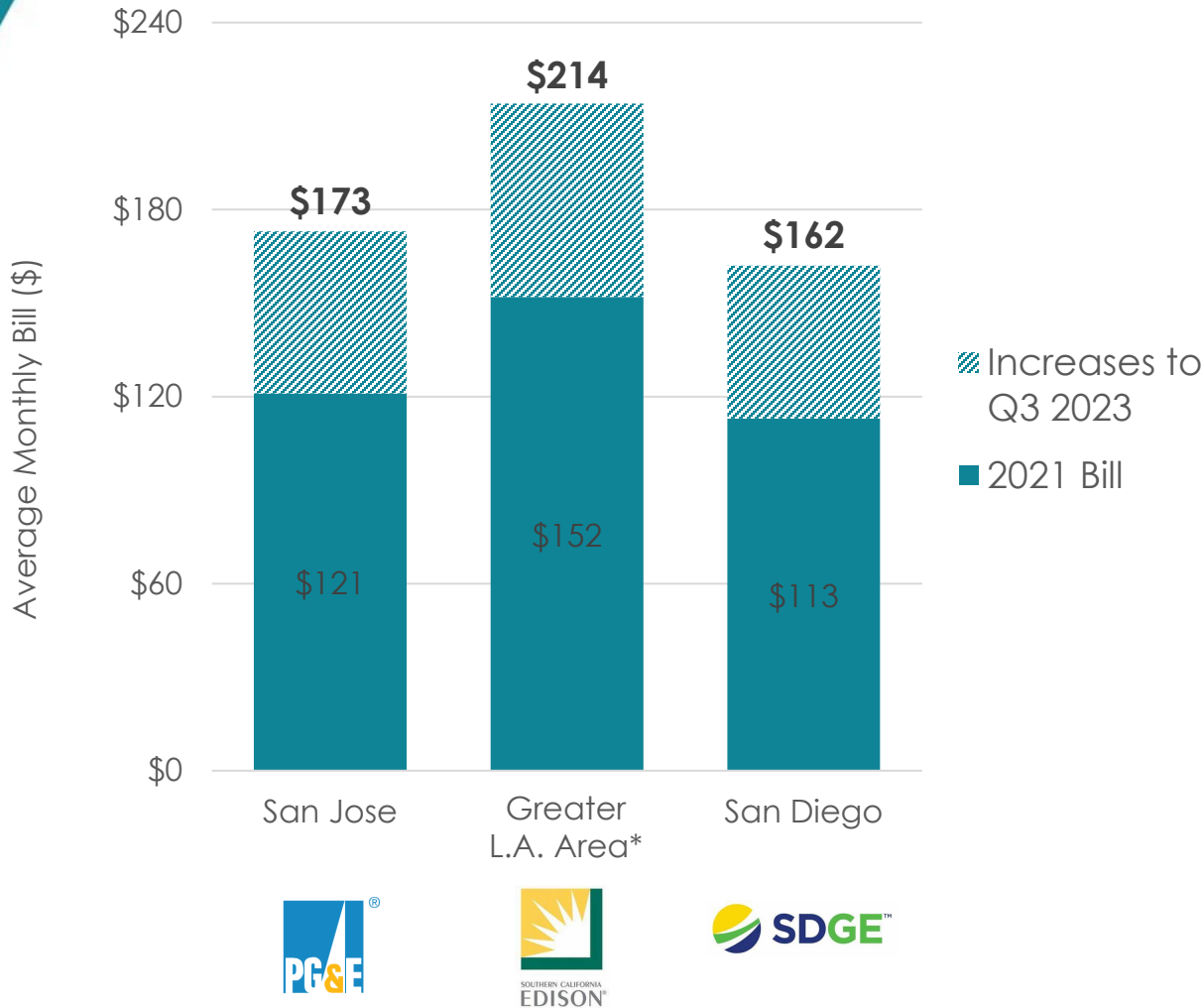


Q3 2023 Electric Rates Report

Public Advocates Office at the CA Public Utilities Commission
October 26, 2023



Representative Residential Power Bills by City



- 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.
- Historical rate increases are described in more detail in the following slides.

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.
- California's retail electric rates regularly change due to many factors. We track those rates and develop recommendations to minimize the cost to ratepayers.
- This report summarizes recent residential electric rate changes across PG&E, SDG&E, and SCE service territories from July 1, 2023 to September 1, 2023.

Average Residential Electric Rate Changes

Monthly Bill Change
Jan 2021 to Sep 2023

3-year Change
Jan 2021 to Sep 2023

10-year Change
Jan 2014 to Sep 2023



↑ **\$52**

↑ **38%**

↑ **92%**



↑ **\$62**

↑ **44%**

↑ **89%**



↑ **\$49**

↑ **35%**

↑ **105%**

10-year Average Residential Electric Rates

Change

Jan 2014 to Sep 2023

Primary Statewide Drivers



↑ **92%**



SOUTHERN CALIFORNIA
EDISON

↑ **89%**

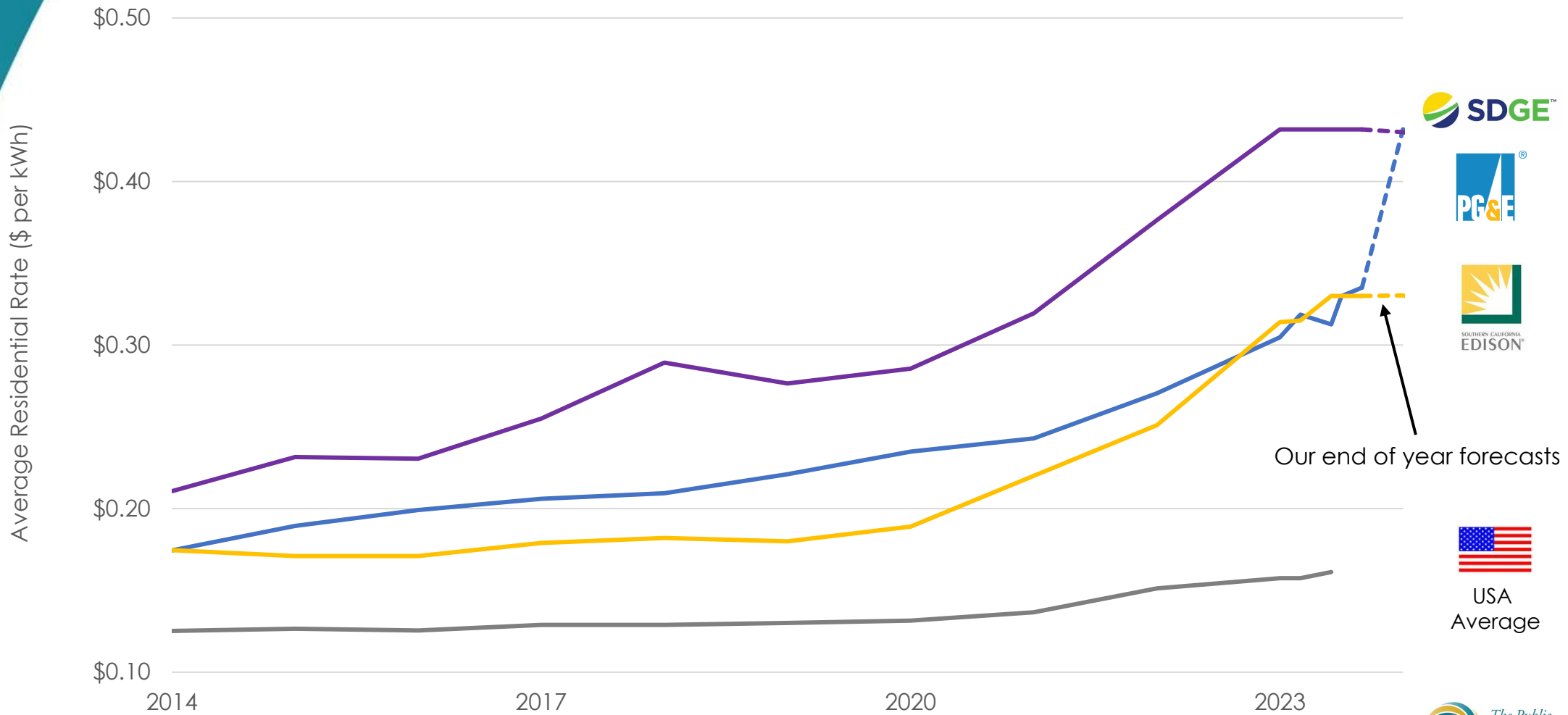


↑ **105%**

1. Wildfire mitigation
2. Transmission and distribution investments
3. Rooftop solar incentives

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

Residential electricity prices are more than twice the national average

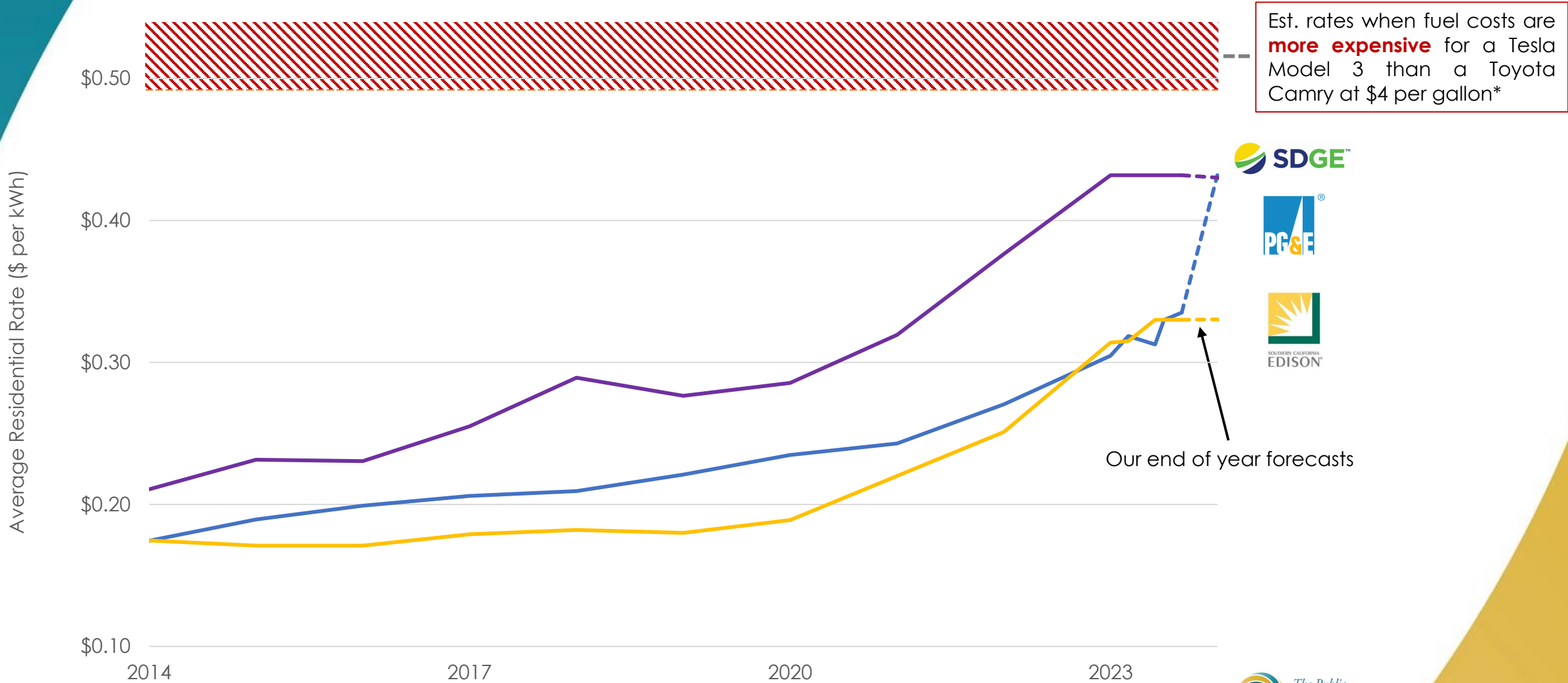


USA Average



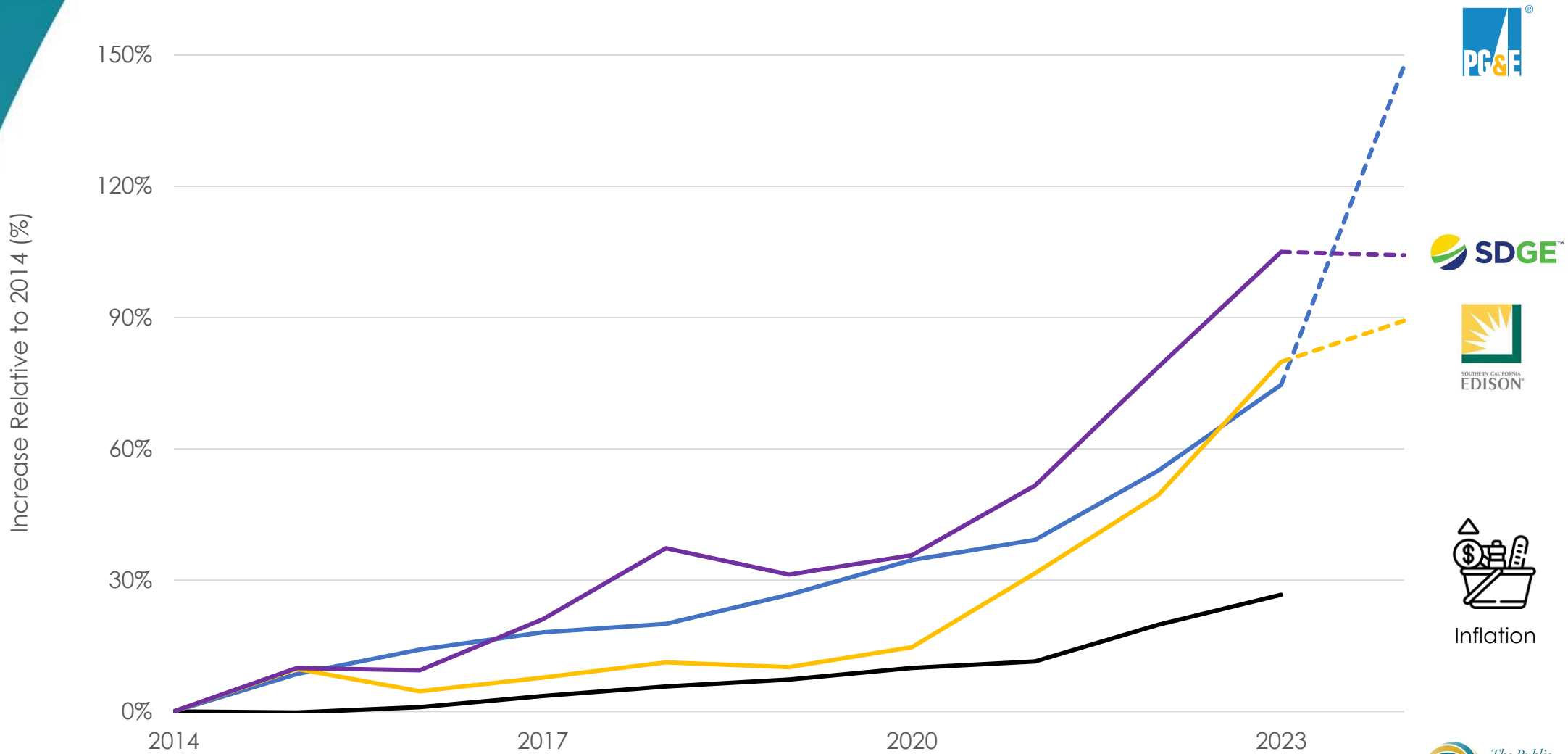
Average residential rates represent bundled Non-CARE customers excluding California Climate Credit. Forecasts may be conservative as they only include pending applications. Sources: Investor-Owned Utility Advice Letters (California Rates) & Energy Information Administration (National Rates)

High electricity prices hinder clean energy transition and electric vehicle adoption



*Calculated based on fuel efficiencies reported to the federal government. Note: electric vehicle rate schedules depend on many factors (e.g., investor-owned utility and time of use). Average residential rates represent bundled Non-CARE customers excluding California Climate Credit. Forecasts may be conservative as they only include pending applications. Sources: Investor-Owned Utility Advice Letters (California rates) & fueleconomy.gov (efficiency)

Residential rate increases far exceed inflation



Average residential rates represent bundled Non-CARE customers excluding California Climate Credit. Forecasts may be conservative as they only include pending applications. Sources: Investor-Owned Utility Advice Letters (California Rates) & the Consumer Price Index (National)

Select Upcoming CPUC Electric Industry Decisions

- **Net Energy Metering (R.20-08-020).** After the CPUC's Winter 2022 decision to update solar compensation for single-family homes, the CPUC will determine whether and how it will update customer solar compensation tariffs applicable to many commercial, industrial and other sites ("virtual net energy metering"). Expected Winter 2023.
- **PG&E General Rate Case (A.21-06-021).** We regard both the Proposed and Alternate Proposed Decisions (PD) as being in the public interest and favor the Alternate PD. The APD authorizes \$13.3 billion revenue requirement for Test Year 2023. By contrast, PG&E requested \$16.2 billion. Expected Winter 2023.
- **PG&E Wildfire Mitigation and Other Costs (A.22-12-009).** Within this case, PG&E is requesting \$412 million from ratepayers in operations & maintenance expenses incurred in 2021 related to wildfire related activities, rebuild costs related to catastrophic events, and other program accounts purported to be above routine activities previously authorized. We recommended recovery of \$276 million, a reduction of \$135 million. Hearings scheduled November 2023.
- **Sempra General Rate Case (A. 22-05-015).** SDG&E is requesting a total of nearly \$3.6 billion from its electric and natural gas ratepayers each year, on average, through 2026. We recommended the CPUC reduce their requested increases by 57% in 2024. Expected Summer 2024.
- **Demand Flexibility Proceeding (R.22-07-005).** The legislature directed the CPUC (AB 205, 2022) to establish a "fixed charge" for residential ratepayers. We developed a detailed proposal that would decrease bills for low-income customers and create stronger incentives for all households to electrify. Required by July 2024.

More information

We develop recommendations that advance the state's climate goals in the most affordable ways for ratepayers.

Visit our website at www.publicadvocates.cpuc.gov

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