

City of Glendora | City Hall

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February 1, 2024

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

SUBJECT: REGULATORY PROCEEDING 22-07-005 – INCOME GRADUATED FIXED CHARGE DESIGN

Dear President Reynolds,

On behalf of the City of Glendora, I write in response to the California Public Utilities Commission's (CPUC) income graduated fixed charge rate designs proposed in regulatory proceeding (R.) 22-07-005 following a provision in Assembly Bill (AB) 205 (Budget, Chapter 61, Statutes of 2022) that authorizes regulated utilities to charge residential energy customers a fixed, income-graduated rate. Glendora is greatly concerned about the direction of the CPUC's implementation of AB 205 and its potential negative impact on our residents and request that the CPUC take more time to consider such a significant and far-reaching change in policy that will significantly impact our residents.

Glendora has worked hard to engage our residents and ensure they are informed about what is going on in their community. We have been deliberate on our efforts to be transparent about City business, leveraging technology to provide access to City records and official documents, and be more accessible beyond what state law minimally requires. We do this not because it's a basic tenant of good governance, but because it contributes to the public's trust. That is why it was particularly difficult to learn that the CPUC has not engaged the public on this issue. In fact, most of us learned of this policy thanks to articles in the press. Given the breadth of impact on rate payers, it is only fair that a fully public process be conducted to hear from all parties that will be affected, not just those who are party to the proceeding.

As has been noted by others, the proposals under consideration would decouple existing policies from the volumetric and conservation-based model that the CPUC has long been promoting and is in line with broader climate goals. Under some of the lower proposed flat rates, those who consume more electricity could receive a discount at the expense of a low electricity user. There is a very real possibility that these proposals could discourage the kind of conservation that is needed to avoid rolling blackouts that have threatened the state too often over the past several years. It is also critically important to consider the real impacts these discussions will have on rate payers that may already be living paycheck to paycheck or on a fixed income – a reality for some Glendorans.



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That is why I join with those who support the recently introduced AB 1999, which would repeal the provisions that authorized the CPUC to initiate consideration of these fixed charges. Equally important, it would place a cap on any future fixed charges.

Simply put, I do not believe a policy shift of this magnitude should happen without sufficient time for a wide array of public input. Instead, the CPUC should, at a minimum, extend the timeline for the proceeding, allowing for public participation on this proceeding, particularly since most of the current proposals are untenable.

I appreciate your consideration of this request. Thank you,

Mendell L. Thompson

Mayor