

Consumer Affairs Branch

FIRST QUARTER REPORT-2023

June 19, 2023



**California Public
Utilities Commission**

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ABOUT THIS REPORT

This quarterly report highlights consumer issues related to telecommunications, electric, natural gas, and water utilities regulated by the California Public Utilities Commission (CPUC).

Unless otherwise noted, the data presented in this report are based on inquiries and complaints received by the Consumer Affairs Branch (CAB) from January through March 2023.

This report details:

- [CAB Returned More Than \\$688,000 to Consumers in the Q1-2023](#)
- [CAB Received 11,290 Consumer Contacts](#)
- [CAB Assisted About 3,290 Consumers Resolve Complaints](#)
- [Energy Utilities 12-Month Recap with Q1–2023 Highlights](#)
- [Telecommunications Utilities 12-Month Recap with Q1-2023 Highlights](#)

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ABOUT THE CONSUMER AFFAIRS BRANCH

The Consumer Affairs Branch (CAB) resides within the News and Outreach Office at the CPUC. CAB is responsible for supporting the diverse needs of consumers. CAB provides the following services:

- Resolves consumer questions or complaints about their regulated telecommunications, natural gas, electric, and water utility services.
- Resolves appeals for California LifeLine, a discounted phone program.
- Administers Limited English Proficiency (LEP) programs that assist consumers with telecommunications and energy issues.

- Analyzes contact data to assist CPUC decision-makers, supports enforcement against fraud and abuse and informs the public.

CONSUMER REFUNDS – CAB Returned \$688,162 to Consumers

In the Q1-2023, consumers were reimbursed **\$688,162** from the utilities by reaching out to CAB and utilizing the **Informal Complaint (IC)** process. An IC is a written consumer contact expressing dissatisfaction with or a dispute with an action or practice that is regulated through tariffs, rules, orders, or any other form of authority that originates from the CPUC.¹

Many of the refunds were the result of incorrect billing and were disbursed by the utility following CAB’s involvement. The average refund in Q1 by industry: Telecommunications **\$278**, Energy **\$2,212**, Water **\$736**

Table 1: Consumer Refunds by Industry² and Quarter

Industry	2022			2023
	Q2	Q3	Q4	Q1
Energy	\$394,235	\$425,366	\$431,915	\$575,080
Telecommunications	\$121,578	\$137,585	\$99,029	\$94,673
Water	\$5,425	\$4,344	\$19,435	\$18,408
Totals	\$521,238	\$567,295	\$550,379	\$688,162

First Quarter Refund Highlights

- CAB received an IC from a residential consumer stating that Golden State Water was billing them for service used by previous occupants of a rental property. CAB referred the IC to the utility to investigate consumer’s concerns. Upon reviewing documentation in support of consumer’s claims, Golden State Water canceled the original charges of **\$3,323** and issued a revised statement.
- A consumer contacted CAB with an IC regarding delayed billing and duplicate SCE charges for generation services already provided by their preferred Community Choice Aggregator (CCA), Central Coast Community Energy. The consumer, a business customer with a master meter that services a mobile home park community with **355** residences, stated that they made several attempts to resolve the billing dispute to no avail before contacting CAB. The utility acknowledged the duplicate generation charges and made the appropriate billing adjustment by applying a credit of **\$229,236**.

¹ In comparison to an IC, the CPUC has a Formal Complaint (FC) process. A FC is a written legal document that claims a utility regulated by the CPUC has violated state laws or the CPUC’s orders or rules. A FC describes these violations, the injury suffered, because of them, and the resolution requested from the CPUC and is overseen by an Administrative Law Judge. CAB focuses on ICs and presents results of Q1 in this report.

² This table only accounts for refunds through the IC process. Cases where a phone contact was transferred to a utility for expedited resolution are not reflected here.

- A business consumer with eight business lines renewed their annual telephone contract with AT&T and was supposed to be billed a monthly rate of **\$48** per line. However, AT&T continued to bill the consumer with their previous rate of **\$80** per line. Consumer contacted CAB after several attempts to correct the billing error were unsuccessful. The utility apologized for the billing and provisioning error and applied a credit adjustment of **\$3,490** to the consumer’s account.

CAB RECEIVED 11,290 CONSUMER CONTACTS

CAB’s team of representatives are responsible for assisting consumers with answering questions and resolving disputes with their utility providers. These contacts are received via phone calls, letters, or the Internet. In the Q1-2023, CAB received **11,290 contacts**, see **Figure 1**.

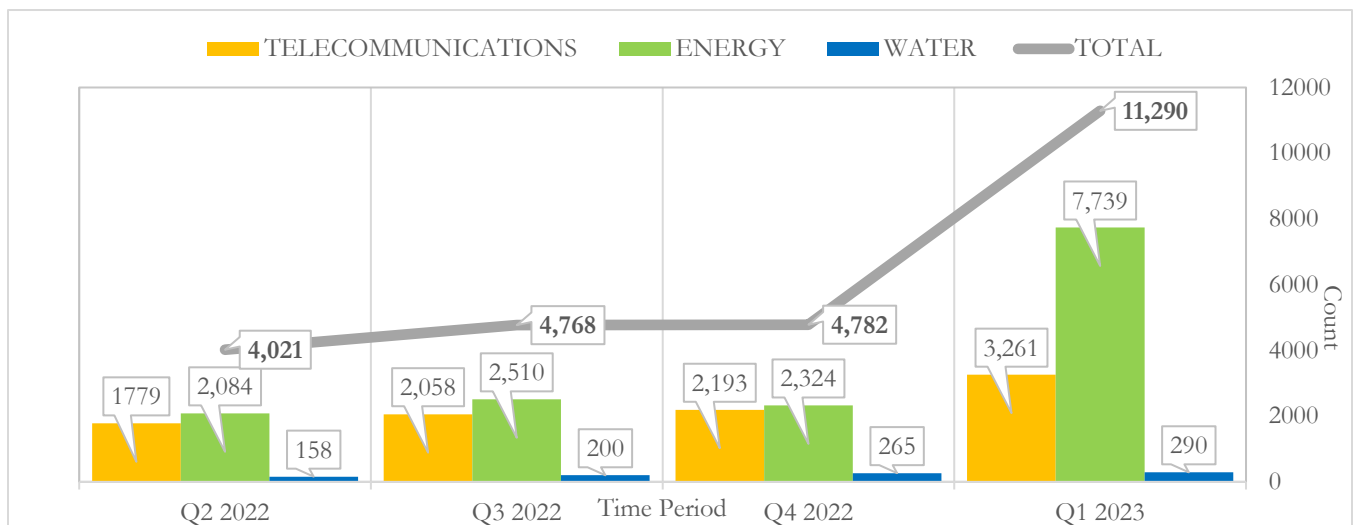


Figure 1: Consumer Contacts by Industry and Quarter

Across all industries, telecommunications, energy, and water, Billing issues accounted for **33 percent** of the contacts, followed by Policy and Practices at **24 percent**, see **Table 2** below.

Table 2: Consumer Contacts by Category and Industry

Category	Tele-communications	Energy	Water	Total	% of Total
Billing	602	2,971	127	3,700	33%
Policy and Practices	80	2,581	10	2,671	24%
Service	891	700	51	1,642	15%
Unknown	325	550	76	951	8%
Not Regulated - No Jurisdiction	506	369	25	900	8%
Lifeline	854	n/a	n/a	854	8%
Public Purpose Programs	2	354	n/a	356	3%
Rates	1	214	1	216	2%
Totals	3,261	7,739	290	11,290	100%

CAB ASSISTED 3,295 CONSUMERS RESOLVE COMPLAINTS

CAB’s IC process allows consumers an easily accessible way to resolve disputes with their utility. In the Q1-2023, CAB resolved **3,295** ICs, see **Figure 2** below.

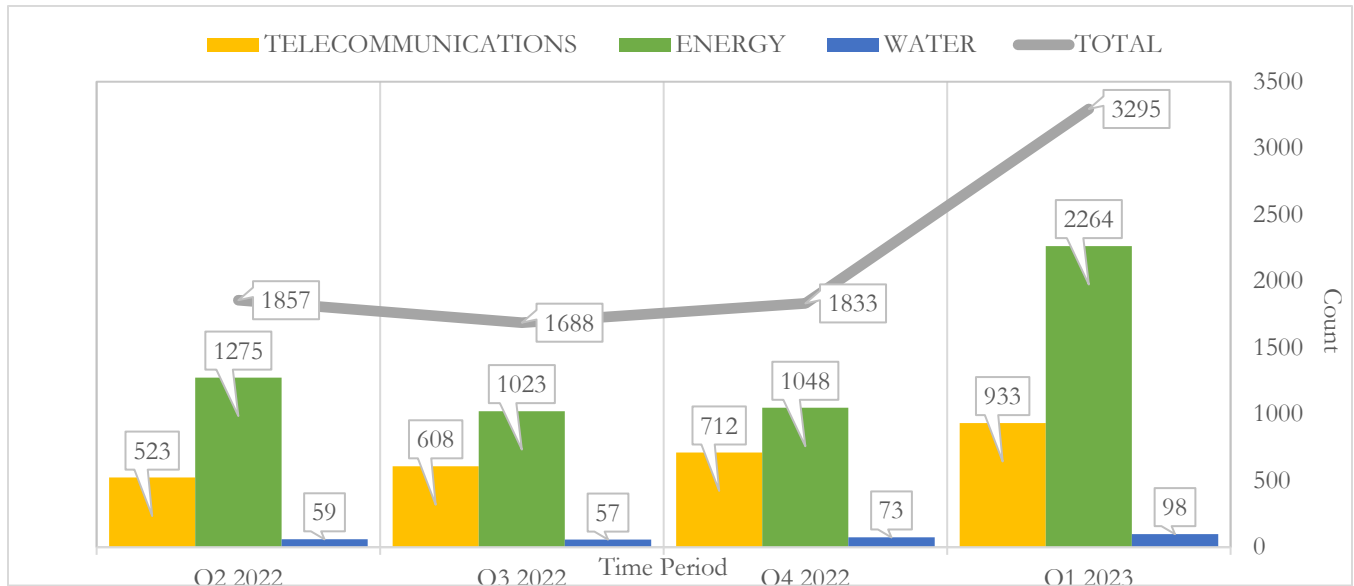


Figure 2: Informal Consumer Complaints Resolved by Industry and Quarter

Across all industries, billing issues accounted for **57 percent** of ICs sent to the utilities, with service issues at **29 percent**, see **Table 3** below.

Table 3: Informal Consumer Informal Complaints Resolved by Category and Industry

Category	Tele-communications	Energy	Water	Total	% of Total
Billing	291	1517	74	1,882	57%
Service	502	431	16	949	29%
Public Purpose Programs	n/a	195	n/a	195	6%
Policy and Practices	35	119	8	162	5%
Lifeline	102	n/a	n/a	102	3%
Not Regulated - No Jurisdiction	3	2	n/a	5	0.2%
Totals	933	2,264	98	3,295	100%

ENERGY UTILITIES 12-Month RECAP with Q1-2023 HIGHLIGHTS

This report compares the consumer contacts CAB received in Q1-2023 with 2022, for all energy utilities and more specifically, the top-10 utilities. In this case, being a member of the top-10 means that CAB received the most contacts for these companies over all other energy companies regulated by the CPUC.

Energy Consumer Contacts Calendar Year 2022 and Q1-2023

CAB received a total of **7,739** contacts related to energy utility companies in the Q1-2023. The top-10 energy utilities accounted for **94 percent** of the total energy contacts. Most of the contacts were from Southern California Gas (SoCalGas) customers with concerns about rising natural gas prices and its impact on their gas bills.

The high natural gas prices were a result of a combination of factors, such as widespread and sustained cold weather in the western United States, planned and unplanned maintenance of supply pipelines, and lower gas storage levels at California’s gas storage facilities. High natural gas prices can have an immediate impact on customers, and a delayed impact when electricity rates increase because the natural gas-related costs of running electric power plants are higher than earlier forecasts.

Natural gas prices get passed through to consumers without any mark up by the utilities. Although natural gas prices are not set by the CPUC, but determined by prevailing market prices on the commodities market, the CPUC in response to the public outcry held a public forum to discuss current gas market conditions and its impact on gas prices and electricity markets. The CPUC subsequently launched a proceeding to investigate the causes and impacts of the high winter 2022-2023 natural gas prices and the potential for recurrence; the impact of the price increases on natural gas and electric prices, and customer bills; the potential threats to natural gas and electric reliability, and price volatility in summer 2023 and beyond, and potential mitigations; and utility communications to customers to determine whether they were sufficient or require modifications.

Table 4 below shows the breakout of the top-10 Energy Utilities by count and percent of the total.

Table 4: Top-10 Energy Utility Contact Statistics

Contacts	Calendar Year 2022	% of Total	Q1 2023	% of Total Q1
Total Energy Contacts	11,102	100%	7,739	100%
Total Top-10 Utility Energy Contacts	10,521	95%	7,263	94%
Top-10 Utility Name				
Southern California Gas Company	4,483	40%	3,008	39%
Pacific Gas & Electric Company	3,184	29%	1,507	19%
Southern California Edison Company	1,455	13%	1,420	18%
San Diego Gas & Electric Company	715	6%	522	7%
United Energy Trading LLC dba Collective Energy	163	2%	290	4%
Tiger Natural Gas Inc.	162	2%	172	2%
Symmetry Energy Solutions, LLC	139	1%	132	2%
Spark Energy Gas LLC	90	1%	81	1%
SFE Energy Inc.	88	1%	66	1%
Vista Energy Marketing L.P.	42	0.4%	65	1%

Figure 3 below shows the relative impact each of the top-10 energy utilities had on CAB’s energy workload by volume of contacts. The chart was created by using the variables of “utility name”, “case type” and “case

count”. Each of the top-10 utilities is represented by a unique color, which is replicated throughout this report, and the size of the bubbles are relative to the case counts for each utility and case type.

In the Q1-2023, CAB’s energy consumer contacts were dominated by contacts about Southern California Gas, Pacific Gas and Electric and Southern California Edison respectively. Most of CAB’s staff resources were allocated to these three companies. The various case types represent different contact resolution processes with Phone Contacts being the least time intensive, and ICs and Complaints³ being the most.

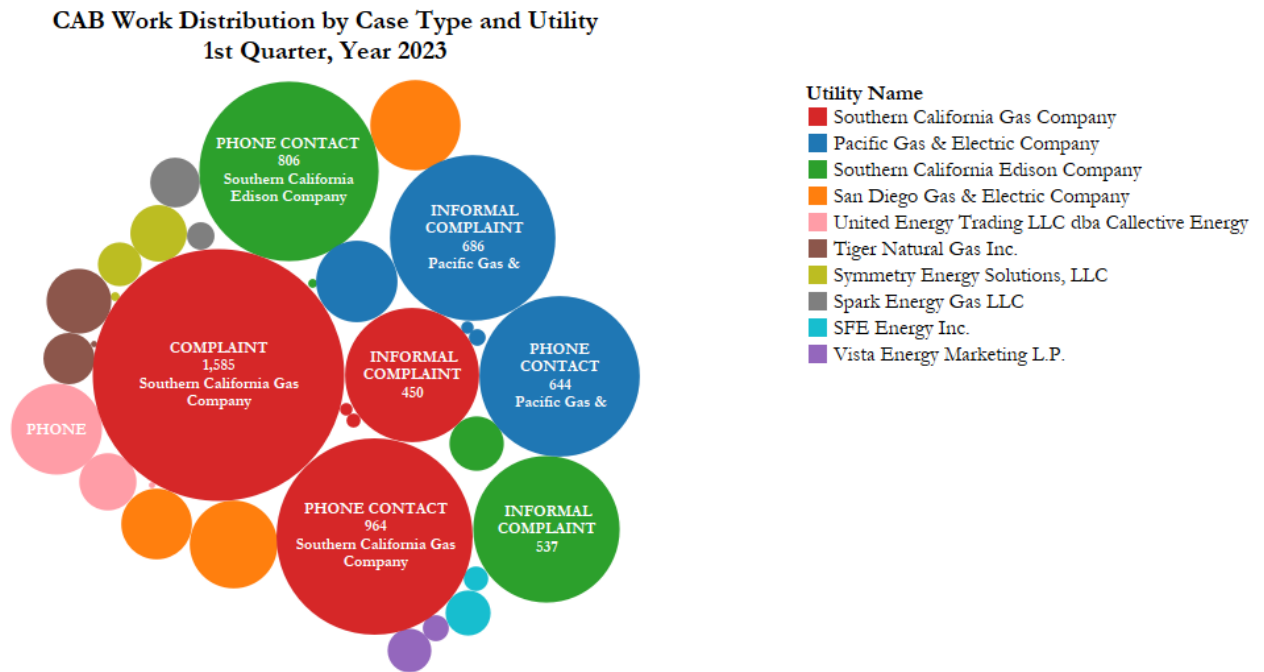


Figure 3: CAB Work Distribution by Case Type and Utility – Q1-2023

Table 5 shows the ranking of the top-10 Energy Utilities for Q1-2023, by the average utility response interval. When CAB sends an IC to a utility, the expectation is the utility will respond to CAB within **30-calendar days** to resolve the IC.

SCE had the largest average utility response interval well over the **30-day** expectation. SCE’s long utility response interval of **69 calendar days** may be attributed to challenges presented by the high volume of complex ICs and billing issues that continue to create a lag in SCE’s ability to respond to ICs in a timely manner. In contrast, PG&E, a similarly sized company, responded to **680** ICs with an average response interval of only **13-calendar days**.

³ A consumer contact expressing dissatisfaction with or protesting an action or practice of the CPUC, or a regulated or non-regulated utility. The dispute may not be within the purview of the Consumer Affairs Branch to investigate, and the issue is best handled by another CPUC branch. The allegation is NOT sent to the utility for investigation and response, but handled as a referral to the appropriate utility, CPUC division, or closed outright with the appropriate letter of explanation.

Table 5: Top-10 Energy Utilities by Case Responses - Average Utility Response Intervals Q1-2023

Utility Name	Q1 Count Utility Responses	Q1 Avg Interval in Calendar Days
Pacific Gas & Electric Company	680	13
Southern California Edison Company	499	69
Southern California Gas Company	397	18
San Diego Gas & Electric Company	189	15
United Energy Trading LLC dba Collective Energy	68	12
Tiger Natural Gas Inc.	57	13
Symmetry Energy Solutions, LLC	41	4
Vista Energy Marketing L.P.	17	3
Spark Energy Gas LLC	16	29
SFE Energy Inc.	13	29

Top-10 Subcategories for Top-10 Energy Companies for 2022 and Q1-2023

Typically, when CAB reports case data by subcategory, we count cases and group them by “primary subcategory”. The primary subcategory is the first subcategory attributed to the complaint, and it represents the overarching reason the consumer contacted CAB. However, the CIMS database allows multiple subcategories to a case (attributes), which allows for a better description of the case and subsequent in-depth analysis.

In **Figure 4**, subcategory frequency represents the count of the number of times an individual subcategory was selected in the Q1-2023. The top-10 Subcategories reflect consumers reacting to high bills due to high natural gas prices experienced during the winter.

High Bill was applied to **25 percent** of all contacts and **40 percent** of the Billing category. It also helps define cases in other categories such as Policy and Practices that aligns with subcategories Commission Policy/Rules and Rate Protest.

Both Commission Policy/Rules and Rate Protest subcategories were each applied to **16 percent** of contacts. Rate Protests directly align with the Commission Policy/Rules with both attributes used together to describe cases **89 percent** of the time in Q1-2023. The majority of Commission Policy/Rules and Rate Protests represent customers upset with gas rate increases that started showing up in their winter utility bills.

NJ Customer Service Subcategory⁴, which was applied to **11 percent** of the contacts, falls within the Not Regulated – No Jurisdiction Category.

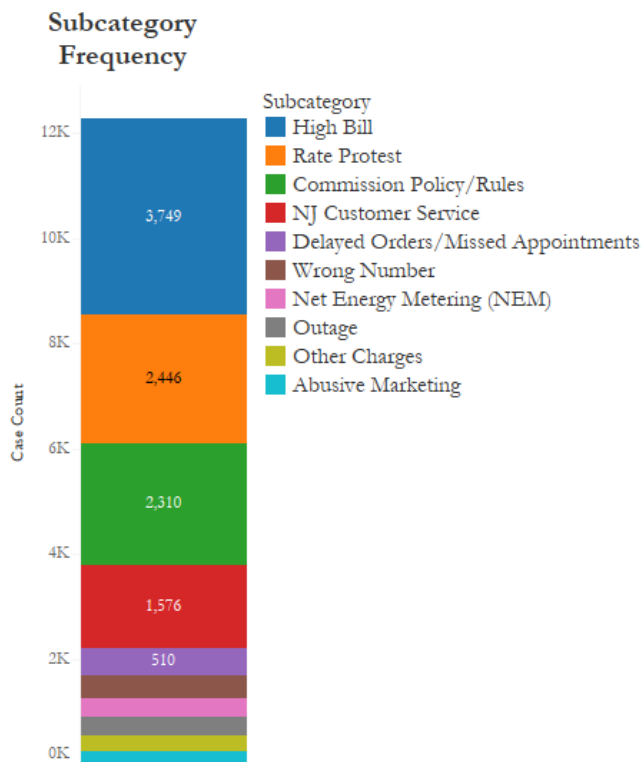


Figure 4: Top-10 Subcategory Frequencies for Energy Utilities Consumer Contacts

TELECOMMUNICATIONS UTILITIES 12-Month RECAP with Q1-2023 HIGHLIGHTS

CAB received **3,264** contacts related to telecommunication utilities in Q1-2023. The top-10 telecommunication utilities who received the most contacts accounted for **86 percent** of the total telecommunication contacts in this quarter. AT&T California received the most contacts in Q1, accounting for **27 percent** of the total number of contacts received against telecommunication companies.⁵ **Table 5** shows the total number and percentage of contacts the top-10 telecommunication utilities received in Q1-2023.

⁴ NJ Customer Service subcategory applies to customer service related issues such as being transferred from one person to another multiple times within one phone call, not being able to reach the correct department or someone who could deal with the issue, and rude utility representatives.

⁵ AT&T California is also known as Pacific Bell.

Table 5: Top-10 Telecommunication Utility Contact Statistics

Contacts and Top-10 Utilities		Q1 2023	
Total for Telecommunication Contacts		3,264	100%
Top-10 Utilities			
AT&T California		868	27%
Lifeline Administrator		616	19%
Frontier California Inc.		402	12%
Cellco Partnership		193	6%
Charter Fiberlink CA-CCO, LLC		168	5%
Comcast Phone of California, LLC		146	4%
T-Mobile West LLC		131	4%
TracFone Wireless, Inc.		118	4%
AT&T Mobility Wireless Operations Holdings Inc.		95	3%
Assurance Wireless USA, L.P.		81	2%
Total for Top-10 Telecommunication Contacts		2,818	86%

As shown in **Figure 5**, January continued to have an influx of contacts, but by February and March, the number of contacts dropped **25 percent**. CAB received a large number of Service and LifeLine related contacts in the beginning of the quarter. Service contacts declined in February and increased again in March. The increase of LifeLine related contacts from December 2022 carried over to January 2023, but eventually, LifeLine related contacts started decreasing considerably in February and March as recertification inquiries got resolved. For additional details and breakdown of LifeLine activity, see the LifeLine section below.

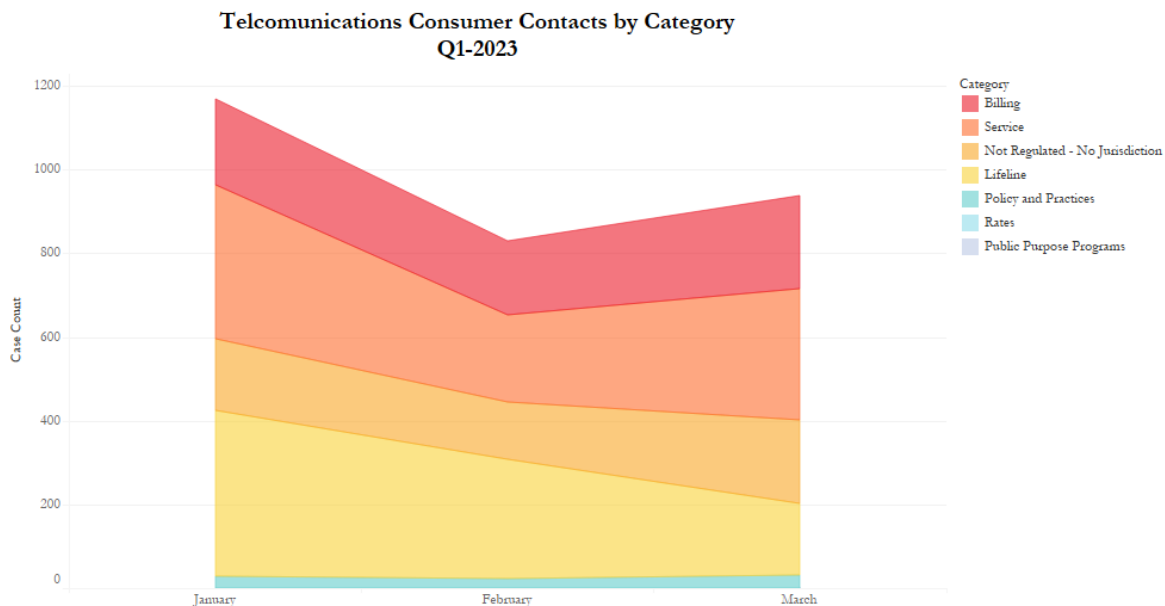


Figure 5: Top-10 Telecommunication Company Consumer Contacts by Category

AT&T California had the highest number of contacts in all three months of the quarter. Frontier California Inc. also contributed significantly to the number of contacts received in Q1. The LifeLine category received **50 percent** of its Q1 total contacts in January, sustaining an upsurge of contacts that carried over from December 2022. **Figure 6** shows the number of contacts the top-10 telecommunication utilities received by month in the first quarter. (Note – values below 50 are not shown in the chart.)

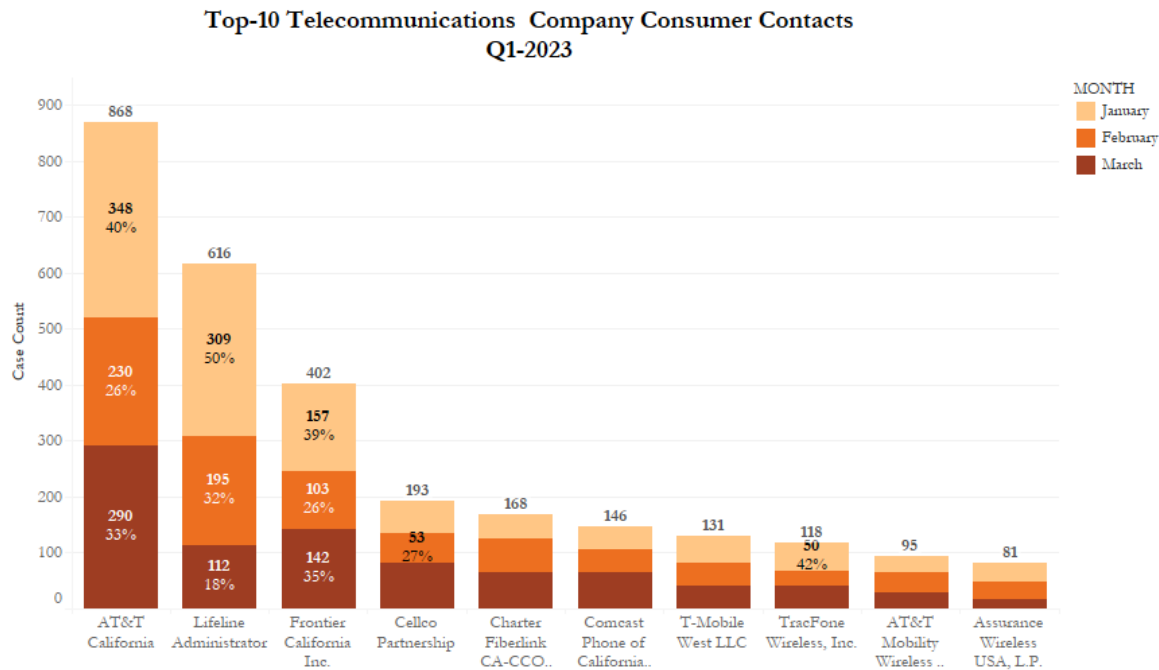


Figure 6: Telecommunication Company Consumer Contacts

In Q1-2023, the top subcategories for the top-10 telecommunication utilities contacts were for Outages, Other Charges⁶, Delayed Orders/Missed Appointments, and High Bill, see **Figure 7**. While AT&T California accounts for **27 percent** of the total telecommunications contacts, it made up **53 percent** of Outages contacts. Frontier California, Inc. accounted for second highest number of Outages at **33 percent** of the Outage contacts, even though Frontier only accounts for **12 percent** of the telecommunications contacts.

AT&T California and Frontier California, Inc. also dominated the Q1 Delayed Orders/Missed Appointments contacts at **76 percent** of contacts for this subcategory. While Cellco Partnership accounted for only **6 percent** of all Q1 contacts, their contacts accounted for **20 percent** of the Other Charges and **16 percent** of High Bill subcategory contacts.

⁶ Other Charges could include topics such as (but not limited to) roaming, 411, returned check charges, transfer charges, activation fee, closed account charges (i.e., consumer terminated service with utility and is still receiving bills even though account balance was \$0 at termination).

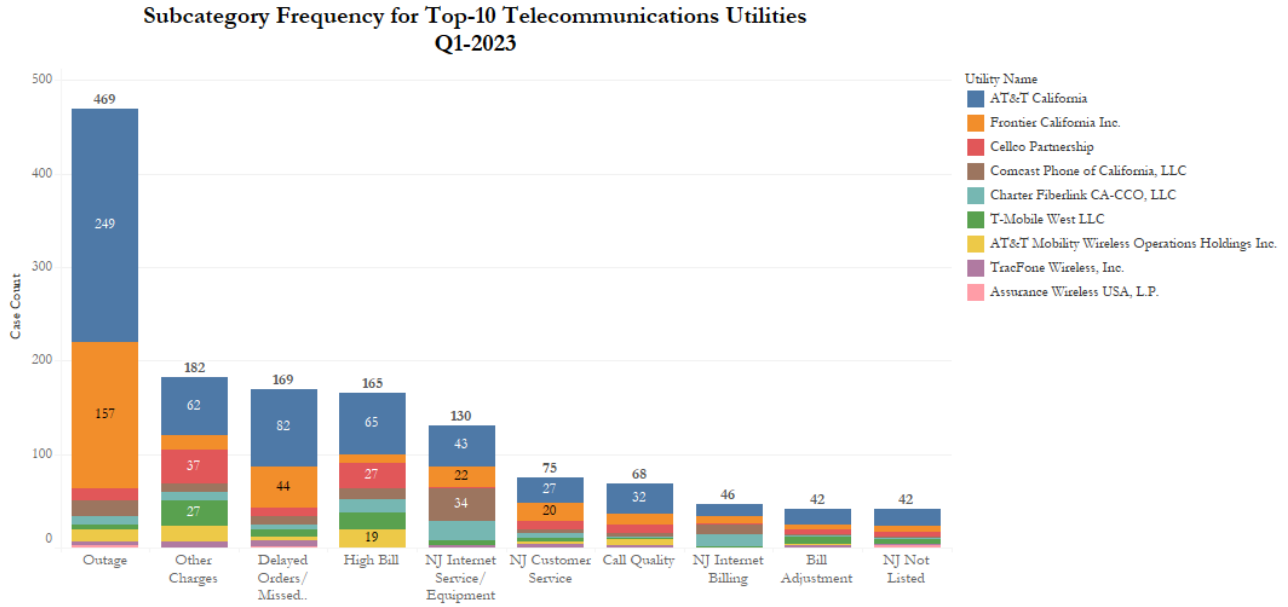


Figure 7: Subcategory Frequency for Top-10 Telecommunication Utilities for Q1-2023

LIFELINE

CAB has five dedicated California LifeLine specialists to assist consumers in answering inquiries and questions related to the LifeLine program. CAB also reviews appeals filed by consumers who were disqualified by the program’s Third-Party Administrator (TPA). Additionally, CAB facilitates LifeLine billing issues to service providers for investigation and resolution as necessary.

In the Q1-2023, CAB received **842** LifeLine consumer contacts, a **30 percent** increase from the prior quarter, see **Table 6**. Many of the first quarter’s contacts were regarding consumers’ recertification applications, a continuation of the trend observed during the end of the fourth quarter in 2022. Recertifications for the LifeLine program resumed as of July 1, 2022, after a two-and-a-half-year hiatus during the pandemic. LifeLine customers are allowed a **106-day** period to return certification forms for renewals so that the July recertification forms mailed to California LifeLine consumers expired in early November 2022. Consumers have two attempts within the **106-day** period to complete and return certification forms.

Any incorrectly completed forms are disqualified, and consumers must reapply after the anniversary date has passed. Consumers whose renewal anniversary date ended in December 2022 and did not recertify or were disqualified would have received a higher bill in January 2023, thus causing an upsurge in LifeLine contacts for January, and inflating the number of LifeLine contacts in the first quarter. Additionally, it is possible that some of these contacts were an overflow of LifeLine contacts for consumers from Q4-2022, whose renewal anniversary date ended in November and did not recertify or were disqualified but did not contact CAB until beginning of January due to the state holidays in late December and early January.

CAB closed **619** LifeLine Appeals in the Q1-2023, nearly double the number of appeals that were closed in the fourth quarter of 2022. A high number of closed appeals indicate consumers were contacting CAB regarding the disqualification of their recertifications.

Table 6: LifeLine Contacts Received and Closed

	2022			2023	
	Q2	Q3	Q4	Q1	Q4 to Q1 % Change
LifeLine Contacts Received					
Phone Contacts Received	157	144	190	213	12%
Written Contacts Received	214	218	459	629	37%
Total Contacts Received	371	362	649	842	30%
Top LifeLine Case Types Closed					
LifeLine Appeals	118	138	330	619	88%
LifeLine Billing Cases	225	249	279	322	15%

The top-10 applied LifeLine subcategories in Q1-2023 are shown in **Figure 8**. The significant increases in January and February for “LL Consumer Did Not Return Form,” “LL IDV Identity Verification,” and “LL Initials Missing” implied many LifeLine consumers did not complete or timely submit their recertification forms to continue their participation in the California LifeLine program, as these subcategories explain why LifeLine recertifications were denied.

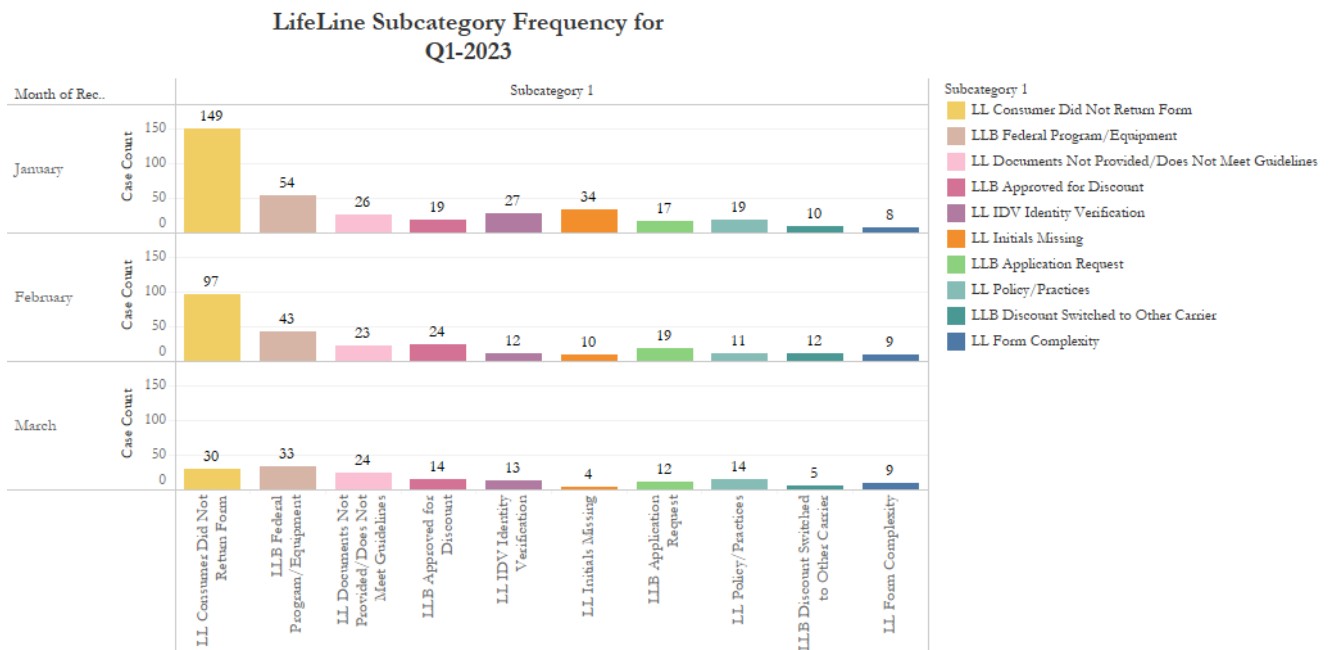


Figure 8: LifeLine Subcategory Frequency Comparison between January, February, and March 2023

TEAM AND CHANGES

In addition to the customer contacts handled by CAB, the Telecommunications Education and Assistance in Multiple-Languages ([TEAM](#)) and Community Help and Awareness of Natural Gas and Electric Services ([CHANGES](#)) programs overseen by CAB assist Limited English Proficient (LEP) consumers with telecommunications and energy issues, respectively.

The most recent TEAM and CHANGES contract was awarded to the non-profit organization Self-Help for the Elderly (SHE) from June 7, 2019, to June 6, 2022, with two one-year options to extend the contract. The CPUC is currently in the first option year, which is due to expire on June 6, 2023. The second option year was approved, and the contract extension took effect on June 6, 2024. TEAM is authorized for an annual budget up to **\$1.6 million**, and CHANGES is authorized up to **\$1.68 million** per year.

TEAM and CHANGES support LEP utility consumers statewide through **25** CBOs that offer services in their preferred language, and with cultural sensitivity. The CBOs provide consumer outreach, education, and case assistance (needs assistance and dispute resolution).

In the Q1-2023, CBOs provided case assistance to **3,004 consumers**, for financial and other needs (e.g., CARE/LifeLine or other financial assistance programs), or with utility disputes. This was an increase of **37 percent** from the previous quarter, as shown in **Table 7**. CBOs also provide education on a range of topics to assist them in managing their utility services. In the first quarter, these education classes had an attendance of **21,557**, which was an increase of **62 percent** compared to the previous quarter.

Finally, the TEAM program helped consumers resolve disputes with their telecommunications provider that resulted in reclaiming just over **\$24,000** on their behalf in the first quarter. Over the last four quarters, CBOs reclaimed approximately **\$101,000** from telecommunications providers on behalf of their TEAM clients.

Table 7: CBO Case Support and Education Services Provided and Amount Recovered

	2022			2023	Total
	Q2	Q3	Q4	Q1	
Individual Case Support	2,472	2,457	2,196	3,004	10,129
Education Provided	18,375	17,043	13,282	21,557	70,257
Amount Recovered (TEAM)	\$33,023	\$19,995	\$23,813	\$24,123	\$100,954

* The data in this row has been changed to reflect that the basis of the data reported has been changed to show total classroom attendance