



April 21, 2025

The Honorable Cottie Petrie-Norris
Chair, Assembly Committee on Utilities & Energy
1021 O St. Room 8120
Sacramento, CA 95814

**Re: AB 1167 (Berman) California Ratepayer Protection Act – SUPPORT
As Amended March 25, 2025
Referred to Assembly Committee on Utilities & Energy**

Dear Assemblymember Petrie-Norris:

With low-income Californians burdened by skyrocketing energy bills at the same time utilities like Pacific Gas & Electric are reporting record profits,¹ we write to express our support for the California Ratepayer Protection Act, Assembly Bill (“AB”) 1167. AB 1167 will protect Californians from funding for-profit utilities’ political and promotional activities in their gas and electric bills. Utilities should not be slipping the costs of their advocacy into customer bills, but as previously reported in the *Sacramento Bee*, this is what utilities like SoCalGas have been doing for years.² In addition, utilities should not use ratepayers as the funders of promotional advertising, but just last year one utility acknowledged this was its plan.³ AB 1167 will shine a light on utilities’ political influence machines and help curb utilities’ abuse of millions of dollars of customer money. As the Legislature looks to address energy bill affordability, AB 1167 is a commonsense first step.

¹<https://lao.ca.gov/Publications/Report/4950#:~:text=Electricity%20Rates%20Have%20Increased%20Notably,the%20rest%20of%20the%20nation>. ABC7 News, *PG&E reports profit of \$2.47B for 2024, shattering records for second year in a row* (Feb. 14, 2025), <https://abc7news.com/post/pge-reports-profit-247b-2024-shattering-records-second-year-row/15904733/#>. See also TURN, *SoCal Edison reports profits of \$1.619 billion in 2024 while rates continue to rise* (Feb. 28, 2025), <https://www.turn.org/press-releases/socal-edison-reports-record-profits-of-1619-billion-in-2024-while-rates-continue-to-rise>. .

² Joe Rubin & Ari Plachta, *SoCalGas fought a key California climate solution for years. It cost customers millions*, SACRAMENTO BEE (Aug. 17, 2023), <https://www.sacbee.com/news/politics-government/capitol-alert/article277266828.html>.

³ Jaxon Van Derbeken, *PG&E Plan to use wildfire funds on ads sparks critics’ fire*, NBC BAY AREA, (June 6, 2024), <https://www.nbcbayarea.com/news/local/pge-plan-wildfire-funds-ads-outrage/3559932/#>.

AB 1167 protects California ratepayers from for-profit utility abuses of customer funds by providing clear definitions of the lobbying, promotional, and other activities for which utilities are prohibited from making customers pay for and by then ensuring compliance through strong transparency measures and penalties when a utility still attempts to pass these costs onto customers. For example, the bill ends the practice where utilities like SoCalGas have felt entitled to charge customers for lobbying efforts against regional air quality rules. AB 1167 would also eliminate the opportunity for utilities to force ratepayers into footing the bill for utility promotional advertising, as PG&E did with their promotional undergrounding ads during Golden State Warriors games. Following best practices adopted by other states, AB 1167 also prohibits utility from charging customers for the costs of investor relations, chartered aircraft for the utility's officers and board of directors, and the utility's expensive memberships in outside lobbying groups like the American Gas Association and Edison Electric Institute, whose viewpoints and advocacy they may disagree with.

AB 1167's transparency provisions foster compliance and public confidence by making it much easier to determine if utilities are embedding political and promotional expenses into customers' energy bills. For example, following the success of states like Connecticut, AB 1167 requires utilities to report the percentage of employee time charged to ratepayers for employees in business units that perform both shareholder and ratepayer activities. That transparency reform provides a simple and transparent way for regulators to flag potential incidents where the utility inappropriately charged customers for prohibited political or promotional activities. With regard to advertising, AB 1167 requires a utility's public messages to clearly and conspicuously identify whether shareholders or ratepayers funded the message. AB 1167 also adds strict enforcement penalties so that utilities can't keep breaking these laws with impunity.

Californians are already facing an affordability crisis with their utility bills, and they deserve to know their money is going toward the core utility services they receive, not promotional advertising, lobbying, and other activities primarily for shareholder benefit. We strongly support its passage. Please feel free to reach out to Ada Waelder (Earthjustice) at awaelder@earthjustice.org or (415) 281-2367 with any questions.

Sincerely,

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Ryan Dack
Ad 73 ADEM Delegate

Jackie Kan
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Andrea Leon-Grossmann
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Kevin Li
Sunrise Movement Orange County

Rebecca Curry
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