



Q3 2025 Electric Rates Report

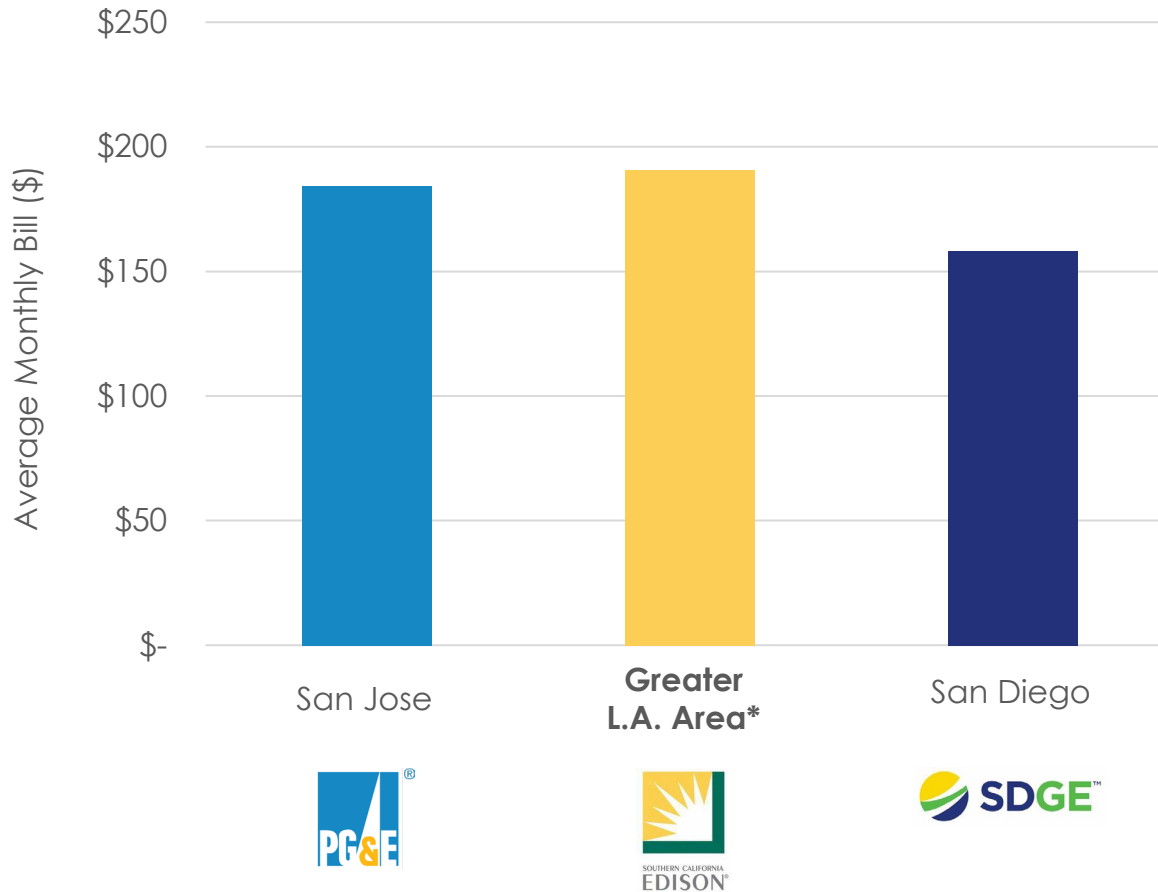
The Public Advocates Office at the California Public Utilities Commission
November 2025

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 **October 1, 2025**.

Bills compound affordability challenges across the state

Average September 1, 2025, Electric Bill by City



- 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.

Source: Public Advocates Office analysis of utility data and household consumption for unsubsidized (Non-CARE) customers

*Los Angeles Department of Water and Power services the City of Los Angeles.

Nearly 1 in 5 households are behind on their energy bills

	# of Customers in Arrears	% of Customers in Arrears	Average Amount Owed
PG&E	1,151,574	20%	\$656
SCE	834,608	18%	\$835
SDG&E	493,446	36%	\$281
Combined	2,479,628	21.2%	\$642

Residential average rates have significantly increased

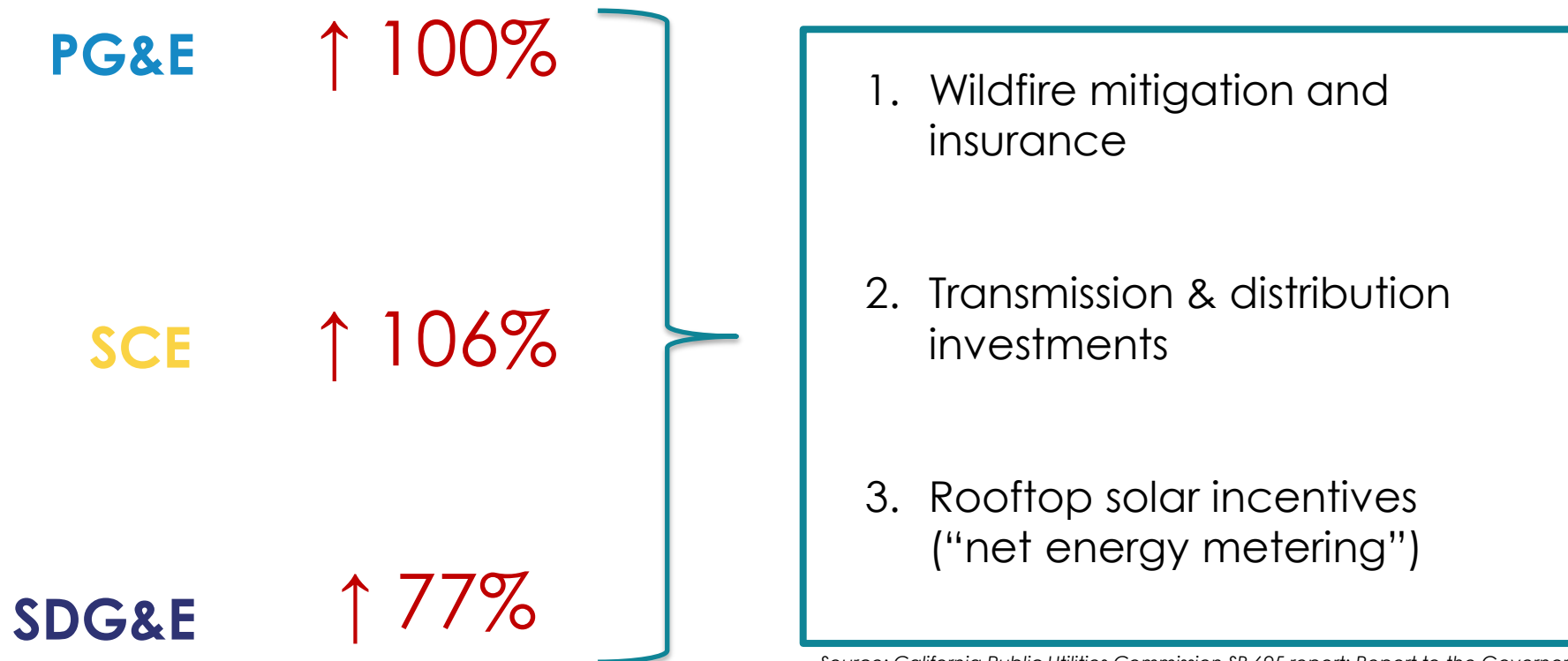
	Average Rate (\$ per kWh)	3-year Change Jan 2022 to October 2025	10-year Change Jan 2015 to October 2025
PG&E	\$0.378	↑ 38%	↑ 100%
SCE	\$0.353	↑ 41%	↑ 106%
SDG&E	\$0.410	↑ 9%	↑ 77%

Main electricity rate drivers

10-Year Change

Jan 2015 to October 2025

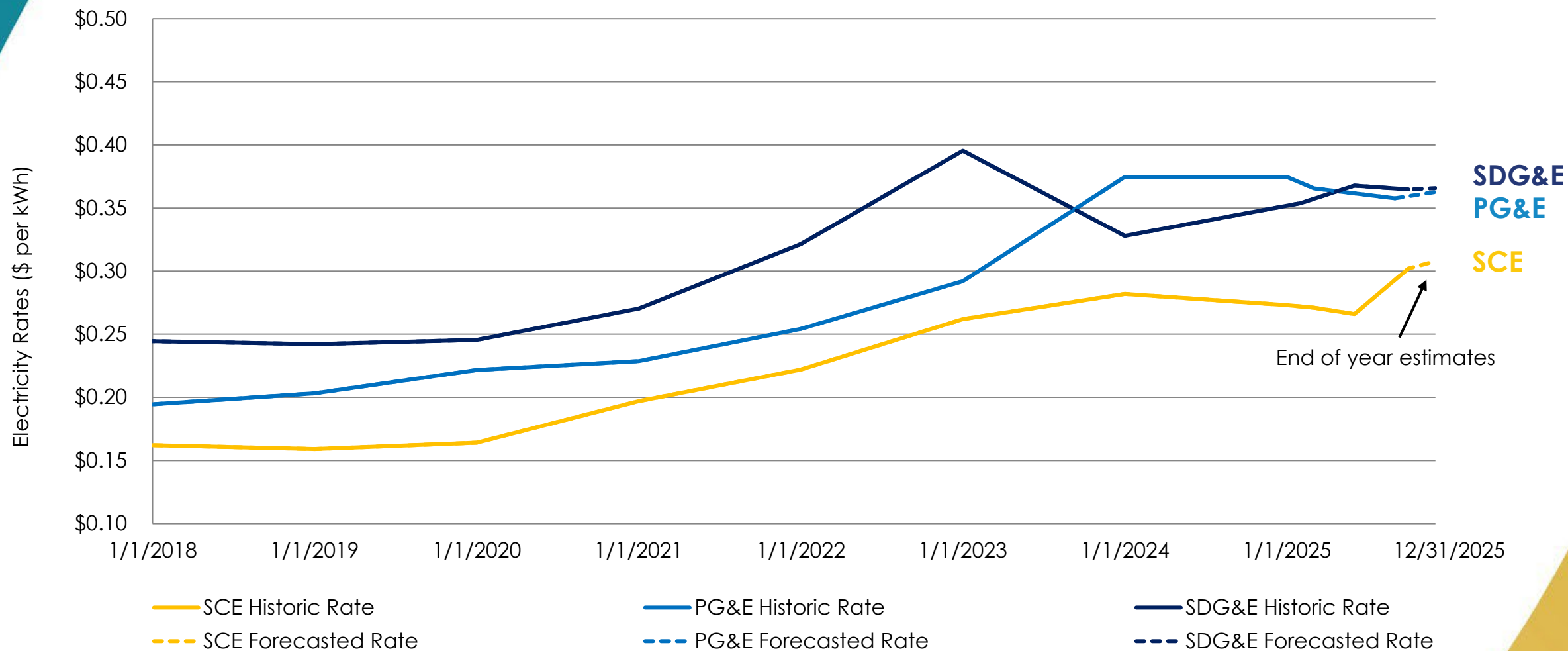
Primary Statewide Drivers



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.

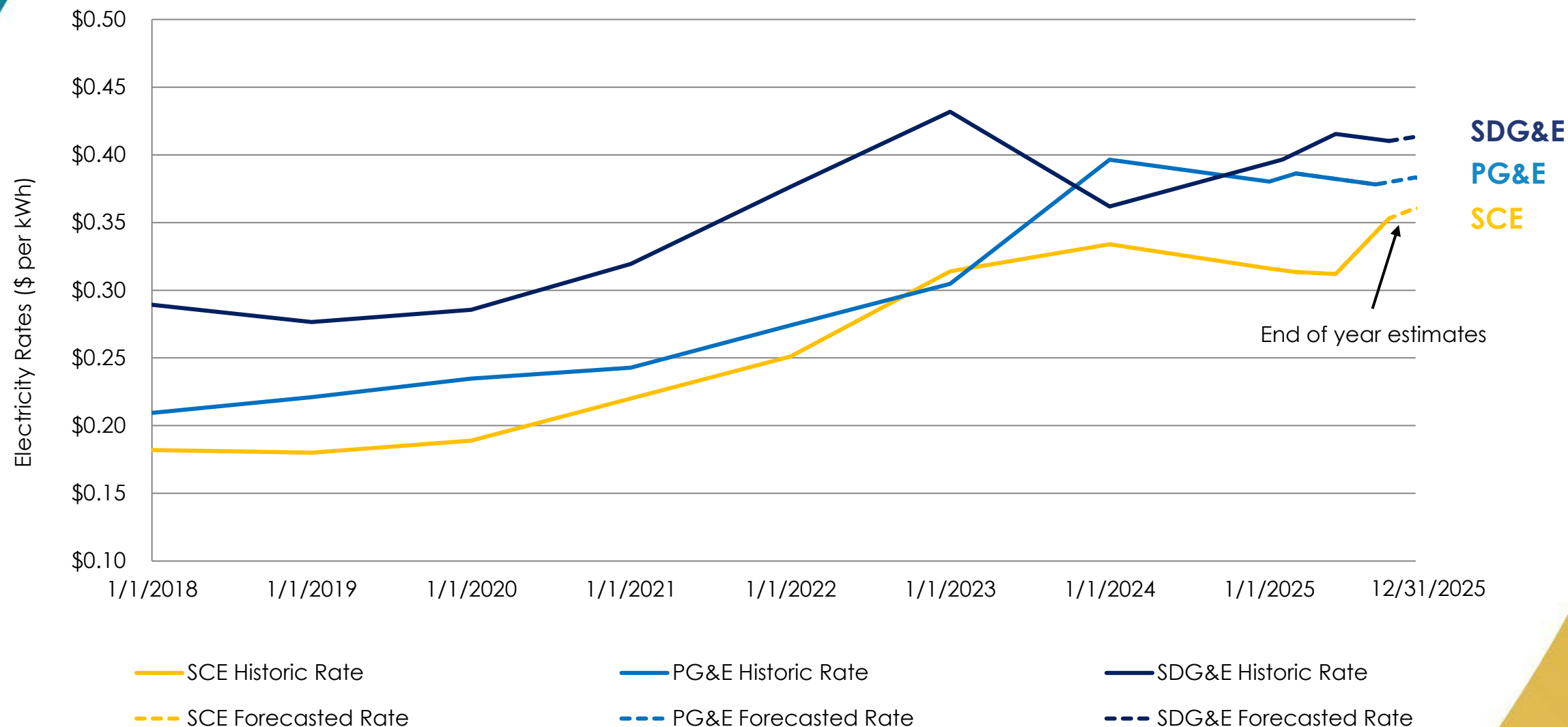


*System Average Rate Formula: Bundled customer authorized and pending revenue requirement (\$)/Bundled authorized forecasted sales (kWh).

Forecasted rates only include known revenue change requests and will likely increase as future revenue change requests are filed.

Source: Investor-Owned Utility Advice Letters (California Rates) for historic rates and utility submitted Cost and Rate Trackers for forecasted rates.

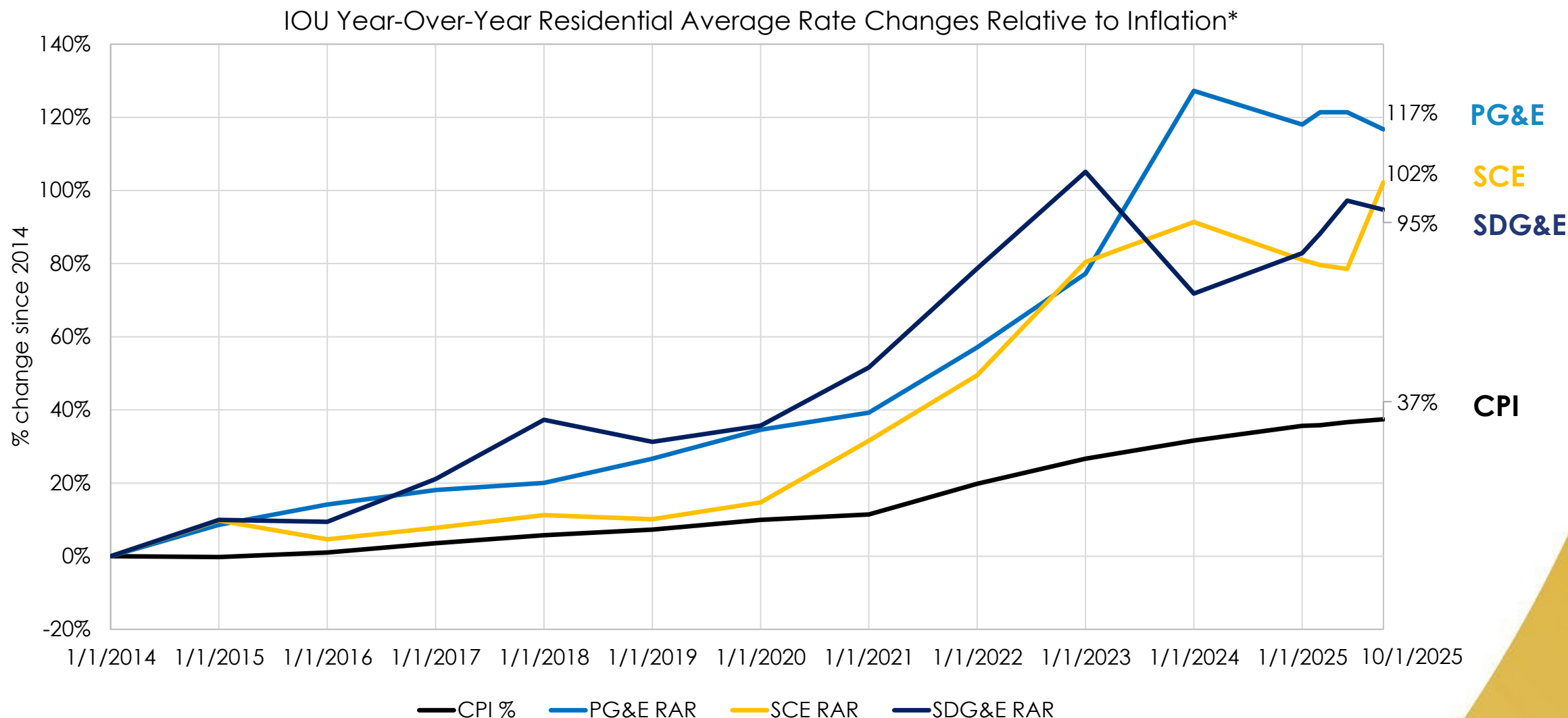
Average Residential Electricity Rates (RAR)



CA rates represent residential average rates excluding California Climate Credit. Forecasted rates only include known revenue change requests and will likely increase as future revenue change requests are filed.

Source: Investor-Owned Utility Advice Letters (California Rates) for historic rates and utility submitted Cost and Rate Trackers for forecasted rates.

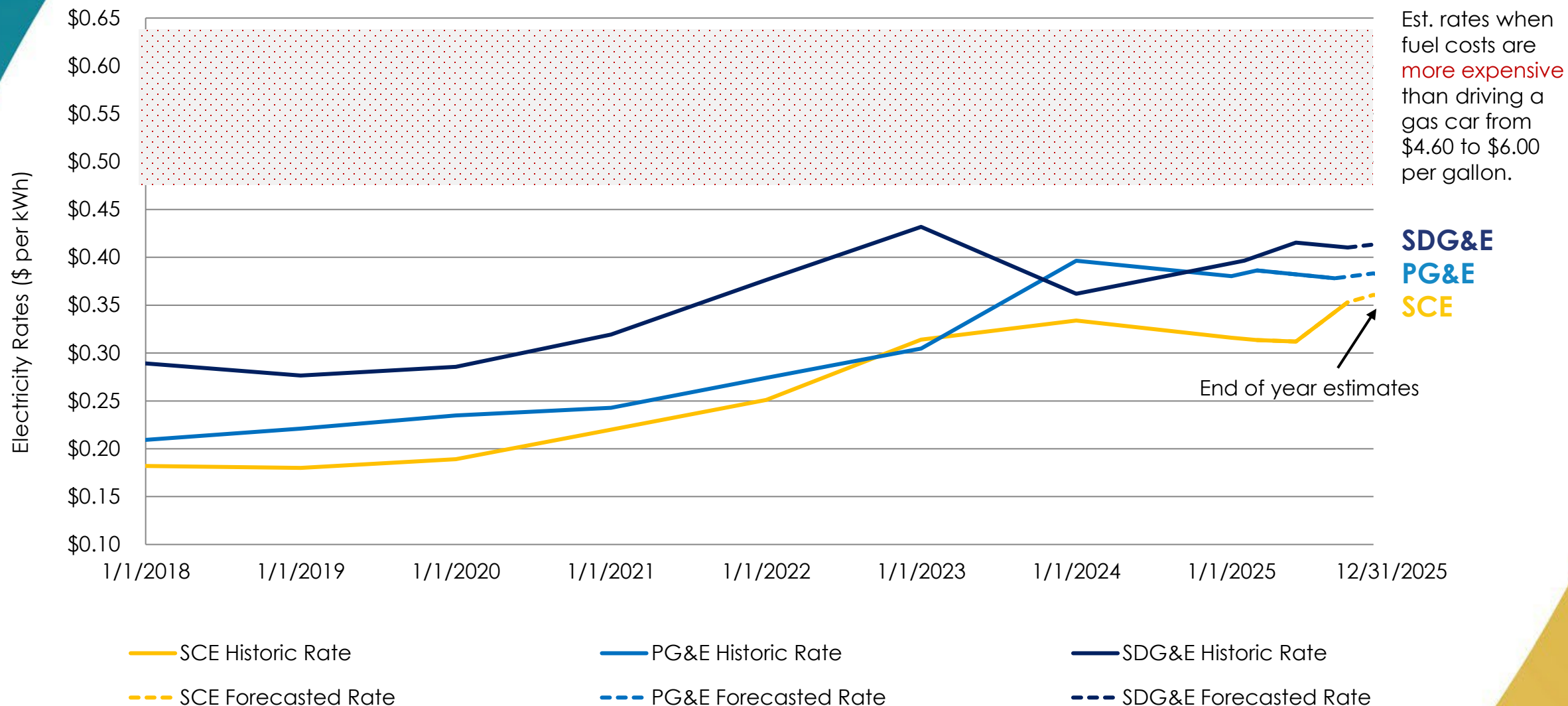
Rates have increased substantially since 2014, surpassing inflation



*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/dsrf?cu> as of October 1, 2025.

**For details on primary drivers of rate changes in Q3 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	Oct 2025	% of Total RRQ 2025
PG&E	\$2,398,830,000	15%	\$5,326,645,000	25%	\$3,638,277,000	19%
SCE	\$1,447,261,000	9%	\$2,026,051,000	11%	\$2,582,118,000	15%
SDG&E	\$372,233,000	9%	\$595,578,000	15%	\$760,797,000	18%

The chart above is based on latest figures as of October 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 Q2 2025 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>

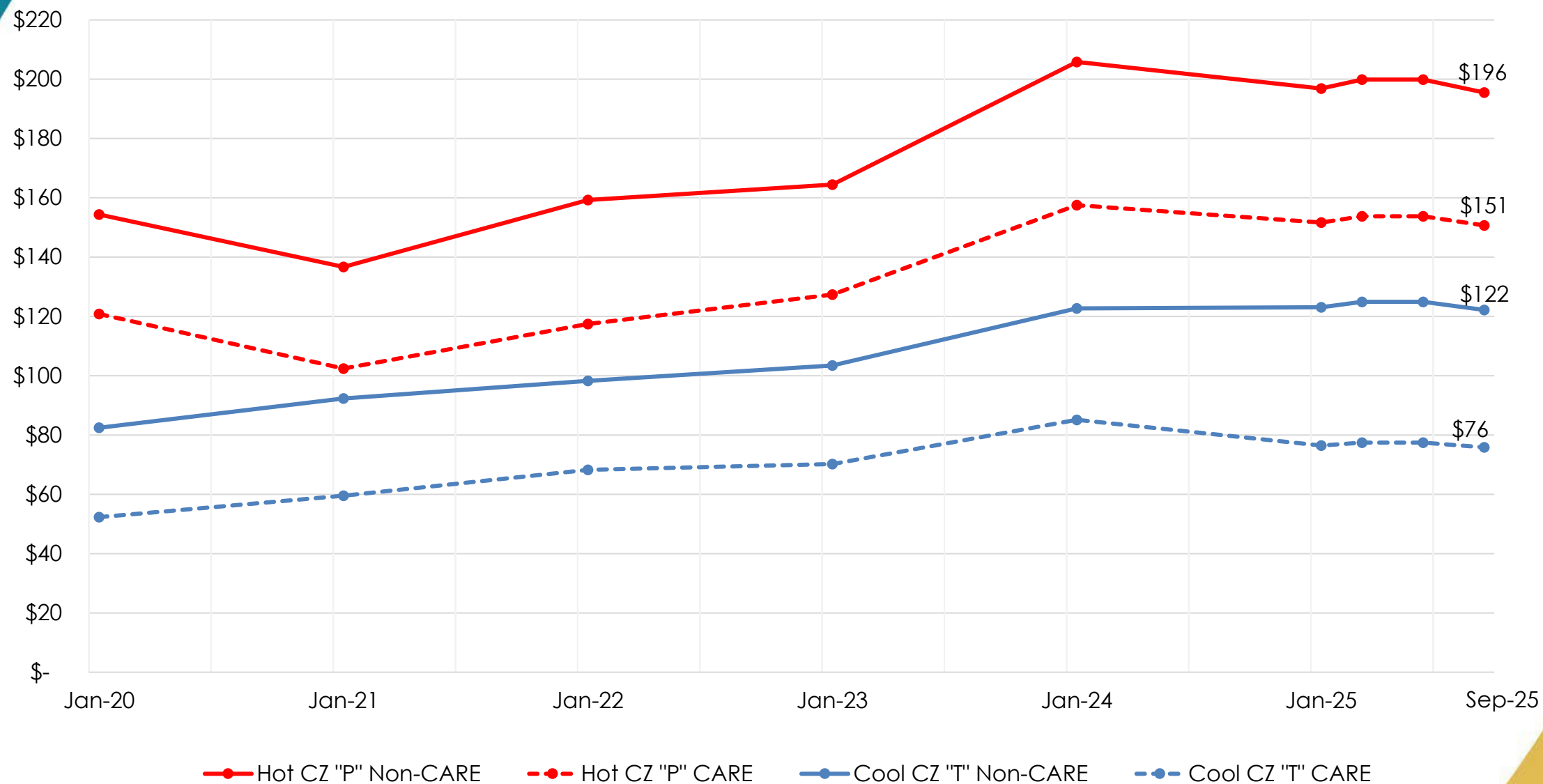
*A revenue requirement is the total amount a utility is authorized to collect from customers to cover its costs – including operations, maintenance, taxes, depreciation, and a return on investment.

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

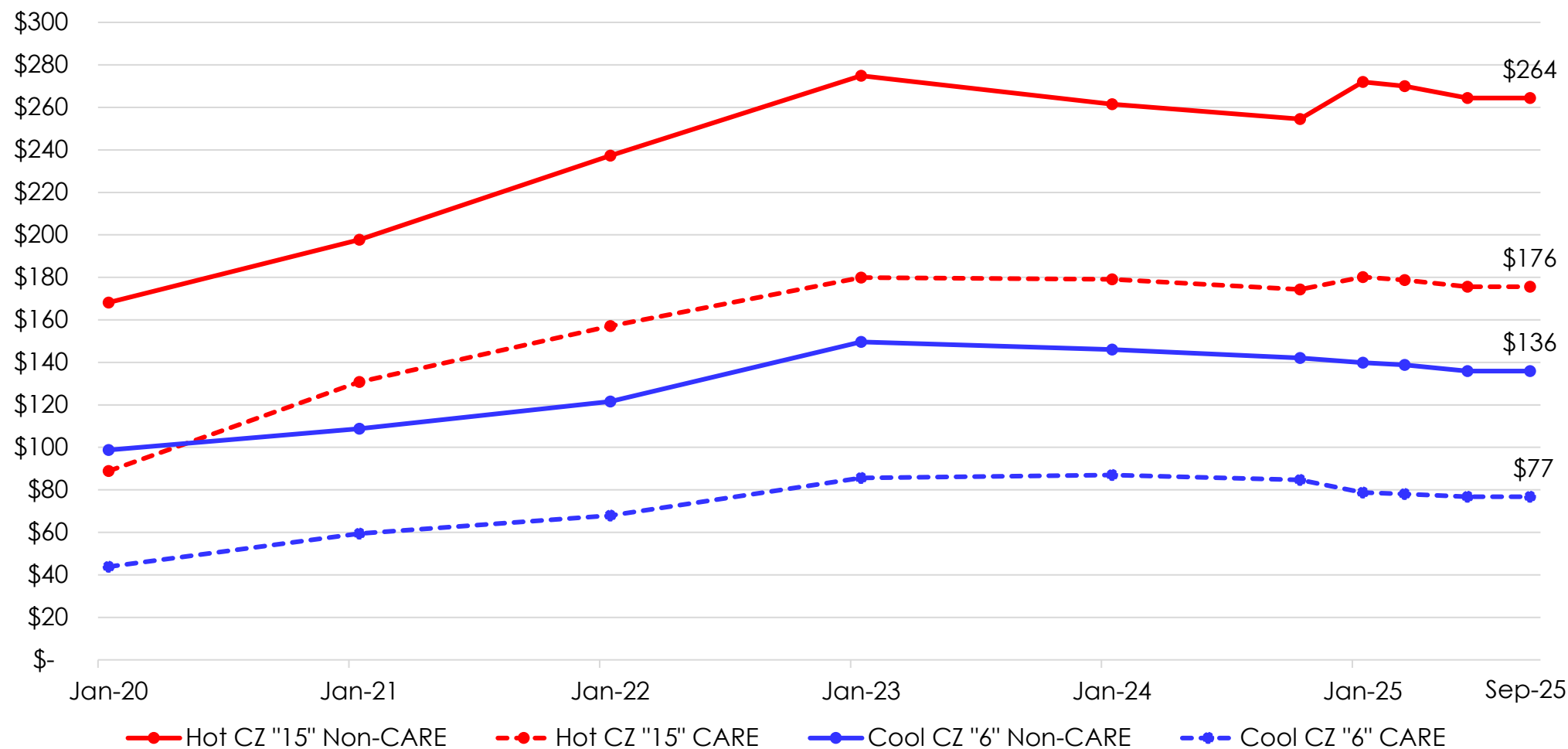
Using a Sample of Hot & Cool Climate Zones
from each IOU's Service Territory

*CARE customers are those households with incomes at or below 200% of the Federal Poverty Level and enrolled in the California Alternate Rates for Energy (CARE) program, which provides them a 30-35% discount on their energy bills. With exemptions from certain costs and implementation of the Base Services Charge, CARE customers will see total discounts of approximately 40%.

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

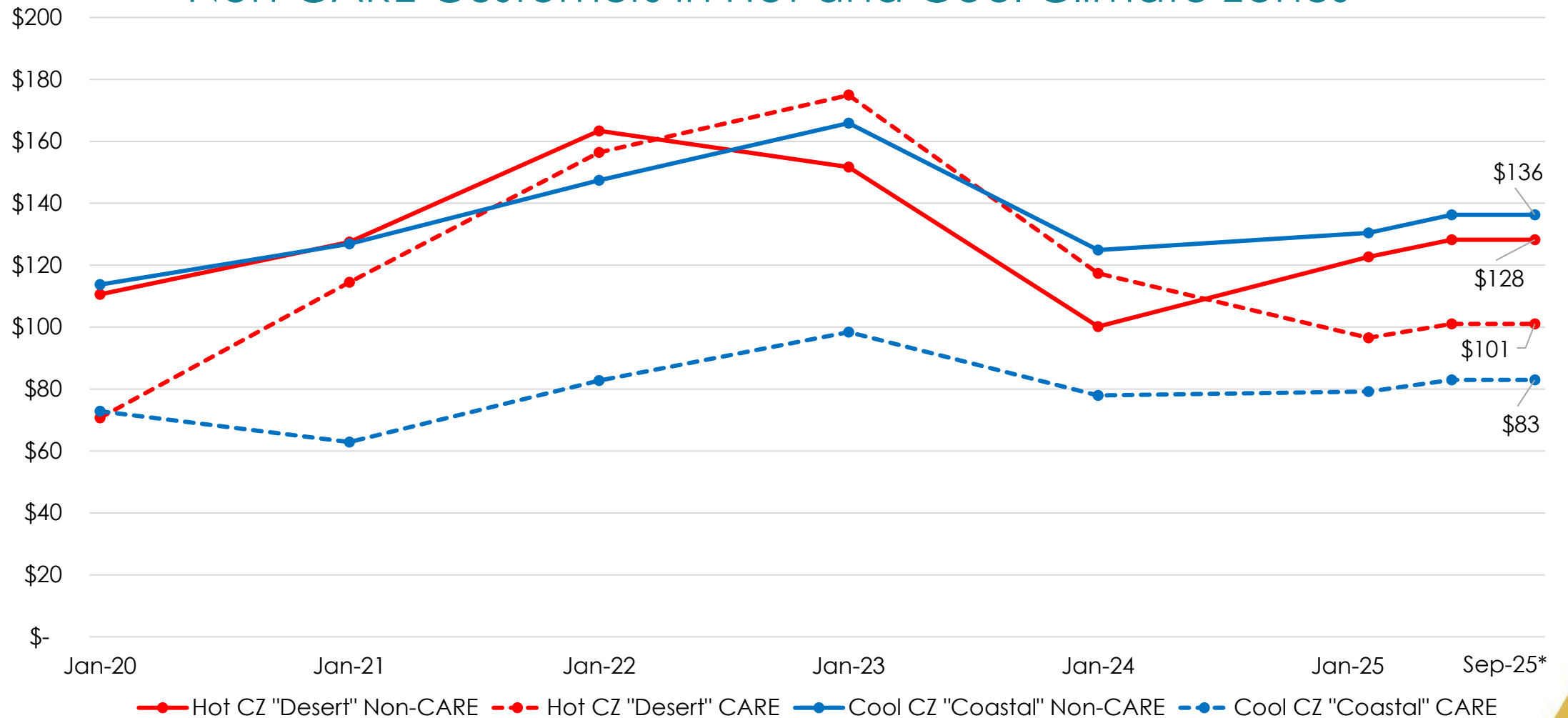


SCE's Average Monthly Electricity Bills for CARE & Non-CARE Customers in Hot and Cool Climate Zones



SCE's 15 hot climate zone has relatively high average usage of around 785 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 data does not yet reflect implementation of the Base Services Charge that occurred on 10/1/2025. However, SDG&E reports that CARE-eligible customers in all baseline territories realized bill savings upon implementation as required by Decision 24-05-028 (see SDG&E Advice Letter 4701-E).

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

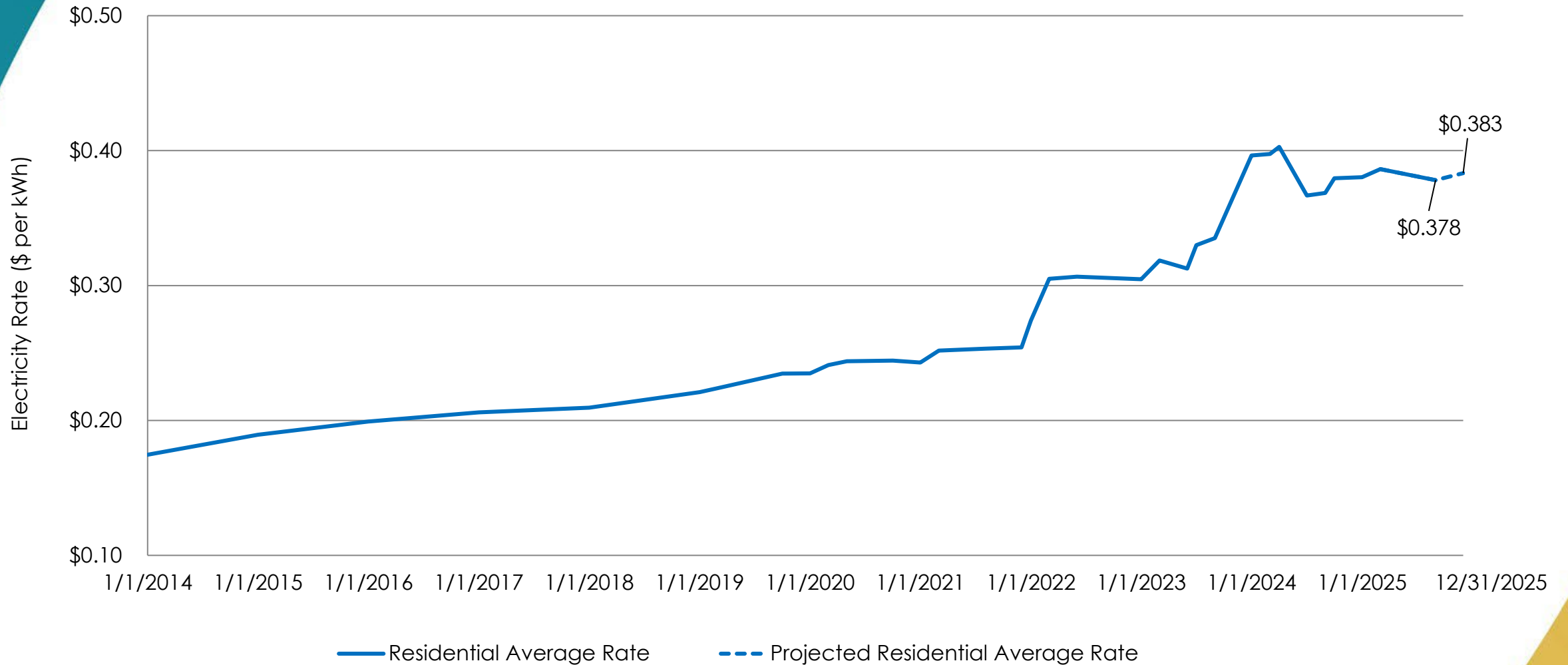
Assumptions & Additional Utility Data

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



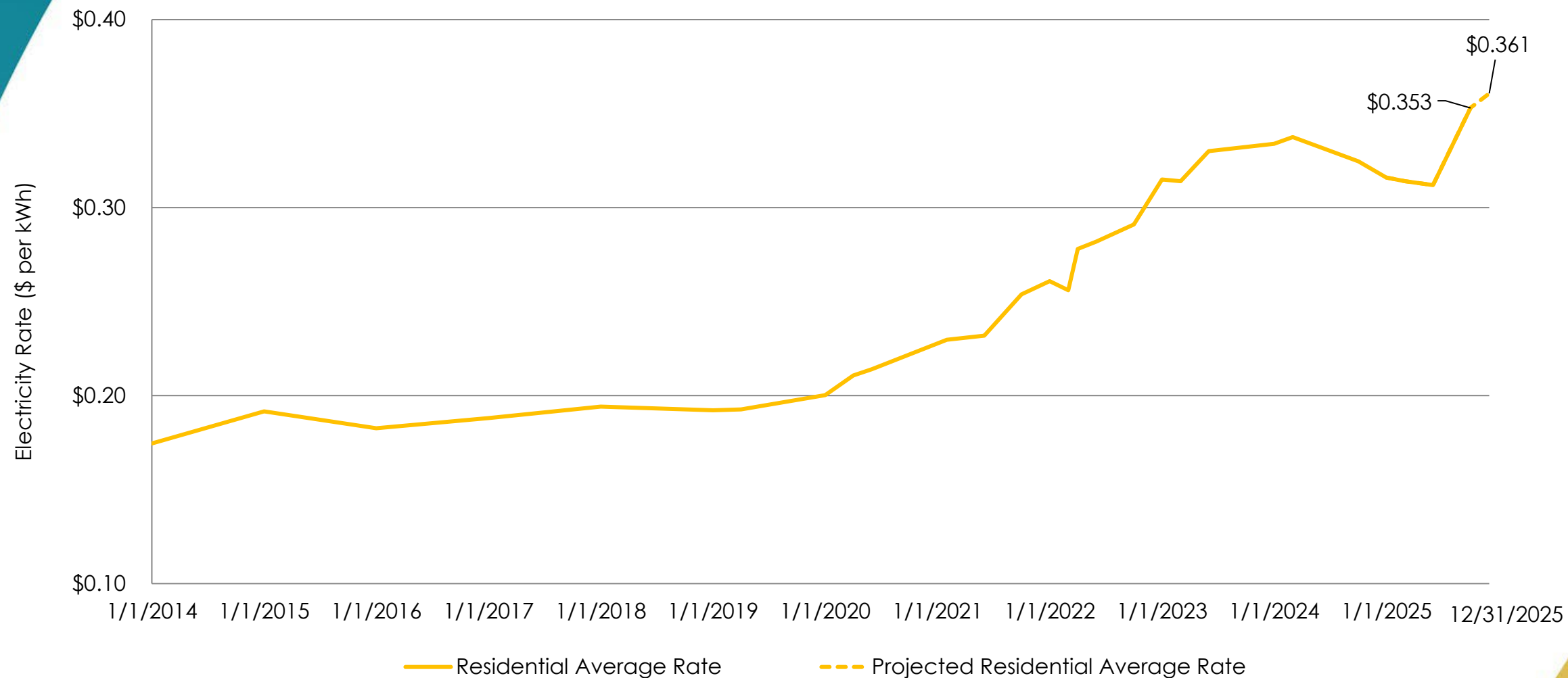
PG&E Q3 2025 Changes to Revenue Requirement

On August 27, 2025, PG&E submitted Advice Letter 7684-E, to update electric rates effective September 1, 2025. Noteworthy changes include:

- **End of Wildfire Mitigation and Catastrophic Events (WMCE) Non-Vegetation Management Balancing Account (VMBA) Recovery** – PG&E is removing the 2021 WMCE annualized electric distribution revenue requirement, recovering a total authorized amount of \$872.331 million over 2 years, as 2 years have concluded.
- **End of Wildfire Gas and Safety Costs (WGSC) Interim Rate Recovery (IRR)** – On March 7, 2024, the Commission issued D.24-03-006, authorizing PG&E to recover, on an interim basis, a maximum of \$516 million in revenue over a period of at least 12 months. In this advice letter, PG&E is removing WGSC IRR from rates as the maximum IRR revenue requirement has now been collected.

September 1, 2025, Rate Change: The authorized revenue requirement, sales forecast, and rate design changes resulted in a residential average rate (RAR) decrease of approximately **2.1%** for bundled service customers relative to rates in effect on March 1, 2025.

SCE Rate Change | Residential Average Rate



Expected rate increase from 6/1/2025 to 12/31/2025 is due primarily to implementing SCE's 2025 GRC, from A.23-05-010.

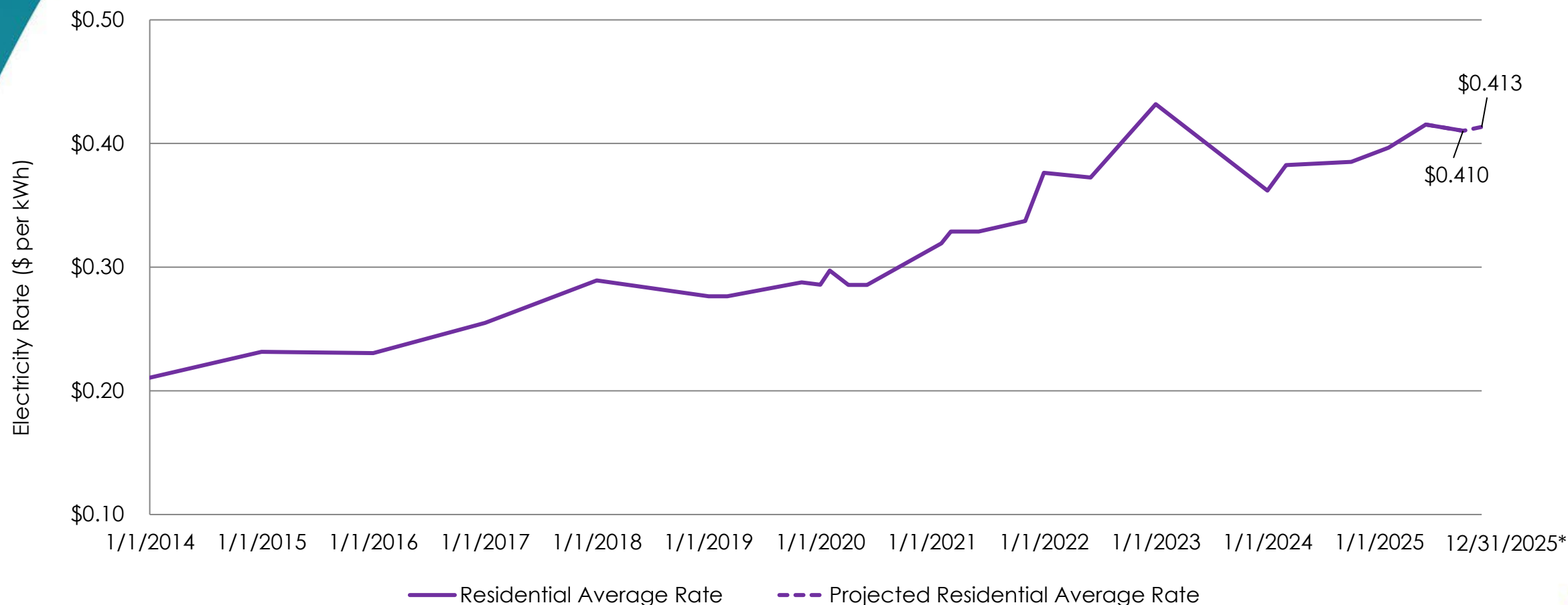
SCE Q3 2025 Changes to Revenue Requirement

On October 1, 2025, SCE submitted Advice Letter (AL) 5643-E, to update electric rates effective October 1, 2025. Noteworthy changes include:

- **2025 General Rate Case (GRC)** – On September 30, 2025, SCE submitted AL 5642-E to implement an increase of \$1.18 billion in GRC authorized base revenue requirements for the 2025 Test Year, and for the recovery of the January 1, 2025, through September 30, 2025, balance of the GRC Revenue Requirement Memorandum Account (GRCRRMA) for \$902 million to be amortized over a 24-month period. SCE will see an increase of \$1.69 billion from its June 1, 2025, revenue requirement.
- **Implementation of the Base Service Charge** – The Base Service Charge pursuant to D.24-05-028 and Resolution E-5355 will reduce residential volumetric rates but have no impact on class average rates.

*October 1, 2025, Rate Change: The authorized revenue requirement resulted in a residential average rate (RAR) increase of approximately **13.1%** for bundled service customers relative to rates in effect on June 1, 2025.*

SDG&E Rate Change | Residential Average Rate



Expected rates see a slight decrease from 6/1/2025 to 12/31/2025 due to the Catastrophic Emergency Memorandum Account Roll-Off and San Diego Regional Energy Network Roll-Off.

* Rates from 10/1/2025 forward include the Base Service Charge, which reduced residential volumetric rates at the time of implementation but had no impact on class average rates (see SDG&E Advice Letter 4701-E).

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

SDG&E Q3 2025 Changes to Revenue Requirement

On September 30, 2025, SDG&E submitted Advice Letter (AL) 4701-E, to update electric rates effective October 1, 2025. Noteworthy changes include:

- **Revenue Requirement Roll-Offs** – The following requirements, which were collected from October 1, 2024, to September 30, 2025, are rolled off rates:
 - Catastrophic Emergency Memorandum Account Roll-Off: \$29.3 million decrease in Distribution revenues.
 - San Diego Regional Energy Network Roll-Off: \$9.5 million decrease in Public Purpose Program revenues, specifically for Energy Efficiency.
- **Base Service Charge** – The implementation of the residential Base Services Charge, pursuant to D.24-05-028 and Resolution E-5355, is effective October 1, 2025, and will reduce residential volumetric rates but not impact class average rates.

*October 1, 2025, Rate Change: The authorized revenue requirement resulted in a residential average rate (RAR) decrease of approximately **1.5%** for bundled service customers relative to rates in effect on June 1, 2025.*