

November 2, 2023

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

Dear CPUC President Reynolds:

I am writing to express the City of Vista's opposition to the proposed AB 205 income-based fee schedule. The bill would authorize the Public Utilities Commission (PUC) to authorize fixed charges for any rate schedule applicable to residential customer accounts. The bill would eliminate the cap on the amount of the fixed charge that the PUC may authorize. This legislation would unfairly burden low-income households with higher utility bills, while providing no real benefits to those who are already struggling to make ends meet.

The California Public Utilities Commission (CPUC) has a responsibility to ensure that utility rates are fair and equitable for all consumers. However, the proposed income-based fee schedule would only serve to exacerbate existing economic inequalities.

Furthermore, the proposed legislation would do little to address the underlying issues that drive up utility costs in the first place. Instead of focusing on income-based fees, the CPUC should consider exploring ways to promote energy efficiency and reduce overall usage. This would benefit all consumers, regardless of their income level.

Implementing an income-based fee structure would create significant administrative challenges for both the California Public Utilities Commission and utility companies. Determining and verifying income levels for every customer would require substantial resources and bureaucratic processes, leading to increased costs and inefficiencies. Such complexities would not only burden the utilities but also place an unnecessary burden on the taxpayers who would ultimately bear these additional costs.

In conclusion, the City of Vista urges the CPUC to reject the proposed AB 205 income-based fee schedule (Section 739.9 of the Public Utilities Code). It is not a fair or effective solution to the challenges facing California's utility system and would only serve to harm those who are already struggling to pay current energy bills even while they are working to reduce use and/or invest in alternate energy sources. I have attached a City Council approved Resolution regarding this position well for your reference.

Sincerely,

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John Conley City Manager

cc:

Congressman Mike Levin, <u>Kyle.Krahel@mail.house.gov</u> Senator Catherine Blakespear, <u>fernando.a.hernandez@sen.ca.gov</u> Assemblymember Laurie Davies, <u>ryan.ewart@asm.ca.gov</u>; <u>donna.cleary@asm.ca.gov</u> San Diego County Supervisor Jim Desmond, <u>Kristal.Jabara@sdcounty.ca.gov</u> Jean Hearst (UCC), <u>jkh@hbeadvocacy.com</u> John Kennedy (RCRC), <u>jkennedy@rcrcnet.org</u> Catherine Freeman (CSAC), <u>cfreeman@counties.org</u> Catherine Hill (CalCities), <u>chill@calcities.org</u>