



United States Senate

February 6, 2023

The Honorable Alice Reynolds
President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Dear President Reynolds,

I write to share concerns about skyrocketing home energy costs for residents of California and thank the California Public Utilities Commission (CPUC) for your plans to investigate factors contributing to the high utility costs and their impacts on state residents.

As the state contends with an unusually cold and wet winter, residents and businesses in California are facing record-high natural gas and electricity prices. Residents of Southern California in particular saw their natural gas bills double in January compared to last year's bill, with utility procurement rates up 313 percent year over year. Despite indications that rates will come down again in February, home energy costs are still considerably higher than in years past, and many Californians are choosing to forgo heating their homes or running appliances to keep their bills low.

Given CPUC's mission to ensure California residents have reliable utility services at reasonable rates, I appreciate your announcement of an investigation into recent volatility in natural gas prices in California, and ask that you prioritize the question of whether current regulatory guidelines are sufficient to protect consumers. In particular, I encourage a review of the state's regulatory guidelines and existing practices for procurement and rate setting of electricity and natural gas supplies by utility providers, to determine whether they are adequate to protect ratepayers during periods of extreme market volatility.

As you are well aware, the impact of these sky-high and unpredictable rates on California residents is significant. Low-income residents and those on fixed

income simply aren't able to afford their bills, and are having to choose between paying higher heat and electricity prices or being able to afford food and housing.

Thank you for your attention to this matter, and please let me know if I can be of assistance as you continue your investigation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dianne Feinstein". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dianne Feinstein
United States Senator

DF/rw