



Date: May 15, 2023

To: Thomas B. Modica, City Manager 

From: Christopher J. Garner, General Manager, Long Beach Utilities 

For: Mayor and Members of the City Council

Subject: **Customer Outreach Prior to Reinstatement of Utility Shutoffs**

Background

In alignment with the State of California, and amid a robust vaccine, testing and treatment infrastructure for COVID-19, the City Council unanimously approved the termination of the City's local COVID-19 emergency proclamation on February 21, 2023. Since the COVID-19 emergency was declared in March 2020, numerous federal, state, and local programs have been created to provide support during the emergency period.

In previous memorandums issued on [August 9, 2021](#) and [February 4, 2022](#), staff of the Energy Resources, Water, Public Works, and Financial Management Departments detailed relief programs, including significant financial relief, that have been provided to Long Beach utility customers impacted by the COVID-19 pandemic. Nationwide, these programs, the temporary suspension of late fees, as well as the suspension of utility shutoffs for nonpayment of utility bills for all customers have come to an end; many utilities resumed shutoffs in 2022. Long Beach, in recognition of the recent high natural gas prices, chose not to resume shutoffs during the winter of 2022. Instead, the City of Long Beach (City) provided additional bill payment assistance for that period, and has developed an outreach program to connect with customers who still have overdue bills to address. Outreach will be conducted in multiple languages, using multiple mediums and multiple media channels to maximize opportunities for message delivery prior to any reimplementation of utility shutoffs.

Community Assistance Provided

To support our community with utility bill financial assistance, the City continues to enroll in every federal and state financial assistance program available. Most recently, the City, through Long Beach Utilities, renewed an agreement with the State of California to continue participation in the Low-Income Home Energy Assistance Program (LIHEAP) through March 31, 2026. LIHEAP will continue to provide eligible low income households with a one-time direct payment on a qualifying utility bill each year.

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Over the last two years, with support from various state and federal funding opportunities, and local funding, \$11.4 million has been allocated to more than 143,000 residential and 400 commercial account holders to offset overdue utility bills. With the recent spike in residential natural gas pricing during the 2022-2023 winter season, the City Council authorized a payment assistance program which includes approximately \$6.2 million in Assembly Bill 32 (AB 32) California Climate Credit amounts that were allocated equally to every residential natural gas account serviced by Long Beach Utilities in February 2023, and an additional \$1.3 million from the Utility User Tax collection for distribution to low income seniors, persons experiencing a disability, and those experiencing residential need from February 16 through March 31, 2023.

Balances Due

Substantial bill payment assistance has been provided to support families and small businesses through the COVID-19 pandemic. However, with the emergency now over, accruals carried by local governments on behalf of private account holders have become unsustainable.

Since 2020, Long Beach Utilities has purchased and sold more than \$6.3 million in natural gas to 14,430 customers who have yet to pay for the gas they have used. Long Beach Utilities has also purchased and sold over \$2.1 million in drinking water to 3,593 customers who have yet to pay for the water they have used. And, as it relates to refuse and sewer services, \$3.8 million in refuse services has been provided by the City's Environmental Services Bureau, but not yet paid for by 9,736 customers; similarly, \$283,000 in sewer services has been provided by Long Beach Utilities, but not yet paid for by 2,106 customers. In total, \$12.7 million in overdue water, natural gas, refuse, and sewer utility bills exists in the City – with the City, and ultimately, other utility customers bearing the full cost of nonpayment.

The City has carried these utility balances for nearly three years. Prior to the reinstatement of any utility shutoffs, Long Beach Utilities will begin citywide customer outreach efforts in late May 2023 to encourage bill payments. Frequent and consistent messaging will be distributed from May to August 2023 to encourage every customer to pay overdue amounts or sign up for a payment plan prior to avoid utility shutoffs. For those customers unable to pay outstanding balances or to make (and follow) payment arrangements, it is necessary that utility shutoffs be reinstated as early as August 15, 2023. This timing is far in advance of the cooler winter seasons, when heating becomes necessary, and utility shut offs become much more inconvenient for customers.

A schedule of our outreach plan is attached and includes:

- Website messaging
- Utility bill messaging
- Postcard mailed to households and businesses with overdue utility bills
- Email notification to households and businesses with overdue utility bills

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General social media campaign to encourage bill payment

- Outreach to community-based organizations to encourage bill payment
- Use of city billboards and newsletters
- Purchase of print and digital advertisements
- Alertworks, providing customers with recorded phone messaging to alert them of outstanding balances owed
- Mailed notice of Past Due Amount Owing and a subsequent mailed Shutoff Notice to customer address

Long Beach customers will receive multiple messages providing notification of the required payment of their overdue balance prior to shutoff. Customers are encouraged to call 562-570-5700 to sign up for a bill payment assistance plan to avoid shut-off. Should a customer be disconnected, the customer must either make full payment of past due debt or enter into a payment arrangement plan in order to resume service. If you have any questions, please contact Chris Garner, General Manager of Long Beach Utilities, at (562) 570-2318.

Attachment

CC: DAWN MCINTOSH, CITY ATTORNEY
DOUGLAS P. HAUBERT, CITY PROSECUTOR
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KEVIN LEE, CHIEF PUBLIC AFFAIRS OFFICER
MONIQUE DE LA GARZA, CITY CLERK
DEPARTMENT HEADS



RESIDENTIAL SHUTOFFS OUTREACH PLAN

	MAY	JUNE	JULY	AUGUST
WEBSITE, FAQ		6/1		8/1
BILL MESSAGE	SOFT MESSAGE	HARD MESSAGE		
BILL INSERT		6/1		8/1
COUNCIL OUTREACH		6/1		8/1
MAILED POSTCARD		6/15		
EMAIL BLAST + WATERSMART		6/1		8/1
SOCIAL MEDIA CAMPAIGN		SOFT MESSAGING	URGENT MESSAGING	
CBO PARTNERS		SOFT MESSAGING	URGENT MESSAGING	
CET EVENTS		URGENT MESSAGING		
CITY CHANNELS		BILLBOARD, CITY NEWSLETTER, LBTV		
PRINT AND DIGITAL ADS		8/1 THROUGH 9/30		
ALERTWORKS	5/1	6/1		8/1 8/12
EARNED MEDIA		PR, LB POST		PR, TV
SHUTOFF NOTICE				8/4
SHUTOFFS RESUME				8/15