

# PRESS RELEASE ALEXANDRIA, LOUISIANA

#### THE CITY OF ALEXANDRIA RELEASES RESTOR FAQ

The City of Alexandria Informs Citizens Regarding Project RESTOR and Frequently Asked Questions

## February 20, 2023

### 1. What is Project RESTOR?

Restoring Electricity Security To Our Ratepayers, Project RESTOR is a rescue, recovery, and preservation plan. The plan offers immediate and meaningful relief for accumulated utility billing balances to low-, medium-, and fixed-income customers negatively impacted by circumstances in which the City deemed, as a matter of fairness to account holders and preservation of the utility, that unconventional assistance was appropriate. RESTOR was deemed to be in the public interest for a compelling public purpose, authorized by special legislation and findings of the ratemaking authority, with a value-added return. The benefits of RESTOR are not owed to ratepayers, but instead constitute a liberality to preserve the utility and its relationships with account holders.

#### 2. Why was it necessary, if it is not owed?

Without extraordinary intervention, the City's utility customers would be faced with near-insurmountable past-due balances that could take months or years to pay down. By taking so long, the utility cannot properly plan for improvements to the system and would be at real operational risk if customers bankrupted or ceased being customers. Moreover, as a matter of fundamental fairness, these exceptionally large accumulated past-due customer balances resulted in large part from previous management decisions, made prior to December 5, 2022, and discovered during the new administration's auditing processes, including:

- A. improper relocation of customer service assets and decision-making (i.e. decisions about accounts were moved from dedicated professional civil servants to the office of the mayor),
- B. improper collection of balances and cut off limits (i.e. collections practices were discontinued as existed under ordinances and policy and moved from professional civil servants to the office of the mayor, with additional devastating arbitrary cut off limits),
- C. failures to use available management metrics (i.e. software and tracking methods to gauge and report of past-due and other balance and billing were not used), and
- D. failure to maintain adequate meter-reading staff, creating even longer billing cycles and accumulation and/or repetition of errors.

## 3. Why do I owe a utility bill to the City of Alexandria?

The City owns and operates a combined utility system; your monthly bill includes charges for electric, gas, water, wastewater, and trash collection services. Unlike almost all other services we use in our daily lives, utilities are billed after they are consumed. Think about

it: at the pump, you pay to drive; at the grocery store, you pay to purchase food and other consumables; and even medical and professional services generally are set up to be paid as you go. Without regular monthly utility billings, customers are unaware of pending charges until bills are actually printed and mailed. In short, you owe utilities because you "consume" the service. You decide how much you consume and then you are billed for it. Alexandria has a municipal electric utility, but it is not covered by taxes any more than any neighboring cities using investor-owned utilities, like Cleco. For our utility to pay its employees, pay for capital improvements to the system, and prepare for emergencies and other events, you must pay your bill when it is due.

### 4. Why were my utility bills so late in getting to me?

Published media stories say the June 2, 2022 cyberattack on the City's IT infrastructure was the sole cause of utility bills going out so late; while the cyberattack was an impactful event for the utility, it is not the causative agent of the current financial status of the utility system. Beginning in late 2020, the City was not able to maintain sufficient meter reading staff to read all meters on regular 30-day cycles. The cyberattack simply aggravated a years' long problem. The exceptionally large accumulated past-due customer balances resulted in large part from previous management decisions, made prior to December 5, 2022, and discovered during the new administration's auditing processes, including:

- A. improper relocation of customer service assets and decision-making (i.e. decisions about accounts were moved from dedicated professional civil servants to the office of the mayor),
- B. improper collection of balances and cut off limits (i.e. collections practices were discontinued as existed under ordinances and policy and moved from professional civil servants to the office of the mayor, with additional devastating arbitrary cut off limits),
- C. failures to use available management metrics (i.e. software and tracking methods to gauge and report of past-due and other balance and billing were not used), and
- D. failure to maintain adequate meter-reading staff, creating even longer billing cycles and accumulation and/or repetition of errors.

## 5. Am I eligible for RESTOR?

All Alexandria Utility System <u>active residential</u> account holders of record who meet the eligibility criteria set forth in Ordinance #199-2022 are eligible to receive a restore grant.

Number of Household Members	Annual Household Income	Monthly Household Income	Maximum Grant Amount
1	\$39,060	\$3,255	\$469
2	\$51,080	\$4,257	\$613
3	\$63,098	\$5,258	\$757
4	\$75,117	\$6,260	\$901
5	\$87,135	\$7,261	\$1,046
6	\$92,543	\$7,712	\$1,111
7	\$94,647	\$7,887	\$1,136

8	\$96,751	\$8,063	\$1,161
9	\$98,854	\$8,238	\$1,186
10	\$100,957	\$8,413	\$1,211

## 6. Who is not eligible for RESTOR?

Persons who are not Alexandria Utility System *active* <u>residential</u> account holders of record; customers who do not meet the eligibility criteria set forth in Ordinance #199-2022; or customers who did not have an accumulated, past-due balance as of January 22, 2023, are not eligible to receive a RESTOR grant.

## 7. How do I apply for RESTOR?

Customers will be able to apply online or in person at two City of Alexandria Community Centers:

Bolton Avenue Community Center - 315 Bolton Avenue Broadway Resource Center - 712 Broadway Avenue

In order to make the in-person application process as fast as possible, applicants are encouraged to download and complete the RESTOR application prior to arrival at the application sites. The RESTOR application may be found at <a href="https://www.cityofalexandriala.com">www.cityofalexandriala.com</a>.

## 8. When can I apply for RESTOR?

Online and in person applications will open at 9:00 AM on March 6, 2023.

#### 9. Where can I apply for RESTOR?

Online applications may be submitted on the City's website, <a href="www.cityofalexandriala.com">www.cityofalexandriala.com</a> by clicking on the RESTOR Banner at the bottom of the page. In person applications will be received at the Bolton Avenue Community Center and Broadway Resource Center on the following dates and times:

March 6, 2023	9:00 AM to 12:30 PM and 3:00 PM to 7:00 PM
March 7, 2023	9:00 AM to 12:30 PM and 3:00 PM to 7:00 PM
March 9, 2023	9:00 AM to 12:30 PM and 3:00 PM to 7:00 PM
March 10, 2023	9:00 AM to 12:30 PM and 3:00 PM to 7:00 PM

- 10. What documents do I need to provide with my RESTOR application?
  - Your completed and signed RESTOR application;
  - City of Alexandria Utility Bills no older than 30 days;
  - All check stubs from the previous 30 days for all household employment (additional requirements for self-employment and no-employment will apply);
  - Proof of unearned income (Social Security, Unemployment Insurance, Retirement, Pension Funds, Disability, Rental Income, Regular Contributions, etc.):
  - Proof of present address (rent receipt, lease or deed, etc.);
  - Government-issued photo ID of the applicant and their Social Security card;
  - Proof of total members living in your household and their Social Security cards (exceptions may apply);
- 11. How do I appeal a denial of eligibility?

In order to appeal a denial of eligibility you will need to submit a written request to the Director of Utilities by mail to: PO Box 71, Alexandria, LA 71309-0071 or by email to restorappeal@cityofalex.com. Your appeal should include a copy of your denial as received from the City of Alexandria, a written statement of the facts which make the City's original denial of your application incorrect, and any supporting documents which support the facts of your appeal.

12. What if I had no account with the City but paid past utility bills for another or in another's name?

RESTOR grants are available only to *active* <u>residential</u> Alexandria Utility System account holders of record; if you paid past utility bills for another or in another's name, you would not be eligible for a RESTOR grant.

13. What is the total RESTOR budget?

The current budget for RESTOR grants totals \$3.5 million.

14. What is the difference between RESTOR and any other utility assistance programs?

Project RESTOR is different from other utility assistance programs in two distinct ways: it is locally funded and its eligibility criteria are expanded beyond the traditional limits of programs such as LIHEAP or HUD.

15. How much of my past-due bill will be paid; is there a limit to how much RESTOR pays?

The amount of your final grant award will depend on your household size and annual income; the table in #6 above details the maximum grant awards for each case. Your RESTOR grant may not exceed (1) the amount defined in the eligibility criteria table or (2) your past due balance as of January 22, 2023, whichever is less.

16. What happens to my past-due balance if the RESTOR grant is not enough to pay my entire past-due balance or if I am ineligible to receive a RESTOR grant?

Account balances that were accumulated before January 23, 2023 and that are not paid off through a RESTOR grant will be placed on a monthly installment arrangement plan. The details of the installment arrangements will be finalized once all RESTOR grants have been applied.

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