

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0040
(916) 319-2040
FAX (916) 319-2140



DISTRICT OFFICE
27441 TOURNEY ROAD, SUITE 160
SANTA CLARITA, CA 91355
(661) 286-1565
FAX (661) 286-1408

Dear Commissioners,

As I'm sure you are aware, Los Angeles County and Southern California at large are experiencing astronomically high gas bills, even with minimal to no change in consumer usage amounts. My office has fielded a significant influx of constituent calls on this issue from the Santa Clarita Valley and the North West San Fernando Valley. The following are a few examples of correspondence we've received:

"The latest month has the cost per therm up to \$4.5 by SoCalGas, seeing a spike of almost triple in our gas bill. I've replaced my roof and insulation, replaced my gas dryer with an energy efficient model, replaced the dishwasher and replaced my water heater tank with a tankless all at significant costs to reduce my usage, but the rates are outpacing any efficiency gains. This system needs more choices or stricter regulations on companies like Sempra. They will always find procedural excuses to maximize their profits."

"For my family, our bill went from \$90 to \$190 to \$444 from November to January. Upon seeing this outrageous projected cost, we shut off our heater in our home during the coldest month of the year just to attempt to help reduce this astronomical increase that we cannot afford; I paid \$2.16 a therm in December and \$3.92 in January."

"The cost has nearly doubled in a year and increased by 80% in one month!"

"I'm a widowed home owner. I have a tankless water heater, I only use cold water when I wash clothes, and I only use the gas dryer once a week. I usually wash myself in the sink but when I do shower, I use hot water only for 3 minutes. I only cook on the gas stove for a few minutes every other day (the rest of the time, I use my microwave). I keep my home heating at 68 degrees or less. I have a pool, but I don't heat it. In the cold wet month of January, my therm usage went up by just 8 therms from December. Yet the cost per therm on my SoCalGas bill jumped from \$1.05 in December to \$3.45 in January, making my bill go from \$260 to \$573! How is SoCalGas allowed to inflate prices by more than double within one month?! That's WAY beyond the rate of inflation. What can the consumer do about it?"

These are just a few of the many stories about the direct impact these prices are having on constituents in our district; from seniors on fixed incomes, to single parents with young children, to working families struggling to make ends meet. Regardless of the reasons, these gas hikes are unacceptable. As calls to our office increased, my team reached out to SoCal Gas to inquire about the cause of these sudden increases. The response of "market volatility" as an explanation leaves my constituents understandably frustrated and with no actual help. It also leaves me with little confidence in Sempra and SoCalGas taking accountability or doing all they can to bring prices down in a meaningful way.

We know natural gas prices have increased; to have a corporation that is reporting billions of dollars in profit pass these increases directly on to families in my district and across the state is unconscionable. Many have already taken the suggested actions by SoCalGas, and more, with little to no relief on their financial burden. According to the 2022 Personal Wealth & Wellness Index, 47% of Americans are unable to survive an unexpected \$500 expense without worry. Sempra & SoCalGas made a deliberate decision to charge exorbitant prices for a resource that consumers rely on. As a member of the Assembly Committee on Utilities and Energy, I am fully engaged on addressing how we can alleviate the unsustainable burden on Californians from these pricing decisions.

Tomorrow, at the Public Utilities Commission Hearing, I urge all members to keep the stories of these families and others across the state in mind as you work to find the root cause of these increases and consider actions to address these massive rate hikes on ratepayers.

In addition, I hope the Commission reviews the strategy that some storage facilities utilize: to pre-purchase gas at a lower price to be stored and then distributed when wholesale prices increase. Please explore whether this money saving strategy was implemented or not and how this practice will be more effectively utilized to protect constituents from winter price spikes going forward.

In service,

A handwritten signature in black ink that reads "Pilar Schiavo". The signature is written in a cursive, flowing style.

Pilar Schiavo
Assemblywoman, District 40