

# Q2 2023 Electric Rates Report

The Public Advocates Office at the CA Public Utilities Commission

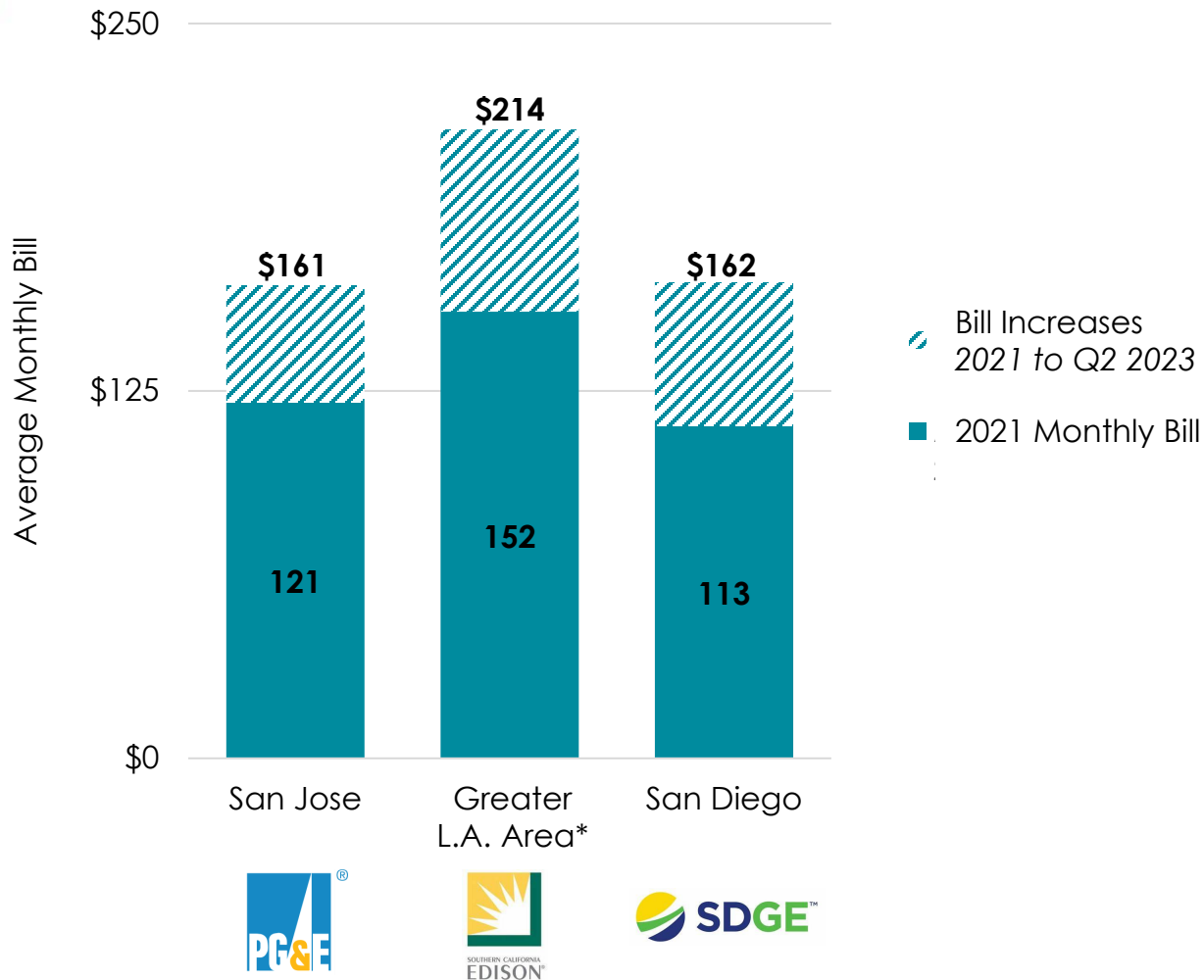
Updated: July 28, 2023



# About

- The Public Advocates Office represents utility customer interests primarily by participating in proceedings before the California Public Utilities Commission and engaging in other policymaking forums.
- California retail electric rates regularly change due to many factors. We regularly track them and develop recommendations to minimize ratepayer cost burdens.
- This report summarizes recent residential electric rate changes across PG&E, SDG&E, and SCE service territories from March to June 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 more in more detail in the following slides.

# Average Residential Electric Rate Changes

**Quarter Change**  
Mar 2023 to Jun 2023

**3-year Change**  
2020 to 2023

**10-year Change**  
2014 to 2023



↓ 2%

↑ 30%

↑ 75%



↑ 5%

↑ 57%

↑ 80%



0%

↑ 51%

↑ 105%

# Quarterly Average Residential Electric Rates

## Change

Mar 2023 to Jun 2023

## Main Drivers and Updates



↓ 2%

- End of Recovery of PG&E's 2018 Catastrophic Emergency Memorandum Account (CEMA)



↑ 5%

- Recovery for higher power prices in 2022-23 and recovery of wildfire liability insurance premium costs



0%

- No significant changes

# 10-year Average Residential Electric Rates

**Change**  
2014 to 2023

**Primary Statewide Drivers**



↑ **75%**



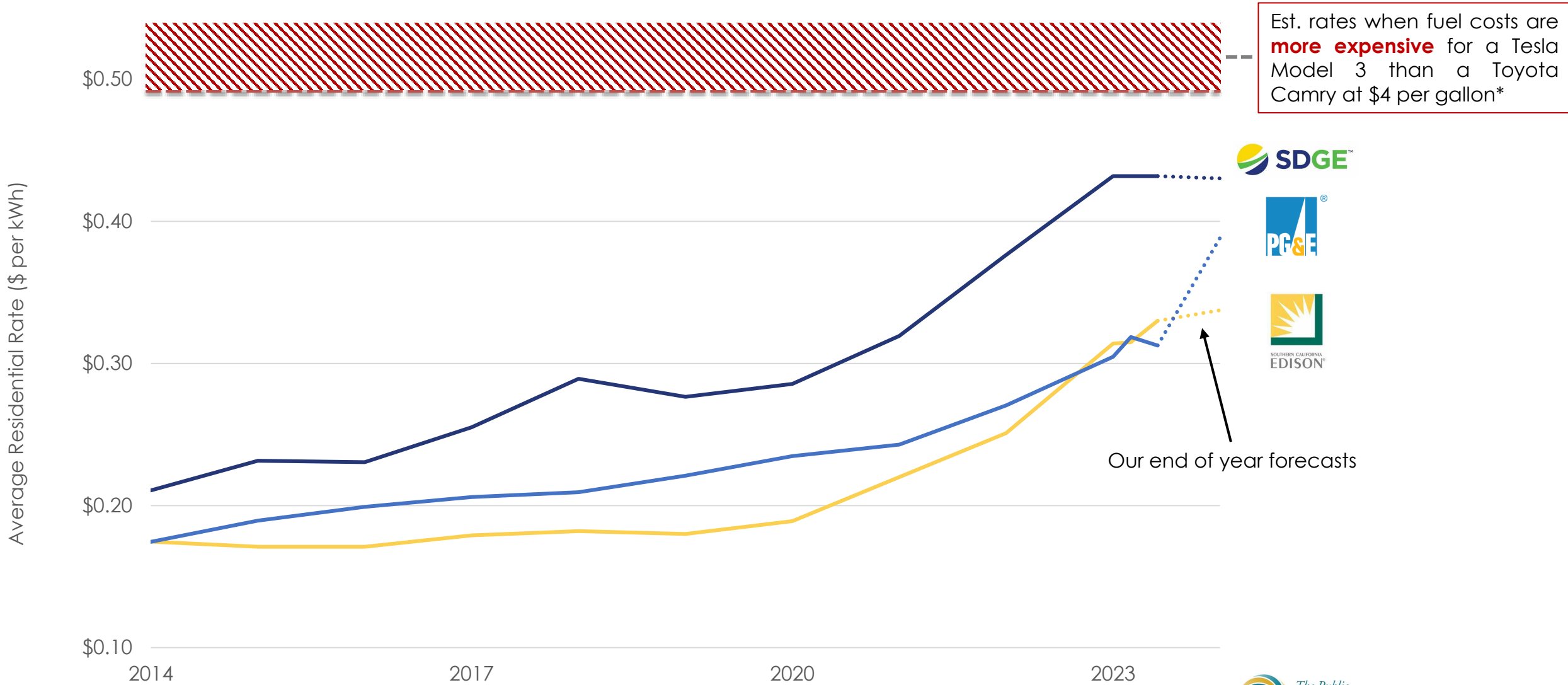
↑ **80%**



↑ **105%**

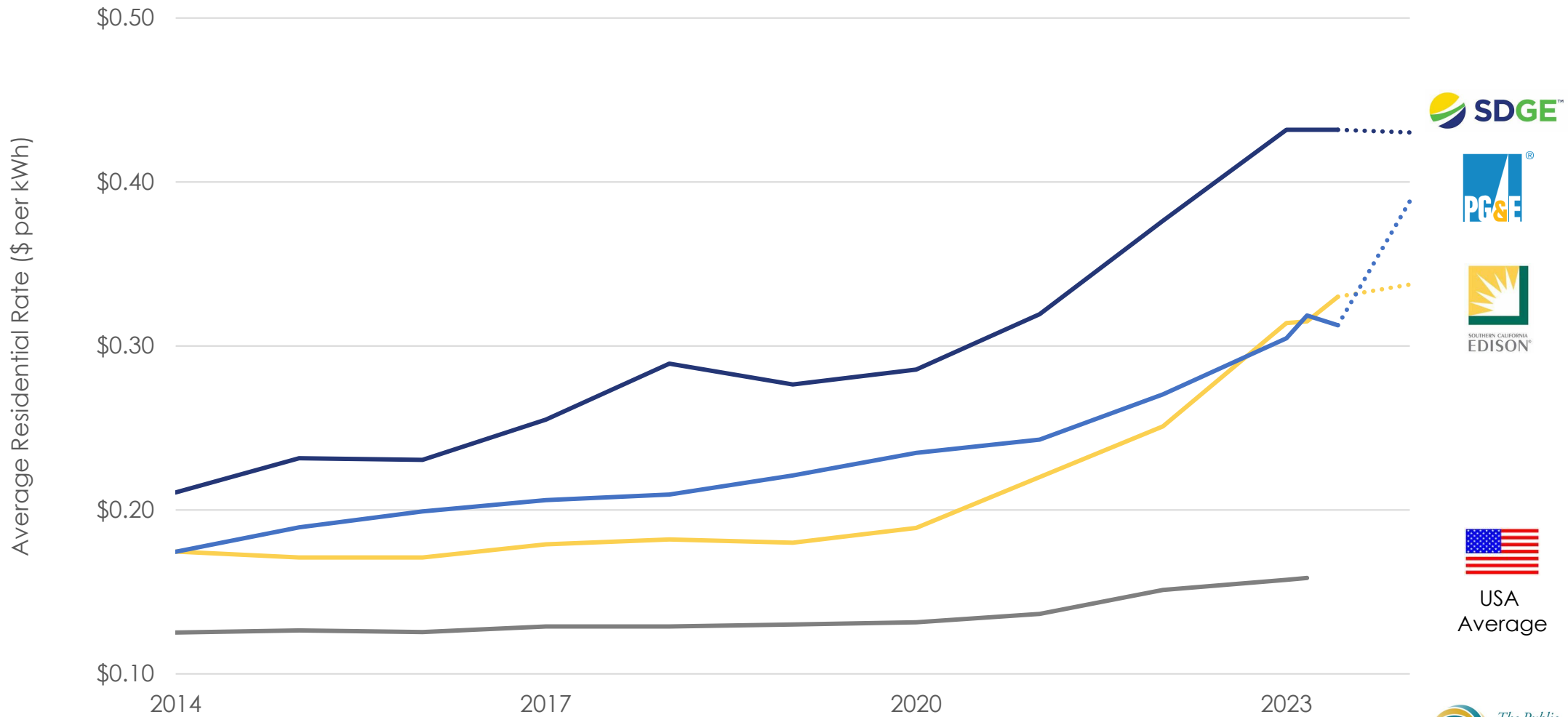
1. Wildfire mitigation and costs
2. Transmission and distribution investments
3. Rooftop solar incentive costs

# Electric rate increases 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 exclude the 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 electricity rates are more than twice the national average



USA  
Average



Average residential rates Average residential rates exclude the 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)



# Select Upcoming CPUC Electricity 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 ("net energy metering") tariffs applicable to many commercial, industrial and other sites. Expected Summer 2023.
- **PG&E General Rate Case (A.21-06-021).** PG&E is requesting nearly \$4 billion from ratepayers, on average, over baseline levels each year through 2026. We have requested the Commission reduce their requests by about 20%. Expected Dec 2023.
- **Update Transmission Reviews (R.23-05-018).** The CPUC was directed by the legislature (SB 529, 2022) to update its transmission permitting process under General Order 131-D. We filed implementation recommendations and support efforts to improve GO 131-D beyond SB 529's minimum requirements. Required by Jan 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 Jul 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](http://www.publicadvocates.cpuc.gov)

## **Contact us**

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