

Date of Hearing: May 15, 2024

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 1999 (Irwin) – As Amended May 8, 2024

SUBJECT: Electricity: fixed charges

SUMMARY: Revokes, on July 1, 2028, the income-graduated fixed charge for electric investor-owned utility (IOU) residential customers recently adopted by the California Public Utilities Commission (CPUC), and replaces it with prior statutory language capping the fixed charge at \$5 for California Alternate Rates for Energy (CARE) discounted customers and \$10 for everyone else. Specifically, **this bill:**

- 1) Caps changes to the current income-graduate fixed charge to inflation, as measured by the Consumer Price Index (CPI).
- 2) Revokes the electric IOU residential income-graduated fixed charge on July 1, 2028, and repeals the authorizing statute on January 1, 2029.
- 3) Reinstates on July 1, 2028 previous language capping the fixed charge at \$5 for California Alternate Rates for Energy (CARE) discounted customers and \$10 for everyone else. Removes statutory authorization to make the fixed charge “income-graduated,” and caps any adjustment to the fixed charge to inflation, as measured by annual changes to the CPI.
- 4) Requires any modifications to the fixed charge – either the current income-graduated, or the reinstated \$10 – to be adopted in a standalone proceeding, separate from electric IOU general rate cases (GRCs).
- 5) Prohibits any fixed charge from solely increasing an electric IOU’s profit, by preventing fixed charges from increasing the electric IOU revenue requirement as compared to what the revenue requirement would be if compensated through volumetric charges.
- 6) Requires the CPUC, by July 1, 2027, to submit a report to the Legislature on electric IOU implementation of the fixed charge. The report shall include costs recovered by the fixed charge; customer impacts including bill increases or decreases; effect of fixed charge on building electrification, installation of air conditioning, customer energy conservation, electric vehicle charging patterns, and installation of distributed solar and storage; alternatives to the fixed charge; and steps taken to reduce IOU revenue requirement, as specified.

EXISTING LAW:

- 1) Establishes and vests the CPUC with regulatory authority over public utilities, including electrical corporations. (Article XII of the California Constitution)
- 2) Authorizes the CPUC to adopt new, or expand existing, fixed charges, as defined, for the purpose of collecting a reasonable portion of the fixed costs of providing electrical service to residential customers. (Public Utilities Code § 739.9(d))

- 3) Authorizes the CPUC to establish fixed charges for any rate schedule applicable to a residential customer account, and is required, no later than July 1, 2024, to authorize a fixed charge for default residential rates. Requires these fixed charges to be established on an income-graduated basis, with no fewer than three income thresholds, so that low-income ratepayers in each baseline territory would realize a lower average monthly bill without making any changes in usage. (Public Utilities Code § 739.9(e))
- 4) Requires the CPUC to continue the California Alternative Rates for Energy (CARE) program to provide assistance to low-income electric and gas customers with annual household incomes that are no greater than 200% of the federal poverty guideline levels, and exempts any fixed charge from the discount. (Public Utilities Code § 739.1)

FISCAL EFFECT: Unknown. This bill is keyed fiscal and will be referred to the Assembly Committee on Appropriations for its review.

BACKGROUND:

Affordable Bills and Rate Trends – In January 2024, the U.S. Census Bureau conducted a Household Pulse Survey to quickly collect data on emergent social and economic issues throughout the nation, with data disseminated in near real-time to inform policy actions. The Survey found roughly a quarter of Californians report being “unable to pay energy bills.”¹ This mirrors findings from the Public Advocates Office (PAO) that showed as of November 2023, roughly 22% of Pacific Gas and Electric Company’s (PG&E) customers and roughly 26% of San Diego Gas & Electric (SDG&E) customers were in arrears, with the average amount owed \$550 and \$737, respectively.² Electricity plays a central role in ensuring comfort, safety, sustenance, sanitation, and connectivity. Having roughly 1 in 4 Californians electricity-insecure, or on the cusp of disconnection, is untenable.

Across all three IOUs, rates have increased since 2013.³ As shown in Figure 1, these increases equate to billions of dollars, with all categories of cost increasing – some even doubling – in just 3 years from 2020 to 2023.⁴ According to an analysis by the Public Advocates Office (PAO), the primary drivers for these cost increases arise from wildfire mitigation work, transmission and distribution investments, and rooftop solar incentives.⁵ A recent report by the State Auditor had similar findings.⁶ Wildfire costs, including insurance, was noted by the audit as a key factor in increased utility expenses. Decreasing electricity sales due to solar system adoption was noted in

¹ ~26% of Californians; U.S. Census Bureau, Household Pulse Survey, Phase 4.0, https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&s_state=00006&periodSelector=

² Inclusive of both electric and natural gas customers; pg. 4; PAO slidedeck “Q4 2023 Electric Rates Report;” January 19, 2024; <https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/240119-caladvocates-q4-2023-quarterly-rate-report.pdf>

³ Bundled system average rate; by 37% for PG&E, 6% for SCE, and 48% for SDG&E. Pg. 7; “Utility Costs and Affordability of the Grid of the Future: An Evaluation of Electric Costs, Rates, and Equity Issues Pursuant to P.U. Code Section 913.1,” CPUC, February 2021.

⁴ Data provided to committee by PAO. Source: CPUC data recreated from *2023 Senate Bill 695 Report: Report to the Governor and Legislature on Actions to Limit Utility Cost and Rate Increases Pursuant to PUC Code Section 913.1*. (May 2023)

⁵ Slide 6, PAO slidedeck “Q4 2023 Electric Rates Report;” January 19, 2024; <https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/240119-caladvocates-q4-2023-quarterly-rate-report.pdf>

⁶ State Auditor, 2023; *Ibid*.

the audit to have led to IOUs raising rates for remaining customers to recover fixed costs. Further, the audit found increases in IOU operating costs, which may be inclusive of these other categories, as contributing to increased rates; specifically distribution costs for PG&E, administrative costs for Southern California Edison (SCE), and higher property and non-income taxes for SDG&E.⁷

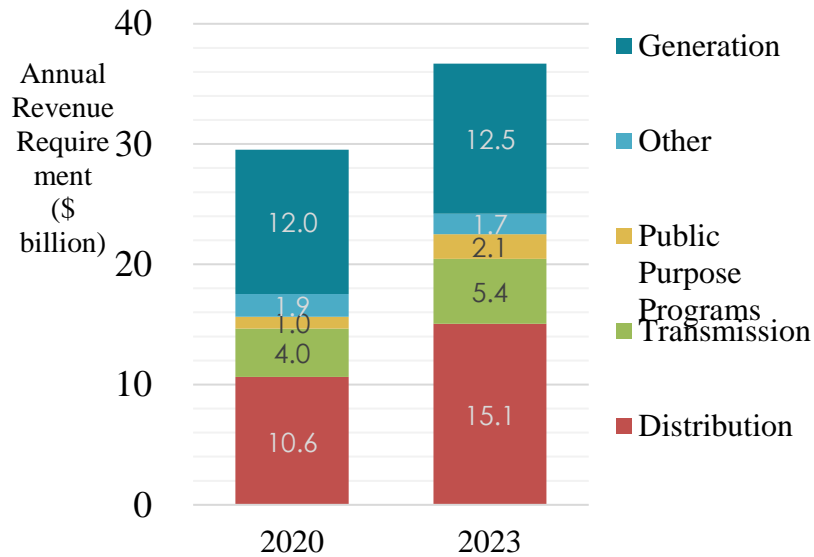


Figure 1. Combined revenue requirement (PG&E, SCE, SDG&E) in 2020 vs. 2023, in which costs increased by category: 43% for distribution, 35% for transmission, 110% for PPP, and only 4% for generation costs.⁸

While these rates are high, the actual electric bill the average residential and industrial customer pays in California is below the national average,⁹ largely attributable to the state’s mild climate and strong commitment to energy efficiency. However, increases in customer electricity usage from greater home electrification – such as at-home electric vehicle charging – are beginning to buck decades of flat customer consumption trends, as shown in Figure 2. The decades-long, relatively flat pace of demand growth occurred despite significant population and economic growth. The current trend away from flat demand represents a new era in electricity demand: one in which demand is growing significantly alongside the cost to serve that demand (the distribution system cost in particular).

⁷ Pg. 1; State Auditor, 2023; *Ibid.*

⁸ Data provided to committee by PAO. Source: CPUC data recreated from 2023 Senate Bill 695 Report: Report to the Governor and Legislature on Actions to Limit Utility Cost and Rate Increases Pursuant to PUC Code Section 913.1. (May 2023)

⁹ Data from the U.S. Energy Information Administration EIA-861 schedules 4A-D, EIA-861S and EIA-861U; https://www.eia.gov/electricity/sales_revenue_price/pdf/table5_a.pdf and https://www.eia.gov/electricity/sales_revenue_price/pdf/table5_c.pdf

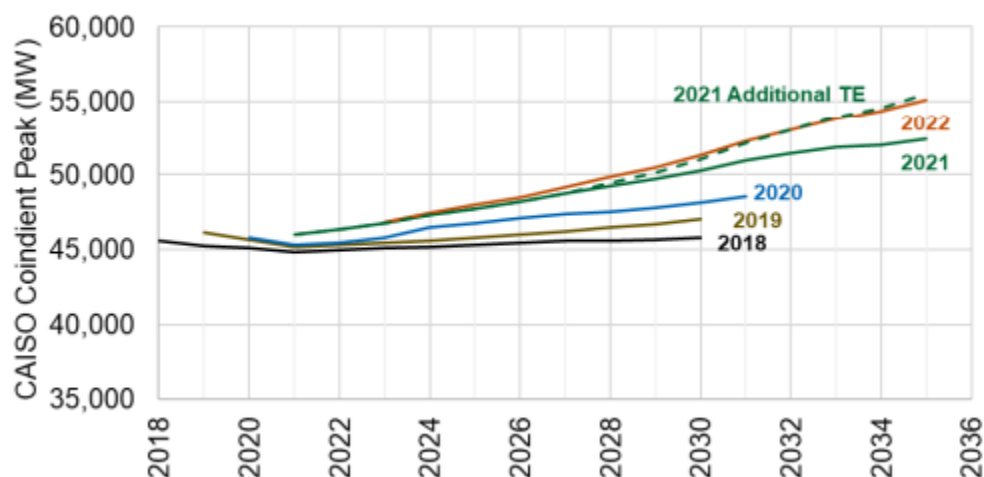


Figure 2. California Net Peak Demand Forecast¹⁰

What this means for individual consumers – especially those who electrify their house and vehicle – is higher and higher electricity bills. However, collectively there is evidence that greater electrification leads to a reduction in system costs for all customers, due to a larger pool of customers or a subset of customers (e.g. electric vehicle owners) paying more to maintain the same infrastructure.¹¹

While the current high electric bills experienced by California customers raise concern, the projection of future rate impacts is even more troubling. By 2030, bundled residential rates are forecasted by the CPUC to be much higher than they would have been if 2020 rates had grown at the rate of inflation.¹² These forecasts largely attribute this increase to capital expenditures (infrastructure build) and wildfire mitigation.¹³

Fixing charges – Distribution and transmission costs continue to drive total system costs higher. Most of these costs are recovered from customers via a variable, volumetric rate.¹⁴ However, only a portion of the IOUs’ system costs¹⁵ vary based on customer energy use. Most infrastructure and operational costs may be seen as “fixed,” or not dependent on individual customer usage. Fixed charges are employed by many utilities as part of their rate design, including many water utilities, and some electric utilities (e.g., Sacramento Municipal Utility

¹⁰ Pg. 31, Bailey, Stephanie; et al., *2023 Integrated Energy Policy Report*, CEC, February 2024; Pub #: CEC-100-202-001-CMF.

¹¹ Frost, J; et. al; “Electric Vehicles Are Driving Electric Rates Down;” Synapse Energy Economics, Inc., June 2020; https://www.synapse-energy.com/sites/default/files/EV_Impacts_June_2020_18-122.pdf

¹² Approximately 12 percent higher for PG&E, 10 percent for SCE, and 20 percent for SDG&E. Pg. 43, “Utility Costs and Affordability of the Grid of the Future : An Evaluation of Electric Costs, Rates, and Equity Issues Pursuant to P.U. Code Section 913.1,” CPUC, February 2021.

¹³ However, these forecasts rely on fairly conservative assumptions about utility expenditures that could underestimate the actual rate increases expected in the future. “...the forecasts generally incorporate known program changes and assume a small escalation factor for remaining activities...”pg. 57, “Utility Costs and Affordability of the Grid of the Future : An Evaluation of Electric Costs, Rates, and Equity Issues Pursuant to P.U. Code Section 913.1,” CPUC, February 2021.

¹⁴ Pg. 14, CPUC, *2023 Senate Bill 695 Report*, May 2023.

¹⁵ mostly generation and some distribution

District (SMUD) has a \$20+/month fixed charge¹⁶) to recover costs that may be unaffected by usage and which are used to support the operation of the utility system. In 2013, AB 327 (Perea, Chapter 611, Statutes of 2013) permitted the CPUC to adopt a fixed charge of no more than \$10 for most residential customers, and \$5 for CARE customers. The CPUC never adopted the \$10 fixed charge on standard residential rates; however, they have adopted optional electrification rates for electric vehicles and rooftop solar that require a fixed charge between \$12-15/month, with a lower volumetric rate.

AB 205 (Committee on Budget, Chapter 61, Statutes of 2022)¹⁷ removed the \$10 statutory cap, and requires the CPUC to instead authorize an “income graduated” fixed charge by July 1, 2024 for default residential rates. The idea of basing the fixed charge on income was proposed by academic researchers, and published in reports by Next10 and the Energy Institute at Haas.¹⁸ The idea is meant to address concern that the increasing costs of electricity is hampering customers transitioning away from fossil fuels (e.g., gasoline for vehicles, natural gas for space and water heating). The researchers contend that basing cost recovery on volumetric usage is more regressive than a specified fixed charge applied to all customers, with the amount of the charge varying by income; i.e. lower income customers pay a lower fixed charge as compared to higher income customers. This suggestion of a fixed charge runs alongside a reduction in volumetric rates to encourage customers to transition to electrification. AB 205 requires that the fixed charge have “at least three income tiers” and must ensure low-income customers have a lower monthly bill, without unreasonably impairing incentives for electrification and greenhouse gas reduction, among other requirements.¹⁹ The discussion to implement the statute has been active and contentious at the CPUC,²⁰ with parties filing various proposals.

CPUC Decision – On March 27, 2024, the CPUC issued a proposed decision implementing an income-graduated fixed charge. The decision requires large electric IOUs to adopt billing changes that:

Table 1. Breakdown of the CPUC income graduated fixed charge decision.

Tier	Qualification	Fixed Charge Amount (monthly)
CARE customers	Household income <200% federal poverty guidelines (~ \$ 60k/year for family of 4)	\$6

¹⁶ SMUD rate information, accessed on May 13, 2024; <https://www.smud.org/en/Rate-Information/Residential-rates>

¹⁷ PUC §739.9

¹⁸ Borenstein, Fowlie, Sallee; “Designing Electricity Rates for an Equitable Energy Transition,” Energy Institute WP 314; February 2021; <https://haas.berkeley.edu/wp-content/uploads/WP314.pdf>

¹⁹ See agenda for June 1, 2022, Assembly Budget Subcommittee No. 3 on the Governor’s May Revision Energy Proposals, and discussion in that hearing, for more information:

<https://abgt.assembly.ca.gov/sites/abgt.assembly.ca.gov/files/June%201-%20Sub%203%20Energy%20May%20Revision%20Informational%20Hearing.pdf>

²⁰ R. 22-07-005.

<p>Family Electric Rate Assistance (FERA) customers or customers in deed-restricted housing</p>	<p>Household income 200-250% of federal poverty guidelines (~ \$ 75k/year for family of 4) Or customers living in affordable housing restricted with incomes below 80% area median income</p>	<p>\$12</p>
<p>Everyone else</p>	<p>>250% federal poverty guidelines</p>	<p>\$24.15</p>

The proposed decision also cuts the volumetric usage rate by 5-7 cents per kilowatt-hour, seemingly reducing overall bills for most customers despite the imposition of the fixed charge.

The proposed decision requires SCE and SDG&E to apply the fixed charges between October 1, 2025 and December 15, 2025, and requires PG&E to apply fixed charges between January 1, 2026 and March 31, 2026. On Thursday, May 9th, 2024, the CPUC adopted the income graduated fixed charge proposal at its voting meeting.

COMMENTS:

- 1) *Author’s Statement.* According to the author, “Utility rates in California’s Investor Owned Utility (IOU) territories have skyrocketed in the past ten years with Pacific Gas & Electric (PG&E) rates increasing 127%, Southern California Edison (SCE) 91%, and San Diego Gas & Electric (SDG&E) 72%. Ratepayers in PG&E territory were recently subjected to a 13% rate increase that was approved by the Public Utilities Commission (PUC) in November 2023. Meanwhile, in February 2024, PG&E announced that its 2023 profits had soared 24.6% higher than its 2022 profits – allowing its shareholders to pocket \$2.24 billion. And now the PUC approved a new fixed charge fee of \$24.15 that is 2.2 times more than the national average. This new fee will create winners and losers, resulting in an increase in bills for many consumers, including low and middle income ratepayers that use limited electricity, in order to subsidize high energy users. The PUC has not been responsive to the Legislature or our constituents who are demanding more accountability and restraint on endless increases in utility bills. AB 1999 will provide needed accountability and limit the PUC from its continued rubber stamping of IOU rate increase requests for the fixed fee. First, the bill limits the PUC from further increasing the fixed fee beyond the rate of inflation. Second, it requires reporting to the Legislature on a number of metrics to determine if the fee is working as intended. This is especially important since AB 205, the authorizing legislation, never received a single policy committee hearing. Finally, the bill establishes real accountability by allowing the Legislature to reauthorize the fee in 2028 if it is meeting its objectives. This is similar to how the Legislature provides oversight for many professional Boards and Commissions and tax credits.”

- 2) *Timing and Effect.* This bill provides a three-and-a-half year window for the CPUC’s recently adopted income-graduated fixed charge to be in effect, prior to reverting to statute as it existed prior to the adoption of AB 205.²¹ As such, this bill would cap – after July 1, 2028 – the fixed charges the CPUC could adopt for electric IOUs to \$10 per month for residential customers and \$5 per month for CARE-eligible residential customers (as adopted in AB 327). The bill also ties any changes to the fixed charge – income graduated or the 2028 reversion – to the rate of inflation. Finally, the bill requires any modifications to the fixed charge to occur in a standalone proceeding. The likely effect of these constraints – given the early 2026 completion date of the recently approved fixed charge rollout; and the timing it may take the CPUC to establish a record in a standalone proceeding – is that the \$24.15 fixed charge is unlikely to change prior to July 2028, at which point this bill requires it to not exceed \$10, or \$13-15²² depending on the inflation adjustment.
- 3) *The Problem with Averages.* California’s electric utility rates and bills have been trending higher in national comparisons. Historically, the bundled average residential rate of the large IOUs have been higher than those of most national IOUs. However, as noted above, energy conservation and mild climate historically kept electricity usage low compared to national averages, and thus kept average monthly bills low. Recently these trends are shifting, with bundled average residential monthly bills in California also trending higher than the national average since 2020.²³ For example, in 2019, PG&E’s bundled residential average monthly bill ranked 70th highest out of about 200 IOUs, but in 2021, PG&E’s ranked 17th highest.²⁴

Much of the analysis on the impact of the fixed charge – and ratemaking generally – examines the impact of average customers or average groups of customers. However, the distribution of impact and behavior around this “average” customer can vary widely. This subtlety may be lost in statements about what “the majority of customers” will experience. For example, the author correctly notes that the \$24.15 fixed charge is “2.2 times the national average.” However, as noted above, the rates of California’s utilities are already more than twice the national average. As a result, the \$24.15 charge “will make up about the same proportion of the bill as the average in the rest of the country,” as discussed recently by Professor Severin Borenstein at U.C. Berkeley.²⁵

- 4) *Facts are Stubborn Things, but Statistics are Pliable.* Electric costs may be likened to an inflated balloon: one can squeeze one side of it to make it smaller, but the result will be expansion in another area. The adoption of the income-graduated fixed charge did not create a *reduction* in all bills, everywhere; but a *redistribution* to lower some bills in some locations. The CPUC decision and its selection of the \$24.15 fixed charge is structured, per statute, with the intent to reduce the average low-income customers’ utility bill in every baseline territory compared to what their bill would have been without the fixed charge, as shown in the example for PG&E in Table 2 and Figure 3 below.

²¹ Technically two-and-a-half, as the rollout will not be complete until Q1 of 2026, per the CPUC’s decision.

²² Range dependent upon assumed CPI for 2024-2028

²³ Table 15, CPUC, 2023 SB 695 Report; *Ibid.*

²⁴ Pg. 60, 2023 SB 695 Report, *Ibid.*

²⁵ Borenstein, Severin. “Reality Checking California’s Income-Graduated Fixed Charge” *Energy Institute Blog*, May 13, 2024, energyathaas.wordpress.com/2024/05/13/reality-checking-californias-income-graduated-fixed-charge/

Table 2. Population and change in average bill for each PG&E climate zone.²⁶

Climate Zone	CARE		FERA		Non-CARE/FERA	
	Population	Avg. Bill change	Population	Avg. Bill change	Population	Avg. Bill change
P	44,370.00	(8.53)	1,161.00	(18.09)	102,150.00	(4.21)
Q	1,607.00	(6.24)	63.00	(13.61)	11,772.00	(2.24)
R	259,522.00	(6.76)	5,291.00	(14.28)	276,579.00	(3.45)
S	286,053.00	(5.74)	9,757.00	(12.63)	557,861.00	(1.47)
T	261,916.00	(0.60)	6,504.00	(2.90)	916,618.00	9.11
V	16,933.00	(2.62)	418.00	(6.75)	35,885.00	1.64
W	143,528.00	(6.34)	2,393.00	(13.48)	118,163.00	(1.47)
X	367,735.00	(2.61)	13,672.00	(6.70)	1,488,336.00	3.40
Y	12,108.00	(7.06)	327.00	(15.43)	47,508.00	2.49
Z	201.00	(4.09)	11.00	(9.96)	4,891.00	11.50

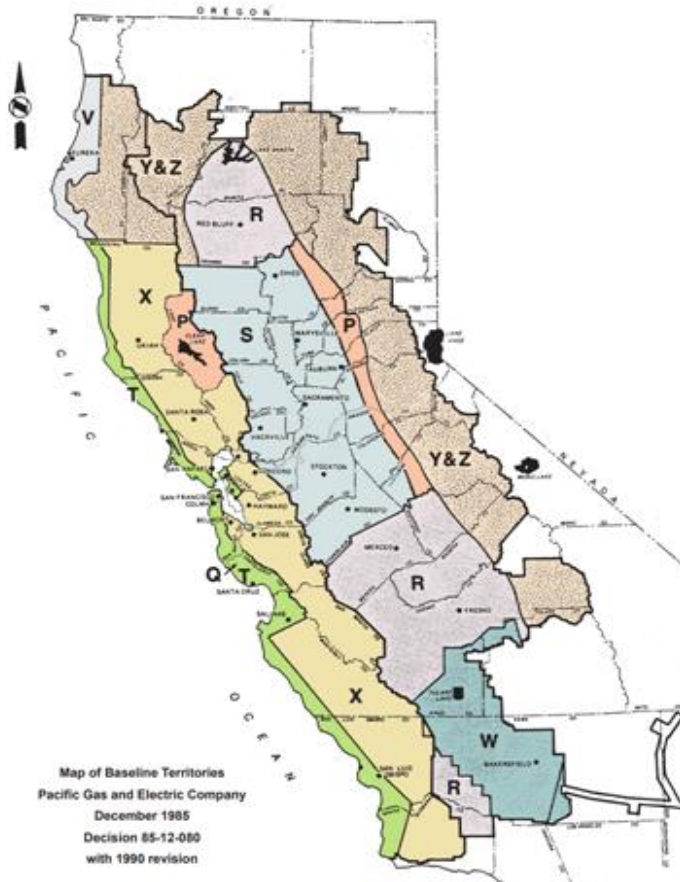


Figure 3. PG&E Climate Zones

Rate design choices, such as the size and distribution of the fixed charge amounts, can lead to different customer outcomes. Reverting the charge to \$10, as proposed under this bill, will lessen the reduction to the average low-income customers’ bill; in other words, provides less of a redistribution. Moreover, the lower fixed charges proposed under this bill do not necessarily make low-income customers better off. Perhaps counterintuitively, it is larger differences between the rate tiers that will make those customers better off.

This has been evidenced recently in an analysis put forward by Ava Community Energy, a Community Choice Aggregator serving cities in the East Bay along with a 2025 planned expansion to Stockton and Lathrop.²⁷ Ava’s current customer base are low energy users with high Net Energy Metering (NEM)

²⁶ Data found in Appendix A of R. 22-07-005 May 2024 decision.

²⁷ <https://avaenergy.org/about/>

penetration (over 13%).²⁸ What Ava’s analysis found is under the CPUC \$24.15 scenario, only 23% of their non-CARE customers would pay less relative to status quo. For CARE customers, 45% would pay less. When expanded out to Stockton, Ava found 32% of non-CARE and 51% of CARE customers would pay less, an increase of over 10% benefit when comparing Bay area communities to inland. However, under the \$10 charge of this bill, Ava found only 17% of non-CARE and 18% of CARE customers would pay less relative to today, a dramatic drop.²⁹

In other words, depending on the service territory, energy usage, and NEM penetration of the customer pool, more customers may experience bill increases under the \$10 proposal in this bill compared to the \$24.15 recently adopted by the CPUC. Of course, this is a generalization for one service territory that is largely in a milder climate zone, and does not apply statewide. This characterization also does not discuss the distribution of just *how much* more customers are likely to pay, which as shown in Figure 4 is likely to be approximately \$1-\$3 more per month.

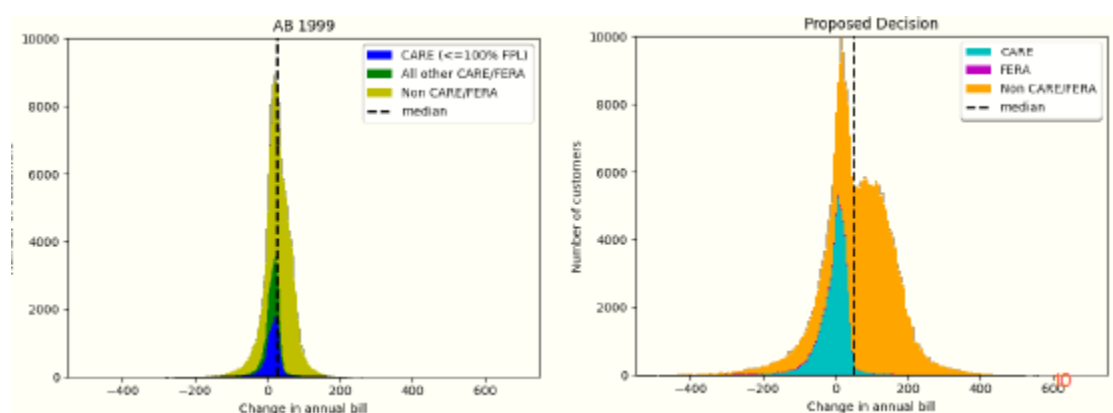


Figure 4. Distribution of customer volume versus change in annual bill for Ava customers under the charge posed under this bill and the adopted \$24.15 charge.

Similarly, much effort has sought to quantify what impact the fixed charge would have on low energy users versus high energy users, with the implication that energy conservation champions would be shouldering the expense of any fixed charge costs for high-usage customers.³⁰ However, the conclusions of this analysis are dependent upon whether NEM customers are included in the low-energy-user customer pool (1,800 kWh/year) or not (4,098 kWh/year for average non-NEM PG&E coastal Zone T customers).³¹ Unsurprisingly, how wide or narrow the circle is drawn around the customer pool can have an outsized impact on the “average” being examined.

- 5) *Data Welcome.* While this bill does revert the existing income-graduated fixed charge to old statutory language in 2028, it also includes reporting and analysis requirements for

²⁸ Slide 7, Michael Quiroz, “AVA Community Energy Notice of Ex Parte Communication,” R. 22-07-005; April 29, 2024.

²⁹ Slides 8,9, and 13; Michael Quiroz, *Ibid.*

³⁰ Flagstaff Research, “Assessment of Fixed Charge Proposals,” June 1, 2023.

³¹ Pg 2-3, Freedman, Ashford, Chhabra; “Reply Comments of TURN and NRDC on the PD of ALJ Wang Addressing AB 205 Requirements for Electric Utilities.” R. 22-07-005; April 22, 2024.

the CPUC to provide beforehand, by July 1, 2027. The report shall include costs recovered by the fixed charge; customer impacts including bill increases or decreases; effect of fixed charge on building electrification, installation of air conditioning, customer energy conservation, electric vehicle charging patterns, and installation of distributed solar and storage; alternatives to the fixed charge; and steps taken to reduce IOU revenue requirement, as specified. In other words, the bill is seeking to better illuminate many of the claims – from both support and opposition – around the income graduated fixed charge, in an effort to provide more information to the Legislature before the fixed charge reverts to the prior statutory values. Such information is traditionally welcome and necessary when the Legislature undergoes any programmatic review; however, it is unclear how many conclusions may be drawn from just over a year of data,³² as is the case with this bill.

- 6) *Strong Positions.* Proponents of income-graduated fixed charges, including electric IOUs, the Natural Resources Defense Council, the Utility Reform Network, the Public Advocates' Office, and the Administration suggest that not implementing the income-based fixed charges will limit efforts to address electric IOU bill affordability. They express concerns that without appropriate measures, customers will be deterred from electrifying their homes and vehicles, thwarting the state's efforts to achieve its emission reduction goals. The supporters of income-graduated fixed charges acknowledge a fixed charge can diminish the price signal for energy conservation, but contend the need to transition to electrification and to structure rates to better protect low-income customers, particularly those in inland areas that require more electricity to cool their homes.

Supporters of this bill, including various environmental, environmental justice, renter and housing associations, churches and civic organizations, indivisible groups, and climate and sustainability organizations, worry that a high fixed charge amount will reduce the value of installing solar or energy efficiency upgrades for customers, as the payback periods could be longer than with a lower or non-existent fixed charge amount. Some opponents of income-based fixed charges also take issue with the income-based distinctions in utility bills that would be managed by utilities and could require customers' income information. The supporters also raise frustrations with the original legislative process, which folded statutory changes to the fixed charge into a larger budget package. Finally, there is concern that utility rates only increase, and the fixed charge – while redistributing funds today – will be just another mechanism to raise costs.

- 7) *Related Legislation.*

SB 1292 (Bradford) requires a report on learnings and challenges of the first phase of the CPUC's adoption of income-graduated fixed charges and prohibits adoption of a second phase until after the report is provided. Status: *Suspense File* – in the Senate Committee on Appropriations, after passage in the Senate Committee on Energy, Utilities, and Communications on a 17-0-1 vote.

SB 1326 (Jones) repeals the provisions adopted in AB 205 which authorize an income-graduated fixed charge in electric IOU rates, replaces with the language that existed prior

³² As PG&E's implementation of the fixed charge will not be complete until Q1 2026.

which capped fixed charges. Status: *failed passage* in the Senate Committee on Energy, Utilities, and Communications on a 4-0-14 vote; granted reconsideration.

8) *Prior Legislation.*

AB 205 (Committee on Budget) among its provisions, repealed the \$10 fixed charge cap for residential electric IOU customers. Authorized the CPUC to use fixed charges for any rate schedule for residential customers, as specified. The bill required the fixed charge to be established on an income-graduated basis with no fewer than three income thresholds, such that a low-income ratepayer would realize a lower average monthly bill without making any changes in usage, as specified. Status: Chapter 61, Statutes of 2022.

AB 327 (Perea) among its provisions, included language authorizing fixed charges for electric IOU rates, but capped the fixed charge to \$10 per month for residential non-CARE customers, and \$5 per month for CARE customers. Status: Chapter 611, Statutes of 2013.

REGISTERED SUPPORT / OPPOSITION:

Note – not all support and opposition have been verified against the bill as amended on May 8th, 2024. Be mindful this list may not fully reflect positions on the measure.

Support

100 Black Men of Long Beach, INC.
 350 Conejo
 350 Contra Costa Action
 350 Sacramento
 350 Santa Barbara
 350 Southland Legislative Alliance
 350 Ventura County Climate Hub
 350.org
 ACT Now Bay Area
 Acterra: Action for A Healthy Planet
 Activist San Diego
 Advanced Energy United
 Ajo.earth
 Albany Climate Action Coalition
 Alliance of Nurses for Healthy Environments
 American Federation of State, County and Municipal Employees
 Americans for Democratic Action, Southern California Chapter
 Anahuak Youth Sports Association
 Api Equality-la
 Ashby Village
 Ballona Institute
 Ban Sup (single Use Plastic)
 Basin and Range Watch
 Bay Area Clean Air Coalition
 Berkeley Electrification Working Group

Berkeley Fellowship of Unitarian Universalists, Social Justice Committee
Better APC
Bquest Foundation
Bridge Housing
Business for Good San Diego
Butte Environmental Council
Cadem Renters Council
California Alliance for Community Energy
California Climate Voters
California Democratic Party Renters Council
California Efficiency Demand Management Council
California Environmental Justice Coalition
California Interfaith Power & Light
California Solar & Storage Association
Californians for Disability Rights INC.
Californians for Energy Choice
Californians for Western Wilderness
Calpirg, California Public Interest Research Group
Catholic Charities of The Diocese of Stockton
Catholic Charities, Diocese of Stockton
Center for Biological Diversity
Center for Community Advocacy
Center for Community Energy
Central Coast Climate Justice Network
Centro Binacional Para El Desarrollo Indígena Oaxaqueno
Change Begins With Me
Change Begins With Me (INDIVISIBLE)
Citizens Climate Lobby
Citizens Climate Lobby Sacramento / Roseville Chapter
Citizens' Climate Lobby Santa Cruz
Citizens' Climate Lobby Social Tri-counties Chapter
City of Camarillo
City of Rancho Cucamonga
City of Tracy
City of Vista
Clean Coaliton
Clean Earth 4 Kids
Climate Action Campaign
Climate Action Mendocino
Climate First: Replacing Oil & Gas (CFROG)
Climate Hawks Vote
Climate Justice First Unitarian Universalist Church of San Diego
Climate Reality Project, Los Angeles Chapter
Climate Reality Project, Orange County
Climate Reality Project, San Fernando Valley
Climate Reality Project, Ventura Conty
Climate Resilient Communities
Cloverdale Indivisible
Coalition for Environmental Equity and Economics

Coastal Lands Action Network (CLAN)
Colusa Indian Community Council
Comite Civico Del Valle
Comite Pro Uno
Community Clean Water Institute
Congregational Community Church of Sunnyvale
Contra Costa Moveon
Courageous Resistance of The Desert
Defend Ballona Wetlands
Del Paso Heights Growers' Alliance
Democratic Socialists of America, San Diego
Designing Accessible Communities
Eagle Architects
East Area Progressive Democrats
East Bay Housing Organization - Ebho
East Bay Housing Organizations
East Valley Indivisibles
Eco Equity
Ecological Building Network
Ecology Center
Elders Climate Action Norcal Chapter
Elders Climate Action Social Chapter
Elected Officials to Protect America - Code Blue
Endangered Habitats League
Environment California
Environmental Justice Coalition for Water
Environmental Working Group
Equity Transit
Extinction Rebellion Los Angeles
Extinction Rebellion San Francisco Bay Area
Feminists in Action
Feminists in Action (formerly Indivisible CA 34 Womens)
Feminists in Action Los Angeles
Finish Line Self Insurance Group
Food & Water Watch
Food and Water Watch
Fossil Free California
Fossil Free Mid Peninsula
Friends of The Climate Action Plan
Glendale Environmental Coalition
Grasroots Institute
Green New Deal At UC San Diego
Green the Church
Greenbank Associates
Greenpeace USA
Hammond Climate Solutions Foundation
Hang Out Do Good
Hillcrest Indivisible
Housing Is a Human Right Oc

Human Rights Watch
Humboldt Progressive Democrats
Huntington Beach; City of
In Good Company
Indian Valley Indivisibles
Indivisible East Bay
Indivisible 36
Indivisible 41
Indivisible 43
Indivisible 45
Indivisible Alta Pasadena
Indivisible Auburn CA
Indivisible Beach Cities
Indivisible CA 34 Women
Indivisible CA 45
Indivisible Ca-25 Simi Valley Porter Ranch
Indivisible Ca-43
Indivisible California Green Team
Indivisible Claremont / Inland Valley
Indivisible Colusa County
Indivisible East Bay
Indivisible El Dorado Hills
Indivisible Elmwood
Indivisible Euclid
Indivisible Manteca
Indivisible Marin
Indivisible Media City Burbank
Indivisible Mendocino
Indivisible Normal Heights
Indivisible Northridge
Indivisible Oc 46
Indivisible Oc 48
Indivisible Petaluma
Indivisible Resisters Walnut Creek
Indivisible Ross Valley
Indivisible Sacramento
Indivisible San Diego Centra
Indivisible San Francisco
Indivisible San Jose
Indivisible San Pedro
Indivisible Santa Barbara
Indivisible Santa Cruz County
Indivisible Sausalito
Indivisible Sebastopol
Indivisible Sf
Indivisible Sf Peninsula and Ca-14
Indivisible Sonoma County
Indivisible South Bay LA
Indivisible Stanislaus

Indivisible Ventura
Indivisible West Side LA
Indivisible Westside L.a.
Indivisible Yolo
Inland Equity Community Land Trusts
Lafayette; City of
Laguna Beach; City of
Lift Economy
Livermore Indivisible
Local Clean Energy Alliance
Long Beach Alliance for Clean Energy
Long Beach Gray Panthers
Los Angeles Indivisible
Lutherans Restoring Creation
Madera Coalition for Community Justice
Marin Interfaith Council
Martin Luther King Jr Freedom Center
Martin Luther King Jr. Freedom Center
Mercy Housing California
Mill Valley Community Action Network
Mission Street Neighbors
Monterey County Renters United
Morongo Basin Conservation Association
Napa Climate Now!
Neighborhood Church
North County Climate Change Alliance
Northridge Indivisible
Oakland Education Association
Orchard City Indivisible
Orinda Community Church Creation and Justice Committee
Our City San Francisco
Our Revolution Long Beach
Pacific Energy Policy Center
Palos Verdes Democrats
Pearlx Infrastructure, LLC
Peralta Federation of Teachers
Perella Weinberg Partners Capital Management Lp, and Affiliated Entities
Pink Panthers
Placer People of Faith Together
Plastic Pollution Coalition
Power CA Action
Powerca Action
Progressive Democrats of America
Progressive Democrats of Santa Monica Mountains
Project Green Home
Quitcarbon
Rachel Carson Returns
Rainforest Action Network
Redwood Energy

Reform and Sustain
Resource Renewal Institute
Rise South City
Rooted in Resistance
Rootsaction
Samuel Lawrence Foundation
San Diego Green Building Council
San Diego Progressive Democratic Club
San Diego Veterans for Peace
San Francisco Bay Area Physicians for Social Responsibility
San Francisco Bay Physicians for Social Responsibility
San Francisco Climate Emergency Coalition
San Gabriel Valley Council of Governments
San Joaquin Valley Democratic Club
San Luis Obispo Mothers for Peace
San Mateo Climate Action Team
Sandiego350
Santa Cruz Barrios Unidos
Santa Cruz Climate Action Network
Santa Cruz for Bernie
Santa Cruz Indivisible
Santa Monica Democratic Club
Save the Frogs!
Sfv Indivisible
Showing Up for Racial Justice -- Ventura County
Silicon Valley Youth Climate Action
Slo Climate Action
Slo Climate Coalition
Social 350
Social Compassion in Legislation
Social Eco Foundation
Society of Fearless Grandmothers - Santa Barbara
Solar Rights Alliance
Solar United Neighbors
Sonoma County Board of Supervisors
Sonoma County Climate Activist Network (SOCOCAN!)
Sonoma County Tenants Union
South Bay Progressive Alliance
Stand Strong LA Indivisible
Stand.earth
Sunflower Alliance
Sunlife Farms INC.
Sunrise Movement - Los Angeles
Sunrise Movement LA
Sunrise Movement Orange County
Sustainable Claremont
Sustainable Energy Group INC.
Sustainable San Mateo County
Sustainable Systems Research Foundation

Tenants Together
The Climate Reality Project San Diego Chapter
The Community Action League
The Last Plastic Straw
The Resistance Northridge-indivisible
Third ACT
Third ACT Sacramento
Together We Will Contra Costa
Transformative Wealth Management LLC
Tri-valley Communities Against a Radioactive Environment (tri-valley Cares)
Tubb Canyon Desert Conservancy
Tww/indivisible - Los Gatos
Ucan - Utility Consumers' Action Network
Unitarian Universalist Church of Palo Alto
Urban Habitat
Utility Consumers Action Network
Valley Women's Club of San Lorenzo Valley
Venice Resistance
Verdani Partners
Wellstone Democratic Renewal Club
West Berkeley Alliance for Clean Air and Safe Jobs
Western Center on Law & Poverty
Western Center on Law and Poverty
Western Manufactured Housing Communities Association
Women's Alliance Los Angeles
Yalla Indivisible
Your Solarmate
Youth Will
Zev 2030

Support If Amended

Sonoma County Democratic Party

Oppose

California State Association of Electrical Workers
California Wind Energy Association
Carbon Zero Buildings INC
Central Valley Air Quality Coalition (CVAQ)
Coalition of California Utility Employees
Edison International and Affiliates, Including Southern California Edison
Natural Resources Defense Council
NRDC
Pacific Gas and Electric Company
Public Advocates Office
Rising Sun Center for Opportunity
San Diego Gas and Electric Company
The Climate Reality Project: Silicon Valley

The Greenlining Institute
The Utility Reform Network (TURN)
Union of Concerned Scientists

Other

California Electric Transportation Coalition

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