Keeping the Focus on Utility Bill Affordability

Matt Baker, Director

February 13, 2024



Who we are

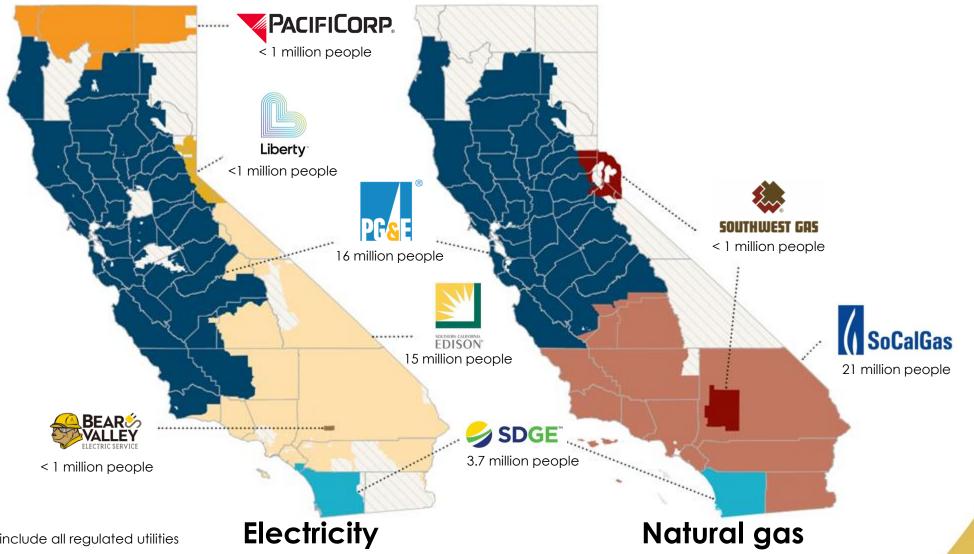
 Independent public advocate for affordable, safe, and reliable utility services across the energy (electricity & natural gas), water and communications sectors pursuant to PU Code Section 309.5.

 Our team of analysts, engineers, attorneys holistically evaluates investor-owned utility operations, proposals, and records – and are often the only entity that does so in their entirety.

 We develop unbiased recommendations for policymakers to consider when making decisions that impact customers, with a focus on rates.



CPUC ratemaking impacts millions of Californians

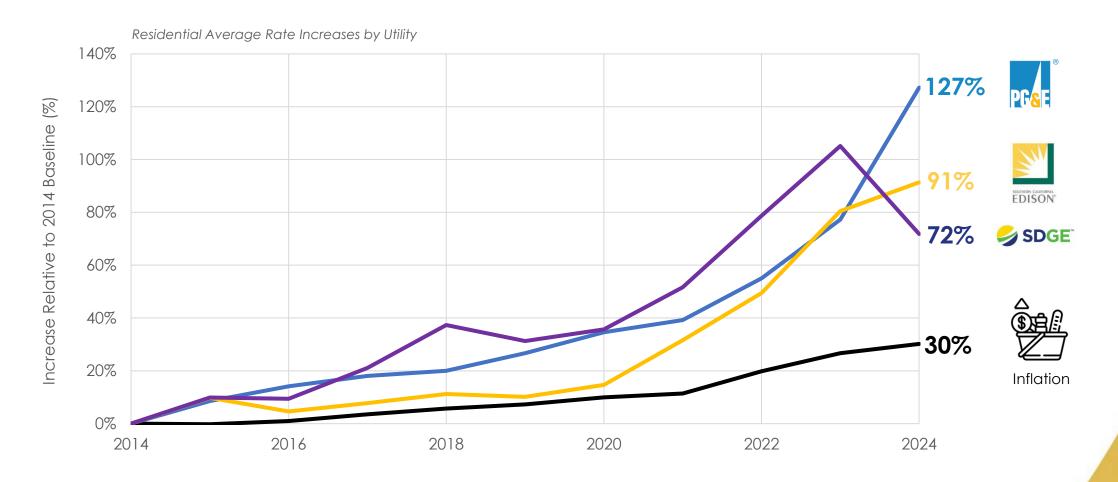


Rate increases strain the **2+ million** households already behind on their bills

| | # of Customers in Arrears | % of Customers in Arrears | Average Amount Owed |
|-----------------------------|---------------------------|---------------------------|---------------------|
| PG&E | 1,215,433 | 22% | \$550 |
| SOUTHERN CALIFORNIA EDISON® | 876,121 | 19% | \$986 |
| SDGE [™] | 355,551 | 26% | \$737 |
| Combined | 2,447,105 | 21% | \$733 |



California electric rates are outpacing inflation





Costs unrelated to consumption are going up

What are customer bills paying for?

Combined revenue requirement (PG&E, SCE, SDG&E)



Notable Cost Drivers

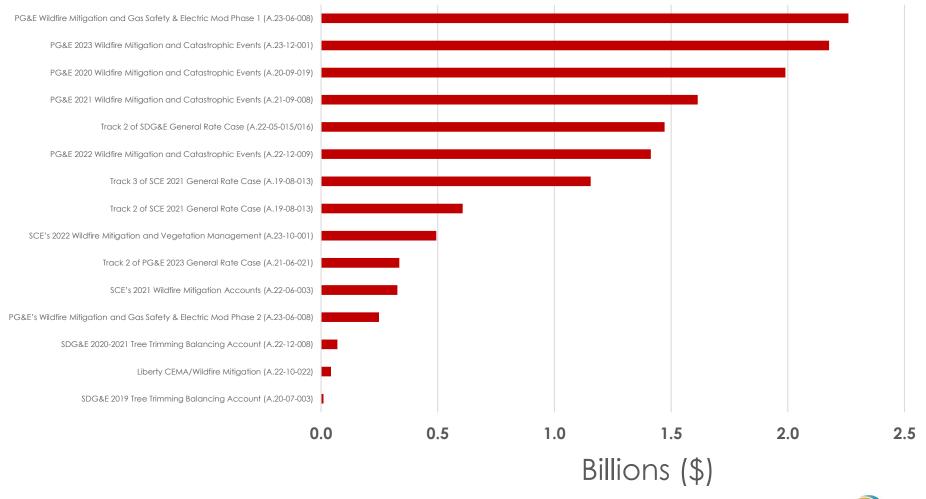
- Wildfire-related expenses
- Distribution system maintenance & upgrades
- Transmission buildout

Notable Rate Drivers

Rate-based subsidies



\$14+ billion of utility wildfire-related requests since 2020





More information

We are a State entity charged with helping ensure Californians are represented at the California Public Utilities Commission and in other forums. We develop recommendations that advance the state's energy and climate goals in the most affordable ways for ratepayers.

Visit our website at <u>www.publicadvocates.cpuc.gov</u>