

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GLENDALE,
CALIFORNIA AUTHORIZING PARTICIPATION IN THE
CALIFORNIA ARREARAGE PAYMENT PROGRAM**

WHEREAS, on March 4, 2020 Governor Newsom proclaimed a state of emergency due to the COVID-19 pandemic, issued Executive Order N-28-20 directing the California Public Utilities Commission to monitor customer service protection measures implemented by utilities, issued Executive Order N-33-20 to require individuals to stay at home except as needed to maintain continuity of critical operations, and issued Executive Order N-60-20 that created a risk-based approach to reopening the economy, among other executive actions; and

WHEREAS, the stay at home order and risk-based reopening framework were rescinded on June 11, 2021 by Executive Order N-07-21 and many provisions of other Executive Orders were phased out by Executive Order N-08-21; and

WHEREAS, there have been economic impacts as a result of the COVID-19 pandemic and associated public health measures, including leaving many Californians unable to pay their utility bills due to lack of reliable and consistent employment; and

WHEREAS, in response to the economic conditions caused by the COVID-19 pandemic, Item 4700-162-8506 of Section 2.00 of the State Budget Act of 2021, as established by Assembly Bill No. 128 (Chapter 21, Statutes of 2021) and as amended by Senate Bill No. 129 (Chapter 69, Statutes of 2021), provided \$993,500,000 to the State Department of Community Services and Development ("department") to administer the California Arrearage Payment Program (CAPP) to reduce delinquent electricity and a natural gas utility balances for customers experiencing financial hardships related to the economic impacts of the COVID-19 pandemic; and

WHEREAS, funding for CAPP is payable from the State's share of the federal Coronavirus Fiscal Recovery Fund of 2021; and

WHEREAS, Assembly Bill No. 135 (Chapter 85, Statutes of 2021), formally established the CAPP within the department, enumerating the program's requirements for utility participation and setting aside \$298,953,250 of the funds provided in Item 4700-162-8506 of the State Budget Act of 2021 for financial assistance to customers of local publicly owned electric utilities; and

WHEREAS, a local publicly owned electric utility is considered a utility applicant under CAPP and may apply to the department for CAPP funds for eligible customer accounts for past due bills during the COVID-19 pandemic bill relief period; and

WHEREAS, eligible customers are all residential and commercial customers, past due bills mean any customer utility bills that are 60 days or more past due and includes both active and inactive accounts, as well as customer accounts that have payment plans or payment arrangements, and the COVID-19 pandemic bill relief period means the period starting March 4, 2020, and ends June 15, 2021; and

WHEREAS, to receive CAPP funding on behalf of eligible customers, a utility applicant must complete both a utility survey and application including submitting all necessary data and information to support the utility applicant's request for CAPP funding; and

WHEREAS, the department is required to disburse funds as expeditiously as possible to utility applicants, but no later than January 31, 2022; and

WHEREAS, within 60 days of receiving CAPP funds, a utility applicant must issue CAPP Assistance benefits to customers as bill credits to help address the eligible past due balance and must include a statement that the credits are a result of California's CAPP funding, and an eligible utility customer need not apply for the program; and

WHEREAS, if CAPP funding is not sufficient to meet all need, utility applicants must prioritize the issuance of CAPP assistance first to active residential customers who are past due and who, absent the CAPP assistance might be subject to service disconnection, consistent with current law, due to nonpayment of balances incurred during the COVID-19 pandemic bill relief period; second to active residential customers with delinquent balances incurred during the COVID-19 pandemic bill relief period; third to inactive residential accounts with delinquent balances incurred during the COVID-19 pandemic bill relief period; and fourth to commercial customers with delinquent balances incurred during the COVID-19 pandemic bill relief period; and

WHEREAS, Assembly Bill No. 135 created customer protections to require a utility applicant to notify customers of the option to enter into an extended payment plan with late fees and penalties waived for any remaining balanced after CAPP funds are credited to the customer's account, to refrain from discontinuing service while CAPP applications are pending, for 90 days after the CAPP benefit is applied to a customer account, and while a customer remains current on a repayment plan, and to waive associated late fees and accrued interest for customers awarded CAPP benefits; and

WHEREAS, the City of Glendale, through its Glendale Water & Power Department (GWP), operates a publicly owned electric utility with eligible customers that have past due bills during the COVID-19 pandemic bill relief period, and has applied for \$7,963,966 in CAPP funding based upon an initial survey of qualified electric arrearages accrued during the period March 4, 2020 to June 15, 2021; and

WHEREAS, on November 2, 2021, GWP was notified that it was eligible to receive up to \$5,200,272 in CAPP funding with the understanding that the actual grant amount would be equal to the amount of outstanding arrearages remaining at the time of the grant application, and GWP is in the process of officially applying for up to \$5,200,272 in CAPP funding.

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NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA:

1. The City Council does hereby authorize the City of Glendale's participation in the CAPP and receipt of a CAPP grant in the amount of \$5,200,272, or such other amount of CAPP funding as may be awarded to the City of Glendale.
2. The City Manager, or his designee, is authorized to execute program participation agreements as may be required for the City of Glendale's participation in the CAPP. The form of such agreements shall be subject to the approval of the City Attorney.
3. Each of the City Manager, the General Manager of Glendale Water & Power, the Director of Finance, the City Treasurer, or their respective designees, are hereby authorized to take all actions necessary, required, or advisable to implement, administer, fund, and carry out Glendale's responsibilities under the CAPP.

Adopted this _____ day of _____, 2021.

Mayor

Attest:

City Clerk

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS

I, ARAM ADJEMIAN, City Clerk of the City of Glendale, certify that the foregoing Resolution was adopted by the Council of the City of Glendale, California at a regular meeting held on the _____ day of _____, 2021, and that same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

City Clerk