

COMMUNICATIONS PLAN AND OUTREACH EXAMPLES

The fiscal year (FY) 2026 gas utility communications strategy addresses cost drivers for rate increases including the need to rebuild financial reserves and ongoing capital investment in the natural gas distribution system. Financial reserves need to be replenished following a drawdown during the pandemic to keep customer rate changes at a minimal level. Additionally, the City used financial reserves to protect customers from surging gas prices in the winter of 2022-2023. Maintaining healthy financial reserves also ensures that the City of Palo Alto Utilities (CPAU) can continue to invest in capital improvement of the natural gas distribution system for safe and reliable service delivery.

CPAU continues to explore cost-containment measures for each utility fund, consistent with the Utilities Strategic Plan. CPAU was recently awarded a \$16.5 million grant by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) which was intended to provide financial assistance for capital-related work that is additional to the utility's already planned capital work over the next five-year period. CPAU is awaiting an update from the federal administration about the ultimate issuance of this grant.

CPAU purchases gas as a commodity on the market, thus monthly gas rates can fluctuate due to external factors. Staff post the monthly rates online at www.cityofpaloalto.org/RatesOverview and provide updates on the rate setting process so members of the public can be informed and get involved in the public process. CPAU promotes gas use efficiency year-round, but most heavily during winter months to impact heating activities. Messaging emphasizes the importance of saving energy to keep utility costs low even if gas prices are high or utility rates are increasing. Programs such as advisor services for energy efficiency and electrification offer residents assistance for home upgrades. CPAU provides free consulting services and rebates for commercial energy efficiency upgrades. Throughout the year, CPAU hosts free educational workshops to help residents and businesses better understand energy usage and learn ways to improve efficiency to keep utility costs low. The MyCPAU online account management portal provides customers with direct access and more information about utility account and consumption data.

CPAU communicates about safety for all utility services year-round including the need to call USA (811) before digging to check for underground utility lines. Staff also emphasize the importance of contacting CPAU to check for potential sewer and gas line cross-bores prior to clearing a sewer line. Every year, CPAU publishes a gas safety awareness brochure and mails it to all customers in Palo Alto as well as other stakeholders. Staff talk with business customers at special facilities meetings and attend neighborhood safety and emergency preparedness fairs. While print materials and webpages still feature prominently, CPAU is increasing use of other outreach channels such as email newsletters, social media and online videos. The Gas Safety Public Awareness Plan contains saved copies of all outreach materials and activity logs. Additional CPAU communication methods include the utilities webpages, utility bill inserts, messaging on bills and envelopes, informational fliers and brochures, email newsletters, social media, print and digital ads in local publications, and participation in community outreach events.

