeline and related assistance programs; and continue to ramp up efforts to secure utility debt relief, improve affordability, pursue equitable decarbonization efforts, provide comprehensive customer service, and increase pathways to family-sustaining union jobs at LADWP.
2. Prioritize customers who would have been at risk of disconnection prior to the adoption of this motion for a “Customer Consultation” as part of the Department’s recently adopted program.
3. Discontinue water and power shutoffs for all customers during extreme weather events. [Implementation of this provision should be set to localized climate conditions in the City of Los Angeles and approved by this Board at a future meeting].
4. Increase marketing and communication efforts, with a combination of both paid and earned media, directed at targeted customers/communities to meaningfully increase awareness and enrollment in EZ-SAVE, Lifeline and related programs, including but not limited to “level pay” and report to the Board semi-annually on results.
5. Through the Office of Diversity, Equity, and Inclusion, develop and implement sustainable partnerships with community-based organizations to meaningfully leverage and enhance communication and outreach efforts to targeted customers/communities regarding LADWP programs related to both debt relief and sustainability and report to the Board annually on results. CBO’s serving on the Equity Strategies Steering Committee should be prioritized for partnership consideration.
6. Explore the feasibility of adopting a policy to extend additional shutoff protections to small commercial customers and customers in the top 20% highest scoring census tracts under CalEnviroScreen 4.0.