

Q1 2024 Electric Rates Report

Public Advocates Office at the CA Public Utilities Commission

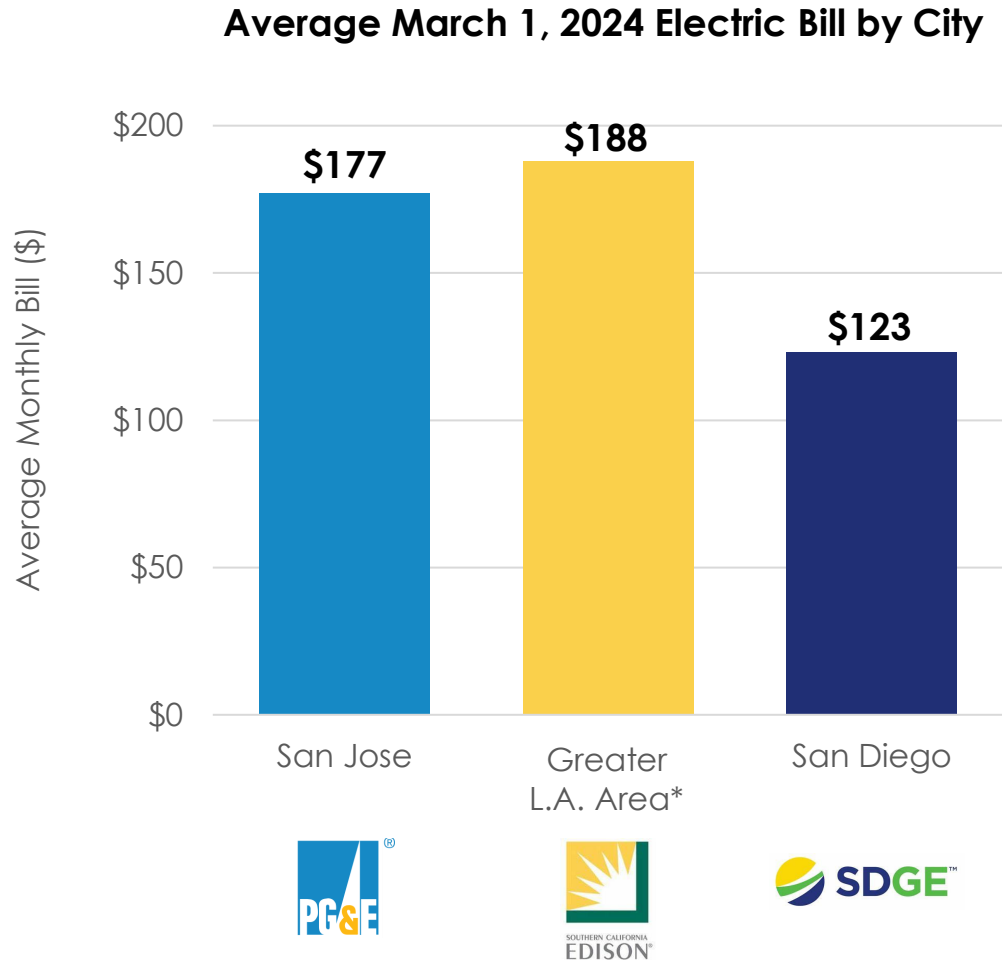
April 22, 2024



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 March 1, 2024.

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
	1,000,943	18%	\$668
	876,186	19%	\$969
	368,422	27%	\$722
Combined	2,245,551	19%	\$794

Residential average rates have significantly increased

	Average Rate (\$ per kWh)	3-year Change Jan 2021 to Mar 2024	10-year Change Jan 2014 to Mar 2024
	\$0.397	↑ 64%	↑ 128%
	\$0.338	↑ 20%	↑ 93%
	\$0.383	↑ 54%	↑ 82%

Main electricity rate drivers

10-Year Change

Jan 2014 to Mar 2024

Primary Statewide Drivers



↑ 128%



↑ 93%

SOUTHERN CALIFORNIA EDISON



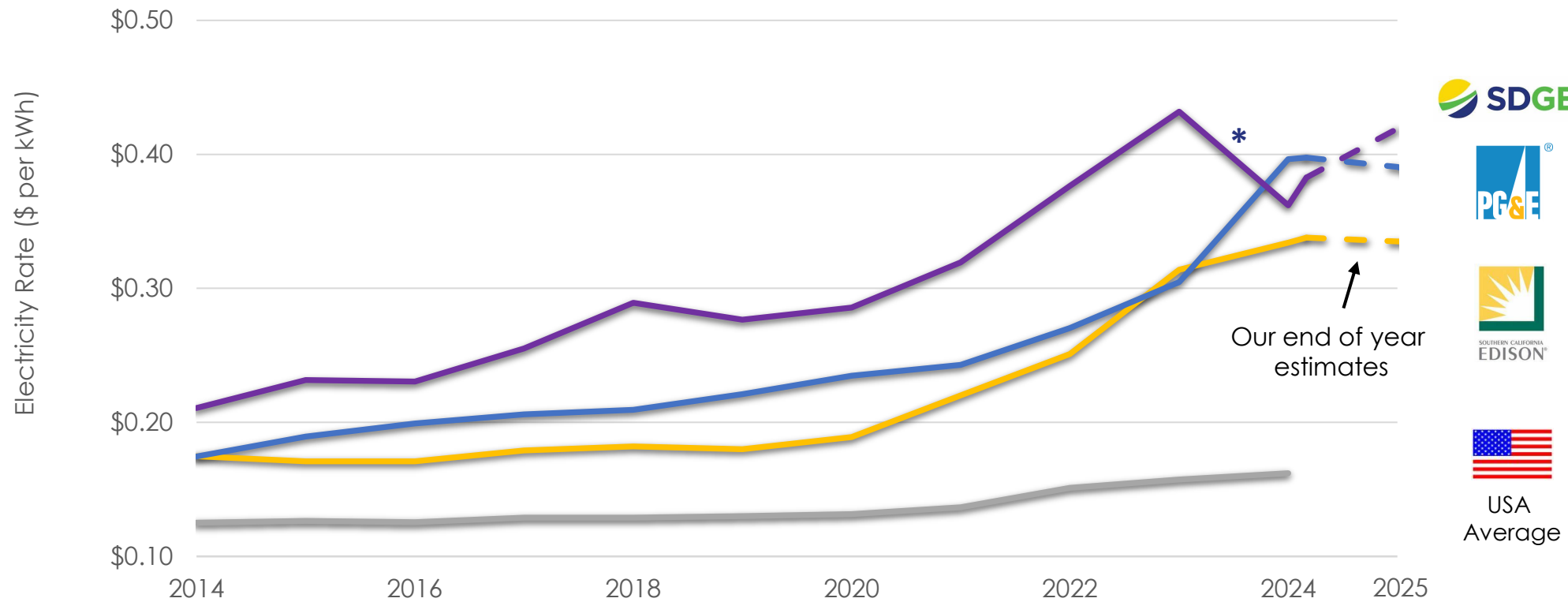
↑ 82%

1. Wildfire mitigation
2. Transmission and 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)

Residential electricity rates have nearly doubled in California over the last decade

Average Residential Electricity Rates (2014 to 2024)



*SDG&E rates recently fell due to many factors such as one-time refunds from overcollections. Rates expected to rebound by end of 2024.

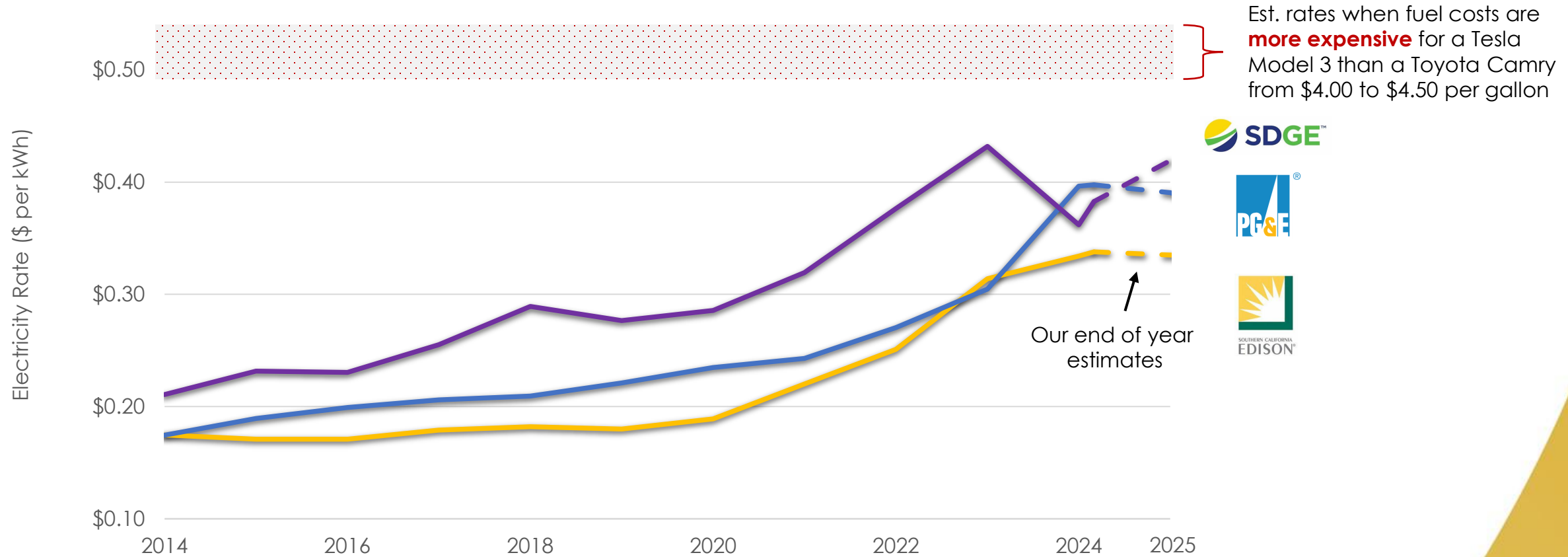


USA Average

Our end of year estimates

CA rates represent residential average rates excluding California Climate Credit. Future estimates may be conservative as they only include pending applications. Source: Investor-Owned Utility Advice Letters (California Rates) & Energy Information Administration (USA Average)

High rates make fossil fuel alternatives less affordable



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)

Select Upcoming CPUC Electric Industry Decisions

- **Sempra General Rate Case (A. 22-05-015).** The parent company of 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. Decision expected Q2 2024.
- **Demand Flexibility Proceeding (R.22-07-005).** The state government directed the CPUC to establish a “fixed charge” for residential ratepayers (AB 205, 2022). In March 2024, the CPUC issued a proposed decision with implementation details. Decision required by July 2024.
- **Southern California Edison General Rate Case (A.23-05-010).** SCE is requesting a \$1.9 billion (23%) increase in 2025 over its current 2024 requested base rates. SCE requests an additional \$619 million in 2026, \$664 million in 2027, and \$705 million in 2028. Proposed Decision expected Q4 2024.
- **Southern California Edison Wildfire Mitigation & Catastrophic Events (A. 24-04-005).** In April 2024, SCE requested to collect more than \$326 million from ratepayers over previously authorized Commission levels to cover costs related to Power Safety Power Shutoffs, replacement of damaged facilities, and many other activities. SCE estimates its proposal would raise rates on its customers by 1.5%. Decision expected Q2 2025.

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.gov

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