



Q1 2025 Electric Rates Report

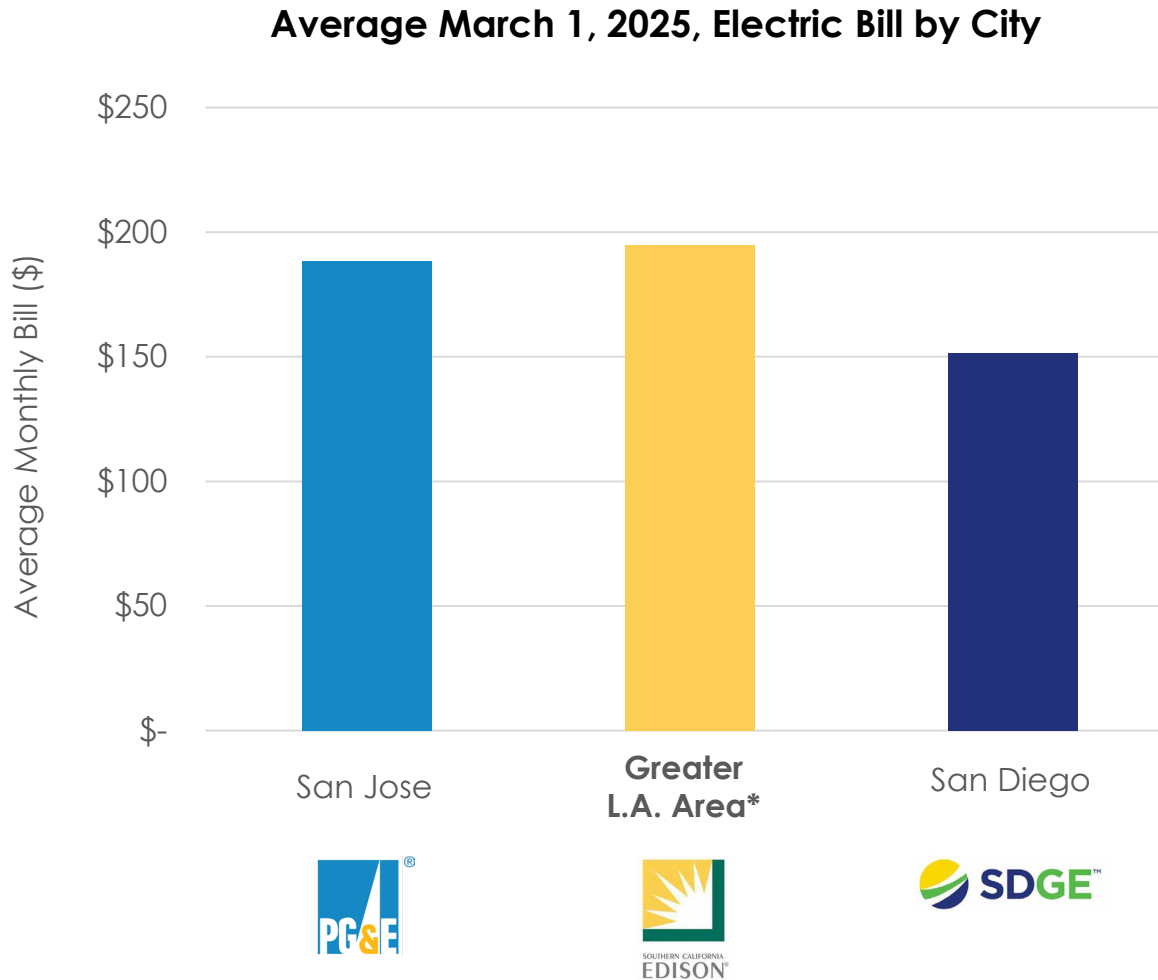
The Public Advocates Office at the California Public Utilities Commission

May 20, 2025

About

- The Public Advocates Office represents utility customers' interests primarily by participating in proceedings before the California Public Utilities Commission and engaging in other policymaking forums.
- The California electric utilities recover their operational and investment costs through the rates they charge their customers. These rates regularly change due to many factors. We track the rates and develop recommendations to minimize costs to ratepayers.
- This report summarizes residential electric rate changes across Pacific Gas and Electric (PG&E), San Diego Gas & Electric (SDG&E), and Southern California Edison (SCE) service territories through April 2025.

Bills compound affordability challenges across the state



- Over the last few years electric bills are generally rising due to **higher electricity use** (e.g., air conditioning) and **higher overall electricity prices ("rates")**.
- Low-income households are most disproportionately impacted from higher rates and bills.

Nearly 1 in 5 households are behind on their energy bills

	# of Customers in Arrears	% of Customers in Arrears	Average Amount Owed
PG&E	1,099,775	20%	\$710
SCE	863,488	19%	\$957
SDG&E	343,422	25%	\$613
Combined	2,306,685	19.8%	\$788

Residential average rates have significantly increased

	Average Rate (\$ per kWh)	3-year Change Jan 2022 to April 2025	10-year Change Jan 2015 to April 2025
PG&E	\$0.386	↑ 41%	↑ 104%
SCE	\$0.314	↑ 25%	↑ 83%
SDG&E	\$0.397	↑ 5%	↑ 71%

Main electricity rate drivers

10-Year Change

Jan 2015 to April 2025

Primary Statewide Drivers

PG&E

↑ 104%

SCE

↑ 83%

SDG&E

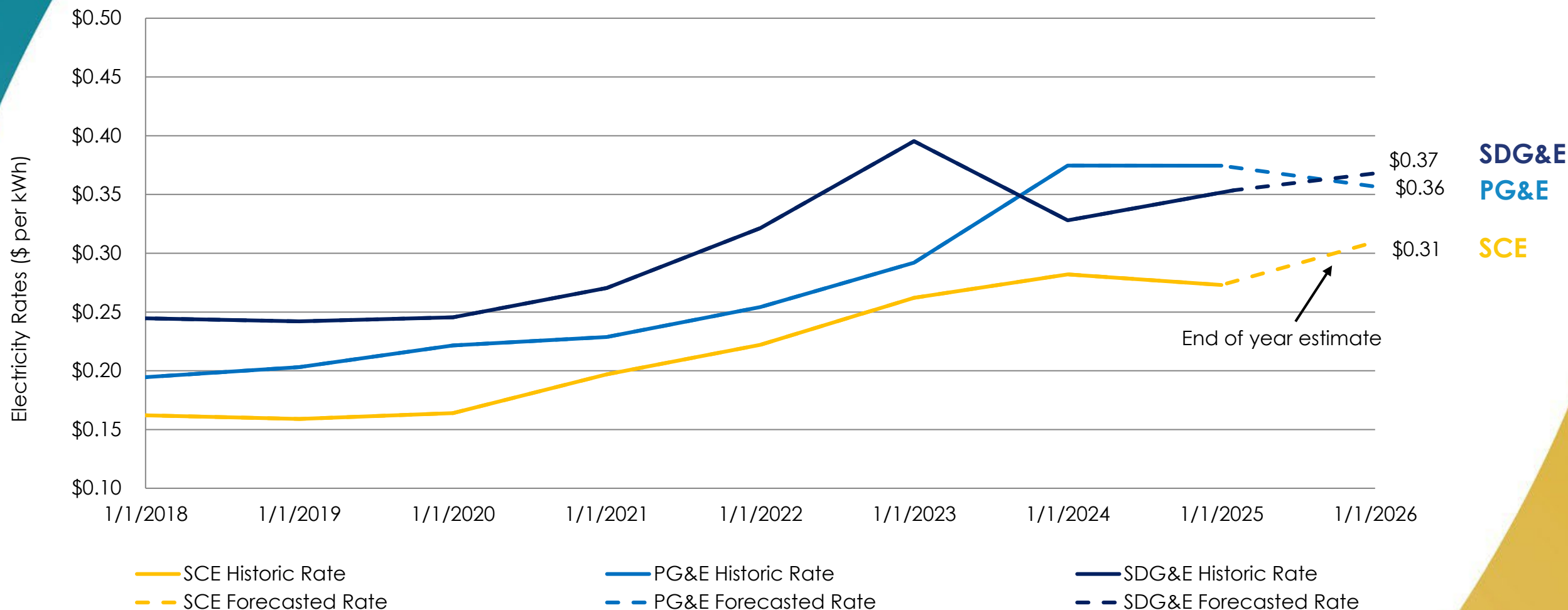
↑ 71%

1. Wildfire mitigation and insurance
2. Transmission & distribution investments
3. Rooftop solar incentives ("net energy metering")

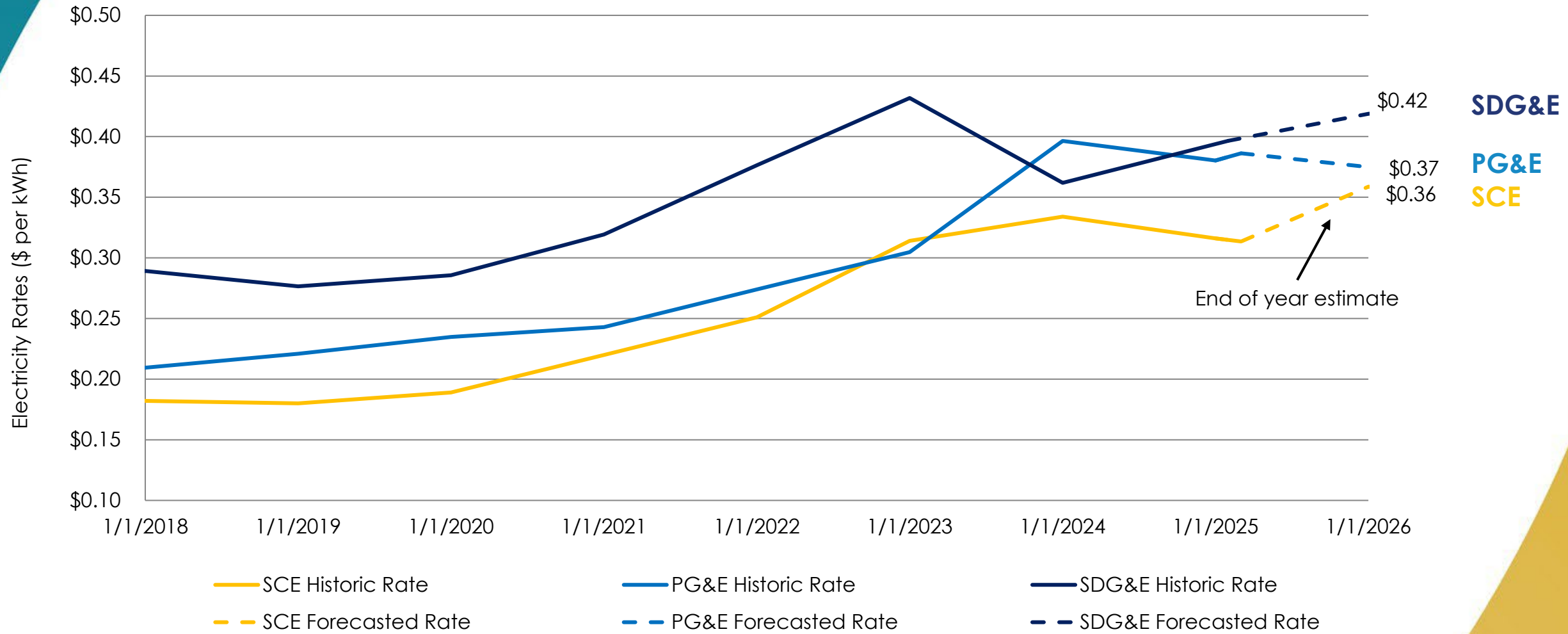
Source: California Public Utilities Commission SB 695 report: Report to the Governor and Legislature on Actions to Limit Utility Cost and Rate Increases... (2023)

Bundled System Average Rates (SAR)

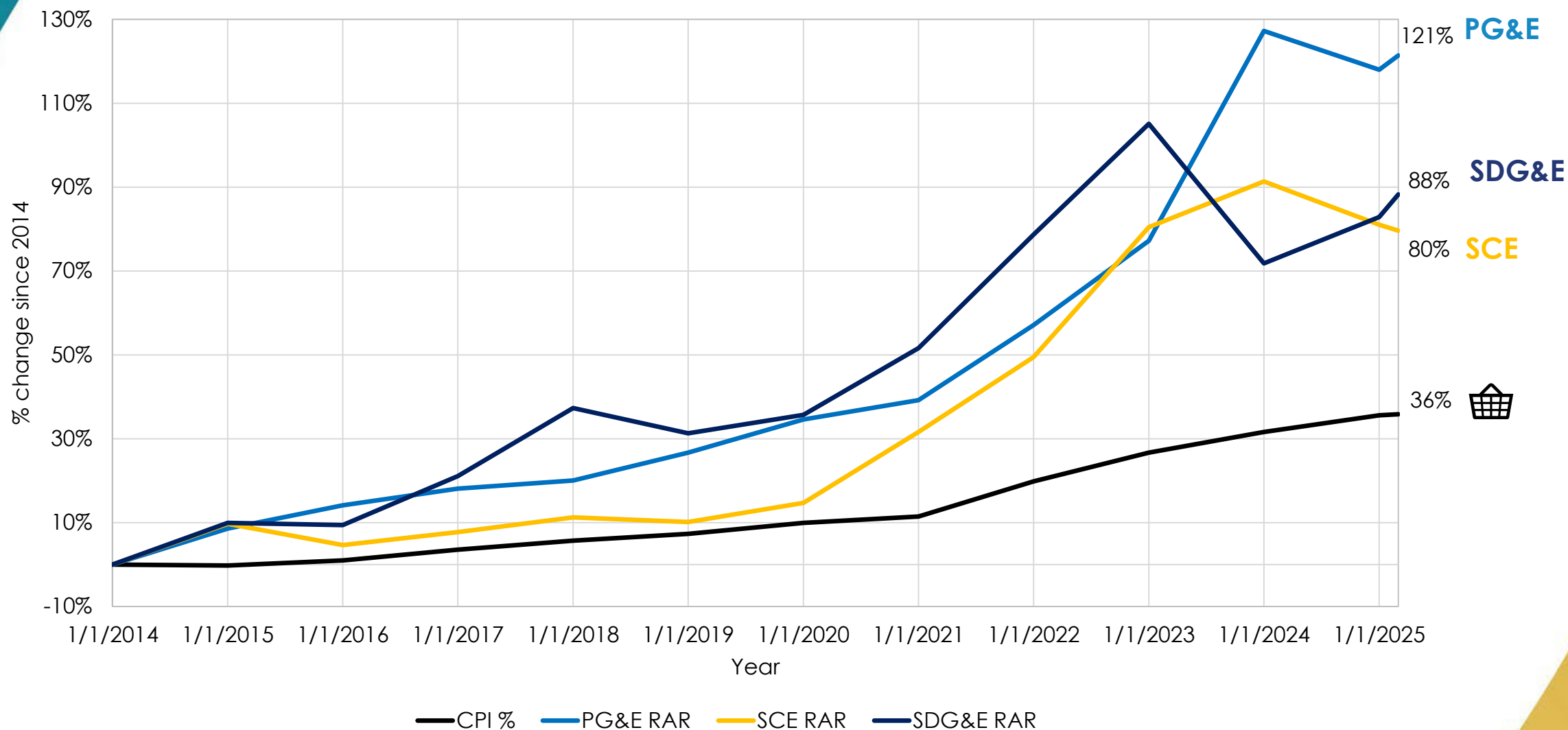
System Average Rate (SAR) is the average amount paid per kilowatt-hour (\$/kWh) by customers who receive both electricity generation and delivery from their utility. It is calculated by dividing the utility's total electric revenues by the total electricity sold to bundled customers. Customer classes include residential, commercial, industrial, agricultural, street lighting, and public agencies.



Average Residential Electricity Rates (RAR)



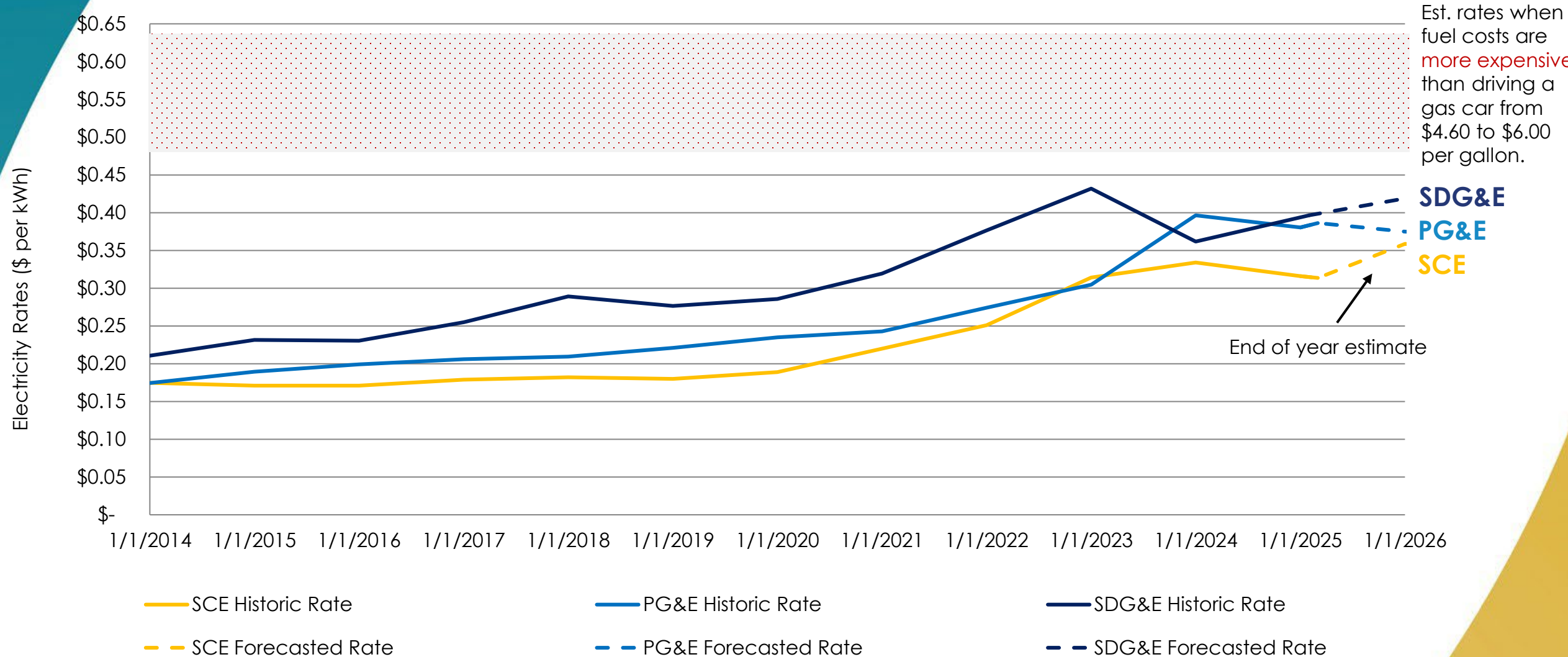
Rates have increased substantially since 2014, surpassing inflation



*Showing latest Bundled Residential Average Rates (RAR) and Consumer Price Index (CPI) for All Urban Consumers (CPI-U) found at <https://data.bls.gov/cgi-bin/dsrv?cu> as of May 15, 2025.

**For details on primary drivers of rate changes in Q1 2025, see Appendix Slides 18 through 23.

EV Fuel Price Parity w/ Bundled Residential Average Rate



Assumptions for this slide found in Appendix on Slide 18.
Avg residential rates represent average residential rate customers excluding California Climate Credit. Future estimates may be conservative as they only include pending applications.
Source: Investor-Owned Utility Advice Letters (California Residential Average Rates) for historic rates and utility submitted Cost and Rate Trackers for forecasted rates.

Wildfire-Related Revenue Requirement* (RRQ) by Utility

	Jan 2023	% of Total RRQ 2023	June 2024	% of Total RRQ 2024	Jan 2025	% of Total RRQ 2025
PG&E	\$2,398,830,000	15%	\$5,213,266,000	24%	\$4,103,465,000	21%
SCE	\$1,447,261,000	9%	\$2,026,051,000	11%	\$2,668,550,000	15%
SDG&E	\$291,158,000	7%	\$514,503,000	13%	\$585,005,000	15%

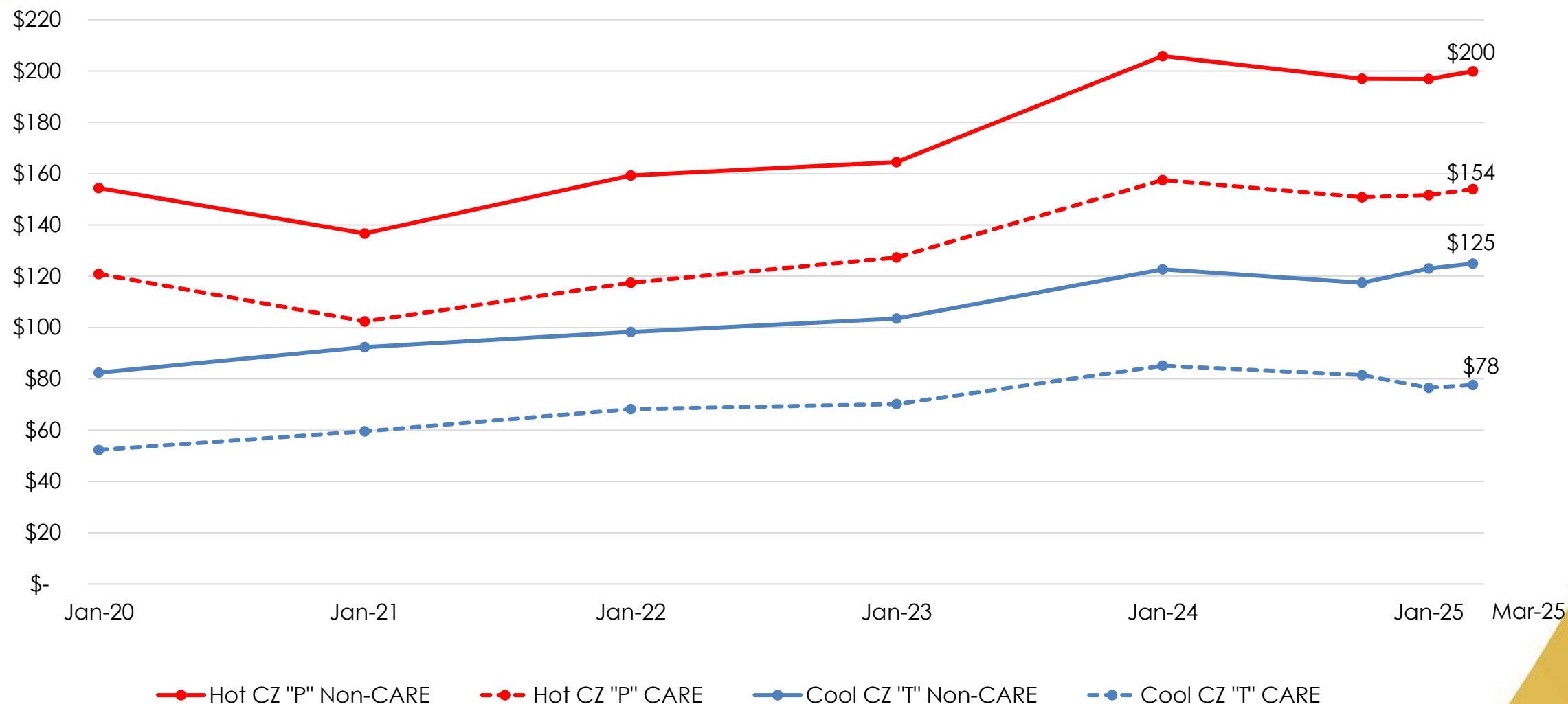
The chart above is based on latest figures as of February 2025 and includes wildfire-related insurance and the Wildfire Fund Charge. Some historical data for Jan 2023 or June 2024 may have been updated by the IOUs and reflected in any change from the figures presented in the Q3 2024 Report. For more context, please visit our website and related memo: <https://www.publicadvocates.cpuc.ca.gov/press-room/reports-and-analyses/wildfire-cost-increases-of-california-electric-iou>

*A revenue requirement is the total amount a utility is authorized to collect from customers to cover its costs – including operations, maintenance, taxes, depreciation, and a return on investment.

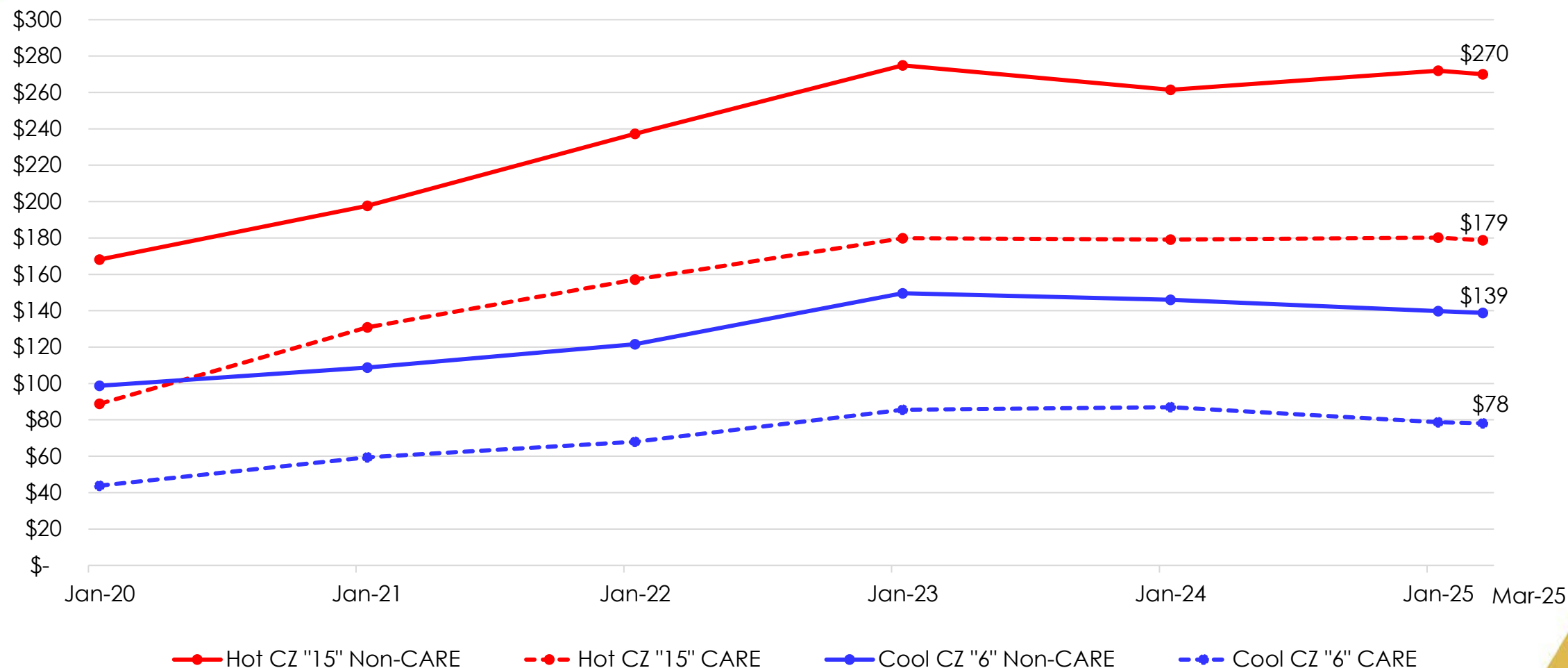
Historic Trend of Average Electricity Bills for CARE* and Non-CARE Customers

Using a Sample of Hot & Cool Climate Zones
from each IOU's Service Territory

PG&E's Average Monthly Electricity Bills for CARE & Non-CARE Customers in Hot and Cool Climate Zones

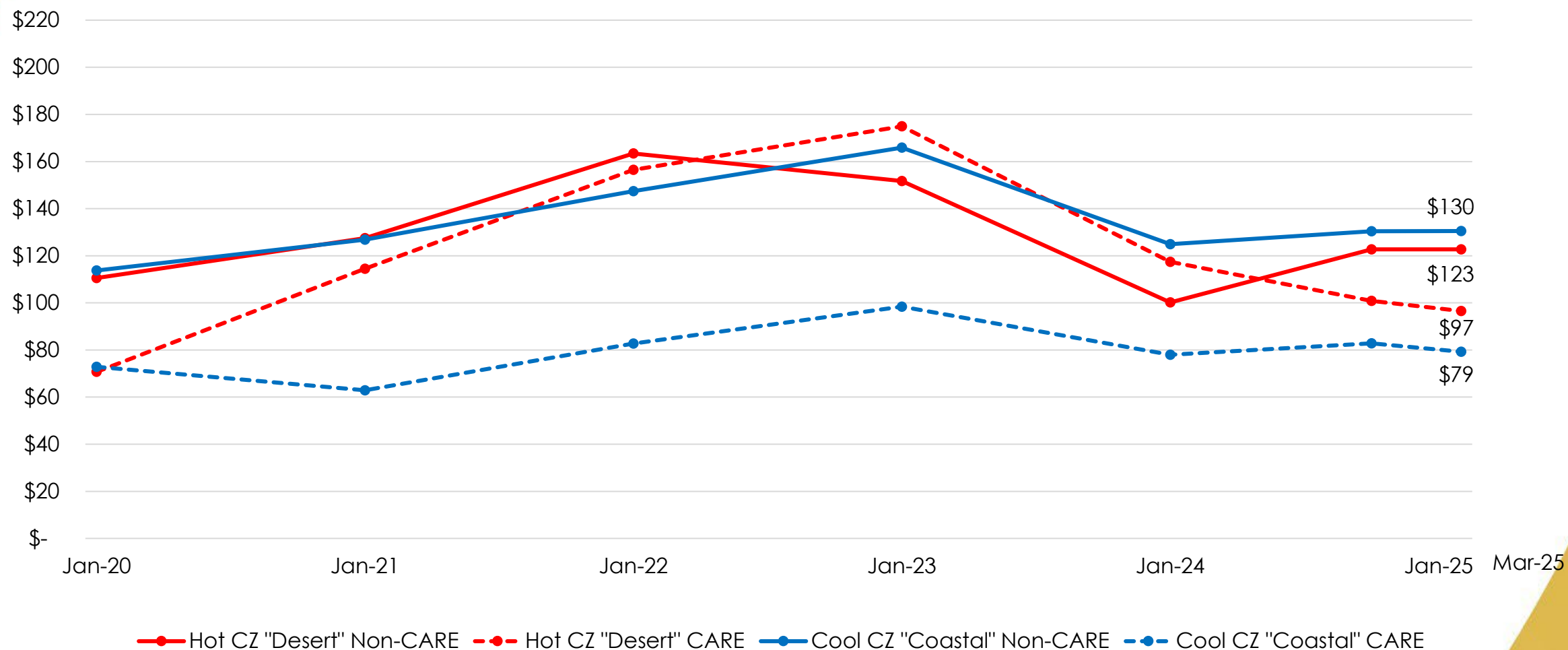


SCE's Average Monthly Electricity Bills for CARE & Non-CARE Customers in Hot and Cool Climate Zones



SCE's 15 hot climate zone has relatively high average usage of around 790 kWh monthly usage across Non-CARE & CARE customers. For Comparison, 6 cool CZ customers average around 385 kWh of monthly electricity usage.

SDG&E's Average Monthly Electricity Bills for CARE & Non-CARE Customers in Hot and Cool Climate Zones



SDG&E's Non-CARE customers in its Coastal Climate Zone use more electricity on average in the Winter season than Non-CARE customers in SDG&E's Desert Climate Zone.

More information

We develop recommendations to ensure that energy, water, and communications services provided by investor-owned utilities are affordable, safe, and reliable.

Visit our website at www.publicadvocates.cpuc.ca.gov

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Appendix

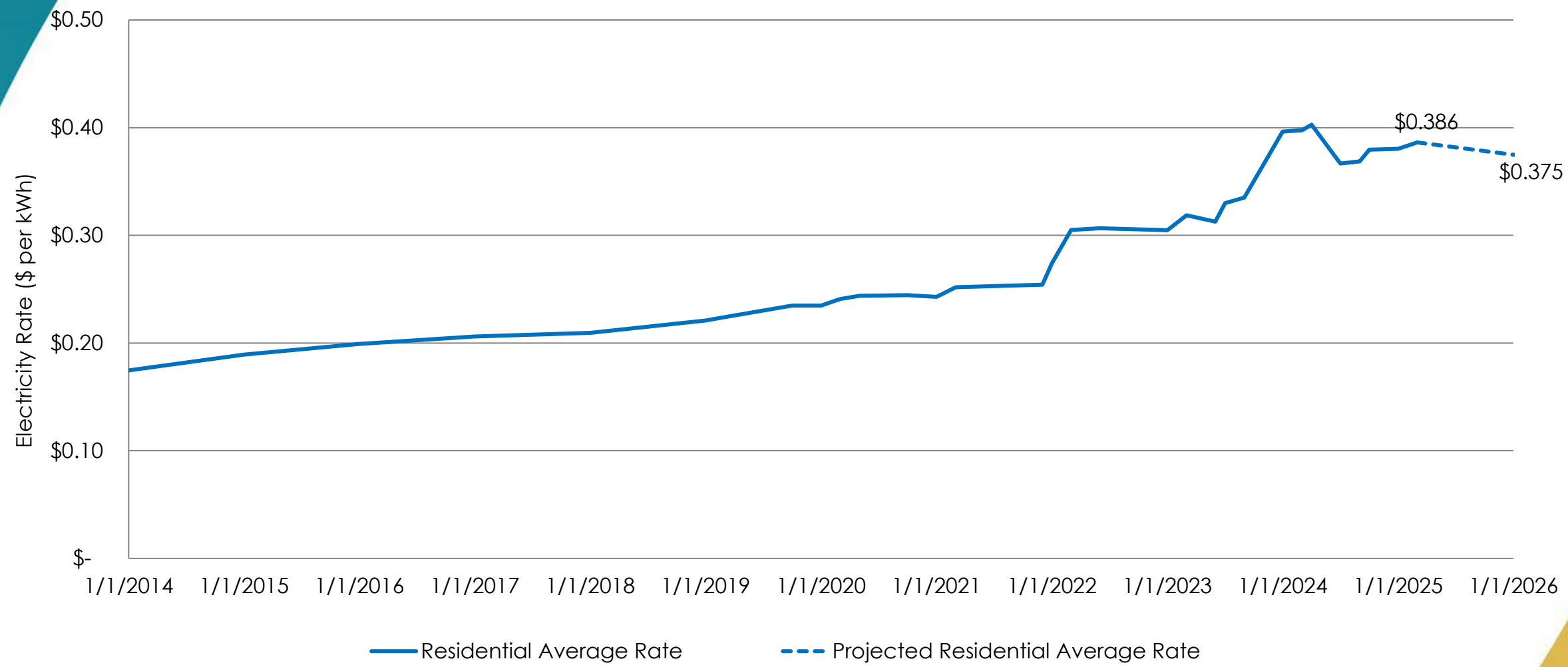
Assumptions & Additional Utility Data

Electric Vehicle (EV) Fuel Price Parity Assumptions (Slide 10)

- Internal Combustion Engine (ICE) MPG: 28
- EV MPGe: 100
- \$/Gallon Range: 4.60 – 6.00
- kWh/Gallon (EPA est.): 33.7

$((\text{EV MPGe} / \text{ICE MPG}) * \$/\text{Gallon}) \div \text{kWh/Gallon}$
= \$0.487 to \$0.636 \$/ kWh equivalent

PG&E Rate Change | Residential Average Rate



Expected rate decrease from 3/1/2025 to 1/1/2026 is due primarily to implementing PG&E's pending request for a \$2.38 Billion credit to ratepayers, from A.24-06-013.

*Excluding Climate Credit (CCC reduces RAR by around 2-3 cents).

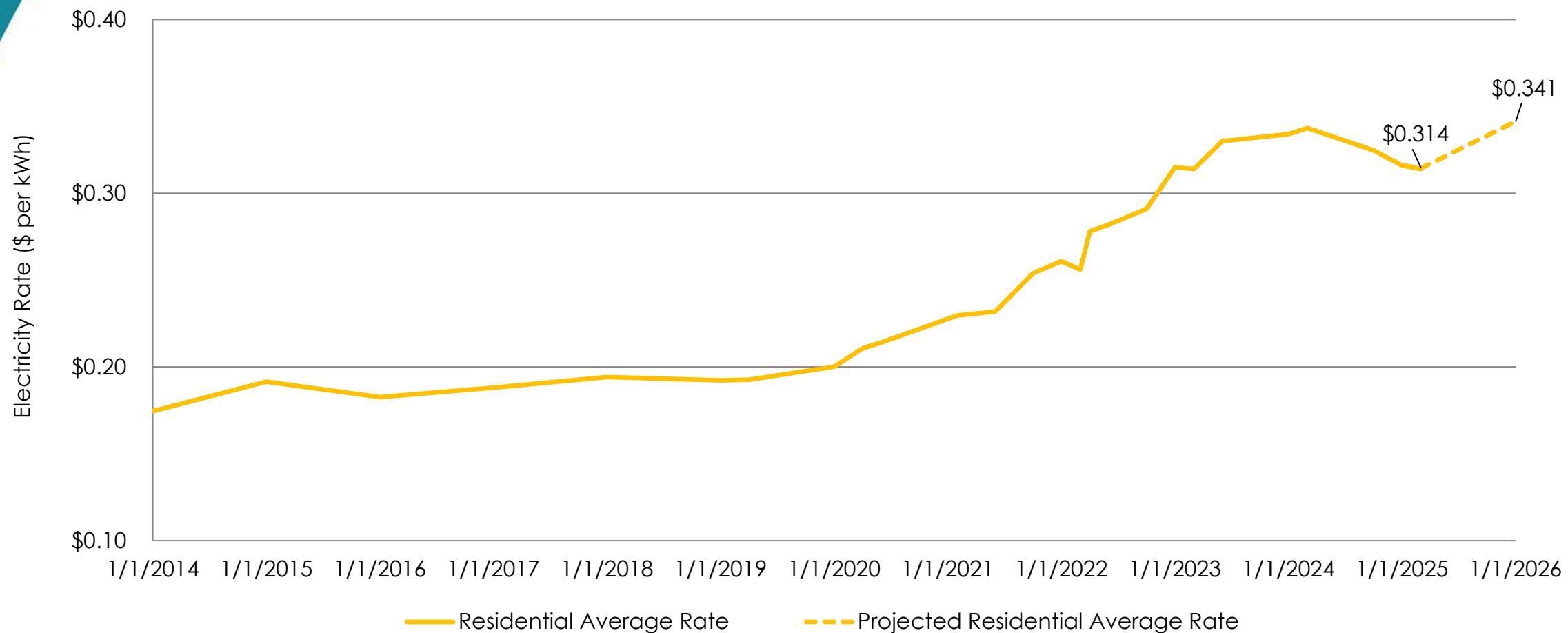
PG&E Q1 2025 Changes to Revenue Requirement

On February 26, 2025, PG&E submitted Advice Letter 7516-E, to update electric rates effective March 1, 2025. Noteworthy changes include:

- **2021 Wildfire Mitigation and Catastrophic Events (WMCE) Vegetation Management Balancing Account (VMBA)** – PG&E is implementing the approved total electric distribution revenue requirement of \$502.8 million in distribution rates over a 12-month period effective March 1, 2025.
- **End of Recovery of 2020 WMCE** – On February 2, 2023, the CPUC issued D.23-02-017, granting PG&E's request and authorizing recovery of \$1.038 billion in revenue amortized over 2 years. In this advice letter, PG&E is removing the 2020 WMCE annualized electric distribution revenue requirement as 2 years have concluded.

March 1, 2025, Rate Change: The authorized revenue requirement, sales forecast, and rate design changes resulted in a residential average rate (RAR) increase of approximately **1.6%** for bundled service customers relative to rates in effect on January 1, 2025.

SCE Rate Change | Residential Average Rate



Expected rate increase from 3/1/2025 to 1/1/2026 is due primarily to implementing SCE's 2025 GRC, from A.23-05-010.

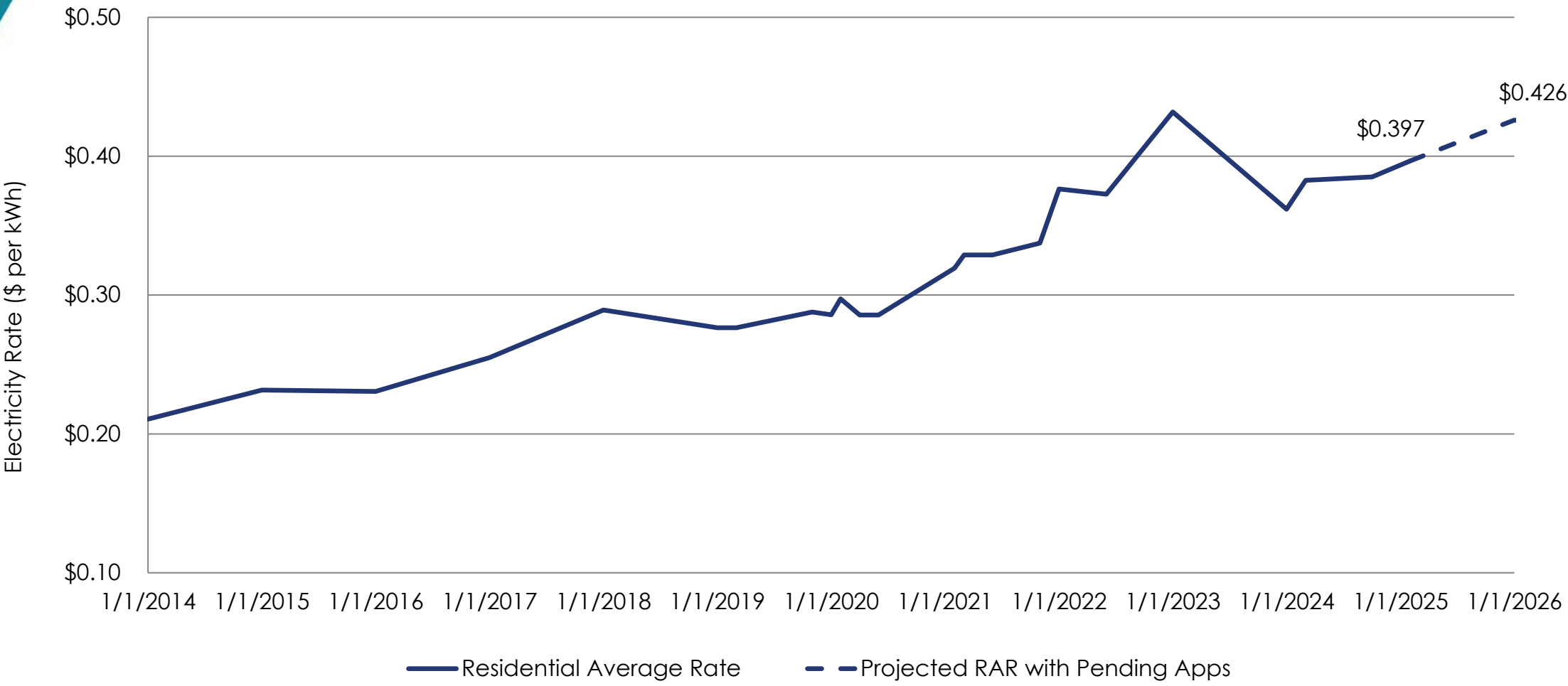
SCE Q1 2025 Changes to Revenue Requirement

On February 26, 2025, SCE submitted Advice Letter 5484-E, to update electric rates effective March 1, 2025. Noteworthy changes include:

- **Update to the 2021 GRC Track 2 O&M** – On December 3, 2021, in accordance with D.21-10-025, SCE submitted Advice Letter 4658-E to set the amortization period for recovering Track 2 of its O&M expenses totaling \$401 million. This implementation set a 36-month amortization period, which ended on February 28, 2025. As a result, SCE is removing \$135.162 million from its March 1, 2025, revenue requirement.
- **Update to the 2020 Incremental Uncollectibles** – The approval of Advice Letter 4558-E also set a 36-month amortization period for Track 2 of SCE's 2020 Incremental Uncollectibles expense totaling \$77 million, which ended on February 28, 2025. As a result, SCE is removing \$25.7 million from its March 1, 2025, revenue requirement.

*March 1, 2025, Rate Change: The authorized revenue requirement, sales forecast, and rate design changes resulted in a residential average rate (RAR) decrease of approximately **-0.8%** for bundled service customers relative to rates in effect on January 1, 2025.*

SDG&E Rate Change | Residential Average Rate



Expected rate increase from 2/1/2025 to 1/1/2026 is primarily due to implementing SDG&E's 2024 GRC, from D.24-12-074.

*Excluding Climate Credit (CCC reduces RAR by around 2-3 cents).

SDG&E Q1 2025 Changes to Revenue Requirement

On January 21, 2025, and January 29, 2025, SDG&E submitted Advice Letters 4588-E and 4588-E-A, to update electric rates effective February 1, 2025. Noteworthy changes include:

- **2024 General Rate Case (GRC)** – Updates to SDG&E's electric revenue requirements from the approval of its 2024 GRC in D.24-12-074 will increase revenue requirements by \$295 million compared to October 1, 2024, revenue requirements.
- **Non-Fuel Generation Balancing Account (NGBA) Update** – Updates to SDG&E's NGBA will increase revenue requirements by \$156.6 million compared to October 1, 2024, revenue requirements.

*February 1, 2025, Rate Change: The authorized revenue requirement, sales forecast, and rate design changes resulted in a residential average rate (RAR) increase of approximately **2.3%** for bundled service customers relative to rates in effect on October 1, 2024.*