ENERGY & ENVIRONMENT

MOTION

Recent increases in utility bills have placed additional financial pressure on Angelenos, underscoring the importance of ensuring that customers have timely, transparent, and accessible information about their electricity and water usage and the costs associated with their utility service. While seasonal consumption, weather conditions, and other factors can contribute to higher bills, the City must continue to explore opportunities to help customers better understand and anticipate their utility expenses.

The Los Angeles Department of Water and Power (LADWP) currently bills most residential customers on a bi-monthly basis, requiring customers to wait approximately two months between bills to receive a comprehensive accounting of their metered electricity and water consumption. This extended billing period can make it more difficult for customers to identify increases in usage, detect potential leaks or equipment malfunctions, and adjust their consumption before higher costs accumulate. Less frequent billing can also result in larger bills that are more difficult for households to manage and budget for, particularly for low- and moderate-income customers.

As Angelenos continue to navigate rising utility costs, the City should evaluate opportunities to improve the transparency and predictability of utility billing. Transitioning to monthly billing could provide customers with more frequent information about their consumption and associated costs, help households better align utility payments with monthly budgeting and income cycles, and provide earlier opportunities to identify and address unexpected increases in usage. More frequent billing may also help LADWP and the City identify emerging customer hardships sooner and better target existing assistance programs.

LADWP's ongoing deployment of Advanced Metering Infrastructure (AMI), or smart meters, presents an opportunity to modernize the Department's billing practices and improve the information available to both customers and the utility. AMI can support more timely collection of meter data, improve the ability to identify unusual consumption patterns, automatically report outages to LADWP, and provide a foundation for enhanced customer-facing usage information and more frequent billing. When paired with appropriate customer notifications and educational tools, these capabilities could help customers better understand how their consumption affects their bills and take action before costs escalate.

A transition to monthly billing would require careful consideration of operational costs, billing system capabilities, meter deployment, customer service capacity, rate design, and coordination with other City charges that appear on LADWP bills. A pilot program aligned with AMI deployment, including in areas with sufficient smart-meter coverage, could allow LADWP to evaluate customer benefits, implementation costs, and potential impacts on different customer groups before determining whether and how to expand monthly billing citywide.

In addition to evaluating monthly billing, LADWP should identify other opportunities to leverage AMI technology to improve billing transparency and predictability, including enhanced access to usage data, proactive notifications of unusual consumption or projected bill increases, and tools that help customers better anticipate their monthly utility expenses.

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I THEREFORE MOVE that the City Council REQUEST the LADWP to report in 60 days on how the Department's ongoing Advanced Metering Infrastructure (AMI) deployment can support a transition from bi-monthly to monthly billing for residential customers, including the feasibility of a pilot program in areas with sufficient AMI coverage. This should include the proposed pilot's duration, implementation timeline, customer eligibility, and metrics for evaluating its effectiveness, such as customer understanding and satisfaction, bill predictability, payment timeliness, delinquencies and arrearages, customer service inquiries, operational costs, and impacts on low- and moderate-income households.

I FURTHER MOVE that the report include an assessment of the potential benefits of monthly billing for customers and opportunities to leverage AMI technology to improve transparency and predictability, particularly in light of the higher utility bills Angelenos have experienced in recent months, including:

1. Opportunities to improve bill predictability, provide more timely information about electricity and water consumption, along with historical consumption comparisons, identify unusual usage and potential leaks sooner, and help customers manage their utility expenses and avoid the accumulation of unexpectedly high bills;
2. Developing proactive alerts for instances involving abnormal usage, such as malfunctioning equipment and leaks, and before significant increases in projected utility bills to allow customers to adjust consumption, investigate potential problems, or seek available financial assistance;
3. Improving the availability and accessibility of usage and billing information to help customers make informed decisions about conservation and household budgeting; and
4. Opportunities to integrate monthly billing and enhanced AMI-enabled customer information with existing bill assistance, payment plan, and level-pay programs, with the goal of helping customers better anticipate utility expenses, identify emerging financial hardship, and access available assistance before falling behind on payments.

I FURTHER MOVE that the LADWP, LA Sanitation & Environment (LASAN), and the City Administrative Officer (CAO) report on identifying the operational, technological, financial, and policy considerations necessary to implement monthly billing, including AMI deployment timelines and coverage for electricity and water meters; billing system modifications; staffing and customer service requirements; printing, mailing, and payment processing costs; potential operational and financial savings; and coordination regarding sewer and solid waste charges included on LADWP bills.

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