

MadCAP

Madison Customer Assistance Program

Program & Communications Plan

V8 - 20230804



Madison Municipal Services

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Madison
Water Utility

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MadCAP Overview

Madison Customer Assistance Program (MadCAP)

The Madison Customer Assistance Program, or MadCAP, – the first program of its kind in Wisconsin – offers monthly bill credits, or discounts, to lower-income customers toward their Municipal Services Bill. The MadCAP program credit spreads across all municipal services on the utility bill, including: water, sewer, stormwater, urban forestry, resource recovery, and landfill. The credit is automatically applied monthly and does not need to be repaid.

Monthly bill credits on the Madison Municipal Services bill are offered to eligible customers based on how much money their households have in earnings each year:

- **Households earning 30% or less of AMI will be credited \$30 per month**
- **Households earning between 30% and 50% of AMI will be credited \$20 per month**

Being able to afford housing is an important issue in Madison. Paying for housing also means paying for utilities. The objective of MadCAP is to reduce the financial burden utility costs can create for certain residents. For example, the average household utility bill is currently \$96.50 per month; for a customer with an *average* bill, MadCAP can help decrease their bill down to \$66.50, allowing an extra \$30 to go toward other important living expenses.

MadCAP allows the City to maintain and invest in infrastructure and services to the highest degree possible without financially burdening lower-income households. The aim is to keep municipal services affordable for the lowest income members of our community regardless of inevitable future rate increases. For instance, although water rates increased by ~\$5 in 2023, households earning 30% or less of AMI and households earning between 30% and 50% of AMI are eligible for a monthly Water Bill offset amount of \$12 or \$8, respectively. Simply put, the offset amount is considerably higher than the 2023 rate increase itself.

The initial goal is to have 1,000 households enrolled within the first year of the program. The ultimate goal is to get each of the eligible households signed up for MadCAP.

Two tiers of assistance: 30% AMI & 50% AMI

| Area Median Income (AMI) | ≤ 30% AMI | ≤ 50% AMI | Total |
|---|------------|------------|--------------|
| Eligible income (3-person household) | ≤ \$33,000 | ≤ \$54,950 | |
| Estimated # of eligible households | 4,092 | 4,166 | 8,258 |
| Monthly Water Bill offset amount | \$12 | \$8 | |
| Monthly Municipal Services Bill offset amount | \$30 | \$20 | |

MadCAP Eligibility

Households at or below 50% of area median income (AMI) that pay their own Municipal Services Bill.

As a comparison, households eligible for Section 8, Wisconsin FoodShare or SNAP benefits, or WIC benefits are likely to meet MadCAP income limits.

Monthly bill credits on the Madison Municipal Services bill are offered to low-income customers based on how much money households have in earnings each year.

| Number of Persons in Household | Gross Annual Household Income (Total household income before taxes) | |
|--------------------------------|--|---------------------------------|
| | 30% AMI (Area Median Income) | 50% AMI (Area Median Income) |
| 1 | \$25,700 | \$42,750 |
| 2 | \$29,350 | \$48,850 |
| 3 | \$33,000 | \$54,950 |
| 4 | \$36,650 | \$61,050 |
| 5 | \$39,600 | \$65,950 |
| 6 | \$42,550 | \$70,850 |
| 7 | \$45,450 | \$75,750 |
| 8 or more | \$50,560 | \$80,600 |

- Households earning 30% or less of AMI will be credited \$30 per month
- Households earning between 30% and 50% of AMI will be credited \$20 per month

In addition to earning an eligible household income, bill credit recipients must also:

- Be a residential customer
- Have the Municipal Services Bill in your name
- Household income must meet the program guidelines as shown in the table above
- For homeowners only, not renters: Take part in a water conservation program. Options include:
 - Take part in MWU's [Toilet Rebate Program](#). If you have received this rebate already, that counts. **Or,**
 - Take part in MWU's [Home Water Conservation Program](#) through Project Home to evaluate options for water-saving toilets and fixtures, and to fix water leaks.

Application Process

MadCAP launched on March 1, 2023. Municipal Services began accepting applications as of March 1, 2023. Participating customers will start receiving the benefit in the billing cycle after their application is approved.

1. Download the MadCAP application at cityofmadison.com/water or pick one up in person
2. Fill out and submit the MadCAP application form by email to madcap@cityofmadison.com, or drop off, or mail the completed application to 119 E Olin Ave, Madison, WI 53713.

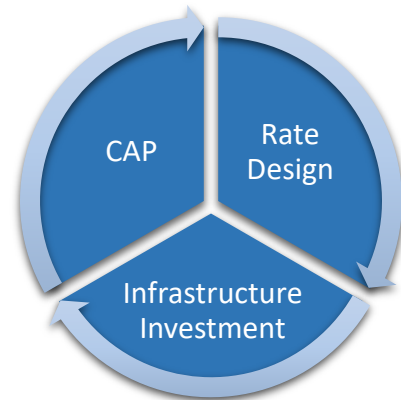
Application is available in [English](#), [Spanish](#), [Chinese](#) (Mandarin), and [Hmong](#). Customers can call: (608) 266-4651 for help completing the application form.

Affordability for All Customers

Madison Municipal Services' approach to affordability for all customers includes three critical components that work in unison:

1. Customer Assistance Program (CAP)
2. Sustainable Infrastructure Investment
3. Rate Design

Municipal water should always be the best bargain. For example, the cost of one gallon of water from Madison Water Utility = 0.5¢, while commercially bottled water can cost anywhere from \$2.50 to \$7.50 per bottle.



1. Customer Assistance Program (CAP)

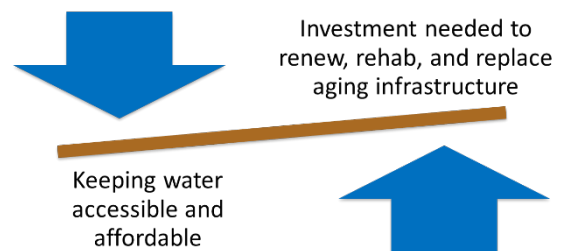
Madison Customer Assistance Program's sole objective is to reduce the financial burden utility costs can create for lower-income residents. MadCAP allows the City to maintain and invest in our infrastructure to the highest degree possible without burdening lower-income residents.

First program of its kind approved in Wisconsin - Basis for PSCW approval included:

- Pilot program with immaterial expenses
- Difficulty faced by low-income customers due to ongoing rate increases
- Low potential impact on non-participating customers
- Structured as a credit, not a rate (similar to other rebates, credits, or incentives)
- Potential conservation benefits
- Potential cash flow benefits
- Potential to provide the commission with valuable information

2. Sustainable Infrastructure Investment

Overcoming a perceived disbelief that proper investment cannot be made while keeping rates affordable. At a time of unprecedented cost increases and inflationary pressures, expense depreciation will provide \$5 million to replace about 0.40% of mains each year with cash funding instead of borrowing.



3. Rate Design

Madison Water Utility uses an inclining block rate structure with a focus on mitigating rate increases for essential indoor water use. For example, a flat lower rate for duplex and multi-family customers that use less outdoor water, especially in the summer.

| Rate Block (Gallons) | Rate per 1,000 gals. |
|----------------------|----------------------|
| Residential | |
| First 3,000 | \$4.18 |
| Next 3,000 | \$5.50 |
| Next 3,000 | \$6.60 |
| Next 5,000 | \$9.46 |
| Over 14,000 | \$12.10 |
| Duplex | |
| All water use | \$3.87 |
| Multi-Family | |
| All water use | \$3.93 |

Funding and Accounting

- Included as an expense under account 910 sales expenses.
- Costs recovered through fixed service charge to all customers.
- Estimated test year funding of \$148,000 amounts to **\$0.18 per month PER CUSTOMER.**

MadCAP Implementation Timeline

| Action | Date |
|---|------------|
| Draft written testimony and exhibits submitted by MWU with the application | 11/30/2021 |
| MWU Testimony and exhibits revised and refiled after PSC revenue requirements | 6/17/2022 |
| PSC staff direct testimony and exhibits | 7/14/2022 |
| MWU Rebuttal Testimony and exhibits | 8/3/2022 |
| PSC staff surrebuttal testimony and exhibits | 8/18/2022 |
| Hearing | 9/7/2022 |
| Final decision received | 12/29/2022 |
| New rates effective | 3/1/2023 |
| Official MadCAP launch | 3/1/2023 |

Public Outreach & Communication Plan

Community Engagement Approach

The public outreach approach for MadCAP supports the City of Madison Racial Equity and Social Justice Initiative (RESJI) through broad public outreach and targeted engagement, especially to historically underrepresented members of our community and the organizations that serve them. Madison Municipal Services is committed to providing the best service possible – to all members of our community – at an affordable rate.

MadCAP allows the City to invest in services and infrastructure without financially burdening Madison’s lower-income residents. Given this opportunity, an effective community outreach and engagement approach is key to achieving a successful outcome, with the ultimate goal of having the majority of eligible households in Madison enrolled in MadCAP.

The MadCAP outreach approach utilizes a variety of different methods and strategies to inform and engage members of our community through electronic and in-person communications.

Outreach is centered on reducing barriers to enrollment, which is the biggest challenge many municipalities have faced when launching a new CAP. Madison Municipal Services aims to combat this challenge by “meeting people where they are at”, or in other words, going to residents instead of expecting them to come to us. This method allows us to engage people at places that they already frequent, breaking down barriers to enrollment, as they are not required to come to our office or an evening event, own a computer or a smart phone, etc.

Partnerships

MadCAP’s success is predicated on our invaluable partnerships. Partners do an effective job of bridging the gap between Municipal Services and members of our community. These partnerships aid MadCAP in a multitude of ways, such as distributing information, hosting events, allowing staff to present at their events; all of which highlights the program and ultimately helps provide aid to households in need of assistance.

| City and Government Entities | Community Orgs & Non-Profit | Commercial Partnerships |
|------------------------------|-----------------------------|-------------------------|
| City departments & Alders | Similar service providers | Developers & realtors |
| Dane County & State of WI | Friend’s groups | Local businesses |
| Neighborhood Associations | Religious groups | Local media |
| | | |
| | | |

See **Appendix A** for a complete list of current partnerships

Community Engagement Methods

A mix of online, print, and in-person tools and strategies are used to build broad community awareness about the Madison Customer Assistance Program (MadCAP). Communication strategies are discussed and reviewed on a weekly basis with the General Manager, and on a bi-weekly basis with Madison Municipal Services' Senior Leadership Team.

As the program evolves, so must communication strategies. The below outreach methods are subject to change and additional tools may be deployed depending on necessity and potential effectiveness.

Outreach methods for MadCAP can be broken into two types of methods: information distribution (mainly electronic) and face-to-face engagement (mainly in-person):

| INFORMATION DISTRIBUTION <i>(mainly electronic)</i> | FACE-TO-FACE ENGAGEMENT <i>(Mainly in-person)</i> |
|---|---|
| Informational flyer & Brochure | Water Wagon |
| Project website | Public Meetings |
| Social media | Community Workshops |
| Email list | Tabling |
| Local media | Door-to-door / Neighborhood walks |
| | |

Electronic Information distribution

Informational Flyer & Brochure

MadCAP Informational fliers are available in multiple languages online and distributed widely throughout Madison and available at all community events. They are posted at City, County, and State office buildings, as well as at prominent community hubs throughout the City. Municipal services is also in collaboration with Metro Transit to develop materials for bus promotion on buses and bus shelters.

Field staff are to be equipped with the MadCAP materials such as flyers and brochures, website address, and other helpful information for customers they interact with.

Project Website

The [MadCAP website](#) can be found as a page Madison Water Utility's existing website. The MadCAP website is a depository of useful information for customers, staff, alders, and any other interested parties.

The project website houses a variety of useful forms and information, including:

- Program information in multiple languages
- Application in multiple languages
- Income guidelines
- FAQs
- Program & Communication Plan
- Contacts

Email

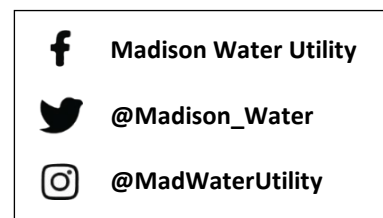
The Madison Water Utility [News & Alerts email list](#) is an effective communication tool used to inform and engage over 2,500 subscribers about upcoming events, availability of forms, updates, changes (such as those to income guidelines), as well as any other important updates. In addition to outreach via the email list, direct emails are sent to various City staff and alders, neighborhood associations, community organizations, and other stakeholders.

Local Radio, News Television & Newspaper

Though an increasing number of residents use social media for local updates, local media outlets are still very effective platforms for disseminating important municipal communications. Local media partners help connect us to the community by using their trusted platform to provide MadCAP information, updates, and upcoming engagement opportunities.

Social Media

There are currently ~8,000 followers between the three social media platforms used by Madison Water Utility: [Facebook](#), [Instagram](#), and [Twitter](#). Many community members rely on social media to stay updated on opportunities and other happenings throughout Madison.



The MadCAP social media strategy encompasses a rotation of posts in an effort to inform and update customers, promote MadCAP engagement opportunities, and most especially encourage enrollment amongst eligible households.

Face-to-Face Engagement

Water Wagon Events

Water Wagon events provide key opportunities to conduct MadCAP outreach. MadCAP and Water Wagon initiatives go hand-in-hand, as they both have roots directly tied to conservation initiatives. Providing clean, cool, refreshing Madison water at community events across the city, the Water Wagon serves as one of the primary in-person engagement methods.

Customer Assistance Community Events

Community assistance events are to be held each month to provide customers with information about MadCAP, answer any questions, and even help them sign up for MadCAP at the event, electronically (online) or by filling out a paper application. These events allow staff to reach households that are typically harder to reach through conventional methods. The events are customarily included as a component of previously scheduled or on-going community events where customers will inevitably be. Refreshments and snacks are usually available at each event, given many occur during dinner hours.

| Month | Event / Location | Date / Time |
|------------------|-------------------------|--------------------|
| 2023 | | |
| August | Penn Park | 8/10 – 5-8 PM |
| September | TBA | TBA |
| October | | |
| November | | |
| December | | |

Tabling at Partner Events

Tabling as an outreach method consist of utilizing existing (and future) partnerships in an effort to “meet people where they are at”. This is done by coordinating with partners to find opportunities for staff to attend their previously planned community events, standing meetings, workshops, etc. This is a effective outreach strategy, as it allows the engagement of community members in places that they are already at.

Neighborhood-Focused Outreach

Paper fliers or “announcements” are placed on the doors of homes. This outreach method focuses efforts in neighborhoods that have higher concentrations of potentially eligible households, such as Neighborhood Research Team (NRT) neighborhoods. In addition, past analysis conducted by departments such as Community Development, Equal Rights, and others is applied to identify areas where efforts should be placed.

See **Appendix B** for a Summary of Outreach Strategies

Analysis & Results

A post-implementation review is to be conducted at the end of each quarter to help gauge overall status, current and foreseeable challenges, and learned takeaways.

Public Service Commission of Wisconsin (PSCW) reporting requirements (not yet finalized):

1. Number of households participating
2. Percentage of eligible households participating & usage
3. Number of participants in conservation programs
4. Number of owner and renter households
5. Average income of participants at each level of assistance
6. Average reduction in water bill as a percentage of the bill
7. Administrative costs attributable to program and savings
8. Monthly program enrollment numbers

Insights Madison Municipal Services hopes to gain from MadCAP:

- Level of participation with active promotion
- Impacts of the program on cash flow management and arrears prevention
- Relationships between income and water use
- How do low-income customers use water compared to other customers?

Challenges of MadCAP:

- Reaching meaningful levels of participation – participation rates generally average between 5 and 30 percent
- Barriers to participation:
 - Customer awareness
 - Administrative burden on customers and utility
 - Lack of trust in government and concerns for privacy
- Potential impacts of low levels of participation – customers who are eligible but don't participate are worse off (currently by \$0.18 per month)

See **Appendix C** for Current Customer Enrollment Status



City & Government

| Department | Notes |
|---------------------------------|---|
| Alders | |
| General City PIO group | <ul style="list-style-type: none"> Request to share flyer/info sheet, repost on socials |
| Housing Authority | <ul style="list-style-type: none"> Coordination with CDA to auto-accept CDA housing tenants |
| Metro Transit | <ul style="list-style-type: none"> Request for flyer to be posted at bus stations Coordination for plans for MadCAP bus ad |
| CDD | <ul style="list-style-type: none"> Invitation received to attend Parks Alive! events |
| Parks | <ul style="list-style-type: none"> Request to post flyer at community announcement boards in parks Flyer posted at Warner Park Community Center |
| Library | <ul style="list-style-type: none"> Flyer posted at Library locations – brochures available Staff trained to help people fill out and submit application |
| Civil Rights | <ul style="list-style-type: none"> Utilizing research of NRT neighborhoods and areas with potentially higher levels of eligible customers |
| Clerk’s Office | <ul style="list-style-type: none"> Flyer posted and brochures available at bill payment desk |
| Mayor’s Office (sustainability) | <ul style="list-style-type: none"> Coordinating joint initiatives/events related to conservation for residents |
| MMSD (school district) | <ul style="list-style-type: none"> Seeking permission to provide MadCAP information to MMSD parents’ master email list; send info home with kids |
| Dane County Job Center | <ul style="list-style-type: none"> Flyer posted Requesting permission to provide materials to SNAP/WIC recipients |

Community Organizations & Non-Profit

| Organization | Notes |
|-------------------------------|--|
| Neighborhood Associations | <ul style="list-style-type: none"> Bay Creek, Bassett, Badger Rock, Greenbush, |
| Friends groups | <ul style="list-style-type: none"> Friends of Olin-Turville, |
| Mount Zion Baptist Church | <ul style="list-style-type: none"> Coordinating opportunity to attend bible study/service to announce program and request to table |
| Centro Hispano | <ul style="list-style-type: none"> Flyer posted Coordinating tabling opportunity during weekly farmer’s market |
| Urban League | <ul style="list-style-type: none"> Flyer posted Coordinating opportunity to speak during homeowner’s workshop and other related event’s hosted |
| The Villager Atrium | <ul style="list-style-type: none"> Flyer posted in public atrium area |
| YWCA Empowerment Center | <ul style="list-style-type: none"> Flyer posted on community board Request to attend future event that encompasses eligible customers |
| Boys & Girls Club | <ul style="list-style-type: none"> Coordination to partner for Back to School event; possible future event that includes parents |
| East Madison Community Center | <ul style="list-style-type: none"> Flyer posted at community center Requesting to attend hosted-community event to provide information and table |

Businesses & Commercial Entities

| Name | Notes |
|----------------------------|----------------|
| Pick 'n Save (Park Street) | • Flyer posted |
| Willy Street Co-op (East) | • Flyer posted |
| Midway Asian Foods | • Flyer posted |
| Naty's Fast Food (south) | • Flyer posted |
| Mercado Marimar (Park St) | • Flyer posted |
| Lane's bakery (south) | • Flyer posted |
| | |

APPENDIX B: OUTREACH & ENGAGEMENT STRATEGIES



Information Distribution

| Outreach Strategy / Tool | Date(s) | Notes |
|--------------------------|-----------------|--|
| Application | 3/1, 5/15 | <ul style="list-style-type: none"> Application available in four languages: English, Spanish, Chinese, Hmong PDF “fillable” applications available online |
| Info Sheet | 3/1, 5/15 | <ul style="list-style-type: none"> Informational handout available in four languages: English, Spanish, Chinese, Hmong Printed handout available at libraries and Clerk’s office |
| Poster / Brochure | 4/15 | <ul style="list-style-type: none"> Informational poster posted at various locations throughout Tri-fold brochure available at front desk |
| Website | As needed | <ul style="list-style-type: none"> Program website live @ cityofmadison.com/water/billing-rates/madcap New AMI income limits on website – live 5/15 |
| Email List | 3/1, 3/27, 5/26 | <ul style="list-style-type: none"> Update to email list on 3/1 Update to email list scheduled for 3/27 |
| Press Release | 2/28 | <ul style="list-style-type: none"> Press release 3/1 – posted on behalf of Water, Public Works, Engineering, and Mayor’s Office |
| Social Media | 4x per month | <ul style="list-style-type: none"> Social media posts on Facebook, Instagram, and Twitter |
| Local Media | 2/28, 8/10 | <ul style="list-style-type: none"> Local media press conference on 2/28 Coordination for radio ads on 93.1 and 104.1 FM |
| Interdepartmental | ongoing | <ul style="list-style-type: none"> Updates to City PIO group Requests to share information and repost content |

In-Person Engagement

| Engagement | Notes |
|-----------------------------|---|
| Community Assistance Events | <ul style="list-style-type: none"> Monthly events: 8/10 @ Penn Park September event TBD |
| Water Wagon | <ul style="list-style-type: none"> 23 water wagon events scheduled summer 2023 MadCAP materials and assistance available at every event |
| City-hosted events | <ul style="list-style-type: none"> TBD |
| Partner events | <ul style="list-style-type: none"> TBD |

APPENDIX C: CURRENT ENROLLMENT STATUS



2023 Enrollment Statistics

Program launched on March 1, 2023 - Results are cumulative

| JUNE | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | 129 | 90 | 219 |
| Total applications approved | 98 | 70 | 168 |
| Home owners | 56 | 44 | 100 |
| Renters | 42 | 26 | 68 |
| # of applications not approved | 31 | 20 | 51 |
| Average reduction in water bill (%) | 42% | 28% | 36% |
| Households enrolled in MWU conservation programs | 56 | 44 | 100 |

| JULY | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |

| AUGUST | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |

| SEPTEMBER | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |

| OCTOBER | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |

| NOVEMBER | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |

| DECEMBER | | | |
|--|---------|---------|-------|
| | 30% AMI | 50% AMI | Total |
| Total applications received | | | |
| Total applications approved | | | |
| Home owners | | | |
| Renters | | | |
| # of applications not approved | | | |
| Average reduction in water bill (%) | | | |
| Households enrolled in MWU conservation programs | | | |