

Customer Assistance Program

Program overview, discounts and rate impacts

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What is the Customer Assistance Program?

The Customer Assistance Program (CAP) helps qualifying low-income and other disadvantaged residential customers through **bill discounts**, **payment assistance** (Plus 1), **arrearage management** (available only for customers receiving the CAP discount), and **weatherization services**.

Funding is provided through the CAP component of the Community Benefit Charge as well as unexpended or re-appropriated funds.



Who qualifies for the Customer Assistance Program?

Residential customers who receive, or who reside with a household member who receives:

- Assistance from the Comprehensive Energy Assistance Program (CEAP)
- Travis County Hospital District Medical Assistance Program (MAP)
- Supplemental Security Income Program (SSI)
- Medicaid, Veterans Affairs Supportive Housing (VASH)
- Supplemental Nutritional Assistance Program (SNAP)
- Children's Health Insurance Program (CHIP)
- Telephone Lifeline Program
- Or income at or below 200% of the Federal Poverty Level (FPL) guidelines



What does the Customer Assistance Program provide?

Customers enrolled in the CAP discount program receive the following benefits:

- Do not pay the monthly Customer Charge
- Do not pay the CAP component of the Community Benefit Charge
- Receive a 10 percent bill reduction on kilowatt hour-based charges

Additional benefits may include bill payment assistance through arrearage management; bill payment assistance through Plus 1; and free weatherization assistance

Current CAP rate \$0.00154/kWh inside residential; \$0.00106 outside residential; \$0.00058 all others



Actual CAP bill impact at 10% discount

Charges	@ 514 kWh	@ 849 kWh	@ 1500 kWh
Customer Charge	\$10.00	\$10.00	\$10.00
Energy Charge	\$14.83	\$34.36	\$82.24
Power Supply Adjustment	\$15.82	\$26.13	\$46.17
Regulatory	\$ 5.19	\$ 8.57	\$15.14
Service Area Lighting	\$ 0.64	\$ 1.05	\$ 1.86
Energy Efficiency Service	\$ 1.22	\$ 2.02	\$ 3.57
CAP	<u>\$ 0.79</u>	<u>\$ 1.31</u>	<u>\$ 2.31</u>
Total Bill	\$48.49	\$83.44	\$161.29
Less Customer Charge	<\$10.00>	<\$10.00>	<\$10.00>
Less CAP	<\$ 0.79>	<\$ 1.31>	<\$ 2.31>
Less 10% Discount	<u><\$ 3.77></u>	<u><\$ 7.21></u>	<u><\$14.90></u>
Adjusted Bill	\$33.93	\$64.92	\$134.08
Actual Bill Discount Received	30.0%	22.2%	16.9%



Level of savings realized by CAP customers based on their consumption

Impact on a CAP bill by increasing the discount from 10% to 15%

Charges	849 kWh @ 10% Discount	849 kWh @ 15% Discount	Difference
Customer Charge	\$10.00	\$10.00	\$ 0.00
Energy Charge	\$34.36	\$34.36	\$ 0.00
Power Supply Adjustment	\$26.13	\$26.13	\$ 0.00
Regulatory	\$ 8.57	\$ 8.57	\$ 0.00
Service Area Lighting	\$ 1.05	\$ 1.05	\$ 0.00
Energy Efficiency Service	\$ 2.02	\$ 2.02	\$ 0.00
CAP	<u>\$ 1.31</u>	<u>\$ 1.31</u>	<u>\$ 0.00</u>
Total Bill	\$83.44	\$83.44	\$ 0.00
Less Customer Charge	<\$10.00>	<\$10.00>	\$ 0.00
Less CAP	<\$ 1.31>	<\$ 1.31>	\$ 0.00
Less Discount	<u><\$ 7.21></u>	<u><\$10.82></u>	<u><\$ 3.61></u>
Adjusted Bill	\$64.92	\$61.31	<\$ 3.61>
Actual Bill Discount Received	22.2%	26.5%	4.3%



Impact on a CAP customer's bill by moving from a 10% to a 15% discount

How does changing the CAP rate from 10% to 15% effect customers?

Analysis based on all other variables remaining unchanged:

Keep 10% discount on base energy charges

- 13% increase in CAP rate or an additional \$0.17 per month for typical residential customer in 2023
- \$18/month average benefit per CAP customer (normalized weather)

Increase discount to 15% for one year then back to 10%

- 19% increase in CAP rate or an additional \$0.24 per month for typical residential customer in 2023
- \$22/month average benefit per CAP customer (normalized weather)

Increase discount to 15% permanently

- 38% increase in CAP rate or an additional \$0.51 per month for typical residential customer in 2023
- \$22/month average benefit per CAP customer (normalized weather)



How does Austin Energy's program compare to other utilities?

- Austin Energy does not have a current comprehensive comparison to other utilities
- In 2019 the CAP program earned national recognition for winning an Expanding Excellence Award for Innovation in People & Processes.
- A preliminary survey of some immediate surrounding utilities indicates that their offerings are not as robust nor programmatic as the CAP program



Summary of the CAP discount analysis

- Current program started in 2012 and historically included a 10% discount on kWh-based charges
- In March 2020, the discount portion of CAP was temporarily increased to 15% to mitigate the impact of COVID
- Discount portion of CAP returned to 10% effective Nov 1st
- CAP customers receive additional savings beyond the discount level by exempting them from the Customer Charge and the CAP charge
- Increasing the discount to 15% creates
 - Approximately \$4/month in additional savings on a typical CAP customer
 - Adds 24¢/month to 51¢/ month on typical non-CAP residential bill





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