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California State Senate

SENATOR
ROSILICIE OCHOA BOGH
TWENTY-THIRD SENATE DISTRICT



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February 6, 2023

Alice Reynolds, President
California Public Utilities Commission (CPUC)
505 Van Ness Avenue
San Francisco, CA 94102

RE: Natural Gas Price Spikes

Dear President Reynolds:

As members of the Senate Republican Caucus, we have grave concerns regarding the steep increase in the cost of natural gas that is affecting all Californians. We ask the California Public Utilities Commission to provide information regarding what steps were taken to mitigate the effect the increase in projected costs would have on Californians, and especially our vulnerable populations—those on fixed income and families living paycheck-to-paycheck. We ask for all the information that was publicly shared and anything required of the utility companies regarding the tools ratepayers can use to lower their bills.

It is critical that the Legislature engage quickly on this issue to understand what has occurred so we may help prevent this situation from happening again. We ask for a comprehensive review of the commodity costs, procurement process and how we can mitigate this impact in the future.

In doing the review, we would appreciate the CPUC's recommendations for preventing or mitigating future price spikes and financial hardships on our most vulnerable populations.

Rising costs in California are putting additional financial strain on our state's residents. From housing to taxes and energy costs, it is becoming increasingly difficult to make ends meet. While we are thankful for the steps that have been taken to support families across the state, such as the relief programs, we must continue to review what caused this situation and work to ensure that we protect Californians from further rate increases.

In a survey to constituents in Senate District 23, 98 percent of participants reported their natural gas bill had increased in the last few months, even though they had taken steps to reduce their use of natural gas at home. Below are some of the comments we have received from constituents about how the steep rate increase has affected them:


- "I'm a senior citizen. My bill increased over \$100.00 in 1 month. I'm on a budget and have a lifeline with reduced rates. I cannot afford a \$100 increase in one month. I have never had a gas bill this high."

- "I will not be able to retire this year... my bill went from \$75.00 to \$480.00 with no warning."
- "Our gas bill increased 1000% since last year. Food and gasoline prices are sky rocketing. This effects everything."
- "Hard. As my husband just lost his job, too."
- "Forced us to make tough choices about either heating our home or getting groceries, etc. Very tough for myself and so many others in an already tough economic time."
- "With higher energy costs, my family and I must not only choose between meat and medicine, but also between heat and hospital (doctor) visits and the costs associated with them."

In addition, we are calling for a hearing in the State Legislature to discuss the affordability of not only natural gas but other energy resources. It is time for lawmakers to have a conversation in California about the comprehensive cost of living.

Thank you in advance for your timely response. If you have questions, please do not hesitate to contact my Chief of Staff Sarah Couch at 916-651-4023.

Sincerely,



ROSILICIE OCHOA BOGH
Senator, 23rd District



JANET NGUYEN
Senator, 36th District



KELLY SEYARTO
Senator, 32nd District



BRIAN JONES
Senator Minority Leader, 40th District



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Senator, 6th District



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Senator, 12th District