

2019-2020 BUDGET QUESTION
Response to Request for Information

DEPARTMENT(S): Austin Energy, Austin Water

REQUEST NO.: 16

REQUESTED BY: Tovo

DATE REQUESTED: 8/5/19

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REQUEST: What is the total FY 2019-20 Proposed Budget for the Customer Assistance Program (CAP)? Is there a projected surplus or deficit, and how much? If there is a surplus, will the funds be rolled over and remain in the program?

RESPONSE:

CAP Program Overview: Austin Energy manages the Customer Assistance Program (CAP) by promoting the program, processing receipts of funds, providing accounting services, and monitoring the status of the program fund. Austin Water began CAP collaborations with Austin Energy in FY 2008-09 to offer the following programs to low-income residential customers:

Austin Energy FY 2019-20 Proposed CAP Budget:

Based on current CAP rates, for FY 2019-20 Austin Energy is projecting a total CAP expense budget of \$10,923,426 and CAP revenues budget of \$10,407,203 with a net deficit of \$516,223. There is currently a projected FY 2018-19 year-end cumulative balance of \$7,447,848. The expected FY 2019-20 deficit will reduce this current cumulative balance. The funds will remain in the program as per the tariff requirements. Austin Energy's proposed tariff for FY 2019-20 includes program enhancements to capture more qualified low income customers. If approved, we anticipate CAP expansion to begin in the first half of the year.

Austin Water FY 2019-20 Proposed CAP Budget:

Austin Water proposes to use \$7.8 million in Community Benefit Charge (CBC) funding for the FY 2019-20 Customer Assistance Program (CAP). The proposed CBC budget also includes \$10.3 million in revenue, with any surplus being retained in the fund for use in future programs.