



























































LONG BEACH ALLIANCE FOR CLEAN ENERGY





























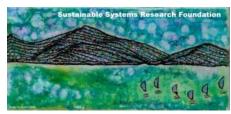








COMMUNITIES FOR A BETTER **ENVIRONMENT** established 1978















biofuelwatch











































The Honorable Anna Caballero

Senate Appropriations Committee 1021 O Street, Room 2200 Sacramento, CA 95814

Subject: SB 332 (Dr. Aisha Wahab) SUPPORT

Dear Chair Caballero and Committee Members.

We, the undersigned organizations, write in strong support of **SB 332 (Wahab), the Investor-Owned Utilities Accountability Act**, which seeks to protect Californians from rising energy bills, increasing utility shutoffs, destructive wildfires, and other harms caused by profit-driven investor-owned utilities (IOUs).

SB 332 is a fiscally prudent investment in long-term energy system stability, affordability, safety and state financial resilience. It calls for a feasibility study to evaluate alternative ownership models for California's electric utilities. Based on comparable public utility studies¹, this robust, independent feasibility study will not exceed \$5 million and would come out of the ERPA fund, therefore not impacting the general fund. This is a fraction of the \$13.5 billion PG&E wildfire settlement, the \$21 billion wildfire fund created by AB 1054, or the billions of dollars paid annually in shareholder returns—all ultimately subsidized by California ratepayers and backed, in various ways, by state mechanisms. Preventing future bailouts begins with examining smarter structures now. This study could create a pathway to a safer, more reliable, and affordable energy system that not only supports ratepayers, but also protects the state of California from future public financial exposure.

Investor-owned utilities have a well-documented history of safety violations and prioritizing shareholder profits over public welfare. After the 2018 Camp Fire—sparked by outdated PG&E equipment and resulting in 85 deaths—PG&E filed for bankruptcy with more than \$30 billion in liabilities. Since then, it has continued to cause fires, including the Kincade (2019), Zogg (2020), and Dixie (2021) fires. Independent audits, including an investigation by a grand jury, revealed the company diverted safety funds to executive compensation and dividends, despite repeated warnings about aging infrastructure.

The harm these utilities cause is ongoing and deeply inequitable. Low-income communities and communities of color disproportionately bear the brunt of high energy costs, pollution, and utility disconnections. Currently, about 1 in 5 Californians are in arrears due to unaffordable utility bills. That's roughly 7 million people. In 2024 alone, IOUs disconnected customers' power for nonpayment **over 317,000 times**, a 50% increase over 2023. These shutoffs put lives at risk, particularly in rural areas and among disabled Californians living in high fire-risk zones.

There are proven alternatives. Publicly owned utilities (POUs) and rural electric cooperatives (RECs) charge roughly half the average rates of IOUs², while delivering more reliable service. Sacramento Municipal Utility District (SMUD), which broke free from PG&E decades ago, now has rates that are 58% lower than PG&E's. The California Energy Commission's recent projection of rate increases³ demonstrated that revenue requirements are anticipated to nearly triple in IOU territories in the coming decades. And a 2023 study by the Public Advocate's Office found that if transmission lines were financed and owned by the state government rather than IOUs, it could save Californians \$28 billion—about 25% savings.⁴ The potential savings from applying that same principle to distribution infrastructure are substantial and deserve serious study. At a time when the people of California are paying the highest rates in the continental United States and shouldering the cost of IOU failures—including billions in wildfire liabilities—this modest planning investment in a study offers a strategic opportunity to explore models that could reduce rates for the long term.

SB 332 offers a multi-pronged approach to ratepayer protection and utility reform, including:

• **Funding a feasibility study** to explore not-for-profit alternatives to the IOU model and identify more affordable, equitable, and reliable approaches to delivering electricity.

¹ Evaluation of the Ownership of Maine's Power Delivery System cost \$500,000

² Assessing California's Climate Policies—Residential Electricity Rates in California

³ 2024 IEPR Electricity Rate Forecast

⁴https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/230516-caladvocates-public-investment-in-infrastructure.pdf

- Mandating disclosure of utility shutoff data on IOU and POU websites. Transparent reporting is essential to understanding and addressing the impacts of disconnections on vulnerable communities.
- Requiring independent audits of aging equipment in high fire-risk areas. Many components of California's grid have outlived their usable life, and utilities can no longer be trusted to self-monitor safety compliance.
- Linking executive compensation to safety performance, to counteract current incentives that reward cost-cutting and risky infrastructure over public well-being.
- Mandating cost-effective, safety-focused equipment replacements, including undergrounding lines or deploying microgrids, especially during post-fire rebuilding efforts.

Californians deserve utilities that are accountable, safe, equitable, and climate-resilient—not private monopolies incentivized to cut corners and pass costs onto the public. **SB 332 is a strategic, relatively low-cost measure** that empowers the state to evaluate better ways of delivering electricity in the public interest.

We urge the Appropriations Committee to recognize the long-term fiscal and public safety benefits of this legislation and to vote **YES** on SB 332

Sincerely,

Organizational Sign-ons

Travis Gibrael, Research and Popular Education Organizer Emily Smet, Co-Chair

Reclaim Our Power: Utility Justice Campaign

Sacramento Chapter Democratic Socialists of America

Selah Goodson Bell, Energy Justice Campaigner

Jose Torre-Bueno, Executive Director

Center for Biological Diversity Center for Community Energy

Jeffrey Bulls, President Daniel O'Connell, Executive Director

Saginaw CAP Central Valley Partnership

Irene Kao, Executive Director

Tracy Rosenberg, Executive Director

Courage California Media Alliance

Leah Redwood, California Organizer
Oil and Gas Action Network
Robert Perry, Principal Analyst

Synergistic Solutions

David Green, Lead

Wellbeing Economy Alliance California

John Farrell, Co-Direct
Institute for Local Self-Reliance

Stephen Campbell, Regulatory Director

Vote Solar Glenn Brand, Vice-President of Policy and Advocacy

Solar United Neighbors Action

Debbie Notkin, Chair of the Board
Friends of the Public Bank East Bay

Laura Neish, Executive Director

350 Bay Area Action

Gregory Stevens, Northern California Director

Carol Weed, Steering Committee

California Interfaith Power and Light

Carol Weed, Steering Carol Weed,

Jean Tepperman, Co-Coordinator

James Court, President

Sunflower Alliance Consumer Watchdog

Marven Norman
Center for Community Action and Environmental Justice

Jessica Tovar, Executive Director

The Local Clean Energy Alliance

Antonio Diaz, Organizational Director PODER

Sari Bilick, Organizing Program Director Human Impact Partners

Kelly Smith Stop PG\$E

Xochitl Cortez, Executive Director Frontline Catalysts

David Gassman, Co-Convenor Bay Area-System Change not Climate Change

Scott Brown
Party for Socialism and Liberation

Ector Olivares, Program Manager Catholic Charities of Stockton

Moyses Aguirre, Campaign Coordinator Youth vs. Apocalypse

Cheryl Auger, President Ban SUP (Single Use Plastic)

Ashley McClure, Executive Director Climate Health Now

Dave Shukla, Operations
Long Beach Alliance for Clean Energy

Bill Balderson Solidarity, Bay Area

Susan Silber, Project Director Collective Resilience

Peninsula Chapter of the Democratic Socialists of America

Janice Schroeder, Core Member West Berkeley Alliance for Clean Air and Safe Jobs

Allen Myers, Founder Regenerating Paradise

Daniel Chandler, Steering Committee Member 350 Humboldt

Herman Barahona, Lead Community Organizer The Sacramento Environmental Justice Coalition

David Martinez, Orange County Climate Equity Advocate and Organizer Climate Action Campaign Carol Wee, Board of Directors Democrats of Rossmoor

Scott Henderson, CEO Doing Good Works

Micah Perlin, Director California Climate Voters

Esperanza Vielma, Founder and Ex Co-founder Coalition for Economic Equity and Economics (CEEE)

Katharine Harrison, Chair SanDiego350 Legislative Team

Levana Saxon, Co Founder, Participatory Action Research Advisor

Partners for Collaborative Change

Corrine Van Hook-Turner, Chief Executive Officer People's Climate Innovation Center and National Association of Climate Resilience Planners (NACRP)

Helen Eigenberg, Co Founder HODG

Pat Barrett, CEO Mineral Baths Community Gardens

Aleta Toure, Coop Member Parable of the Sower Healing Center (Intentional Community Cooperative)

Jerry Rivers, Environmental Scientist and Climate Activist North American Climate, Conservation and Environment (NACCE)

Jay Salazar, Core Member Disability Justice Culture Club

Doria Robinson, Executive Director Urban Tilth

Thomas Helme, Coordinator California Environmental Justice Coalition

Ali Anderson, Co-Executive Director Feed Black Futures

Sherry Lear, Steering Committee 350 Southland Legislative Alliance

Zach Lou, Coalition Director California Green New Deal Coalition

Deborah Scarborough San Luis Obispo Democratic Party Adele Watts, Interim NorCal Program Co-Director Communities for a Better Environment

Gary Hughes, Co-Director / Americas Program Coordinator Biofuelwatch

Feby Boediarto, Energy Justice Manager California Environmental Justice Alliance Action

Sara Zimmerman, Executive Director Climate Equity Policy Center

Isaiah Glasoe, Volunteer Organizer Public Power San Diego

Tom Goldtooth, Executive Director Indigenous Environmental Network

Martha Sellers, Co-Facilitator Bay Area Third Act

Pauline Seales, Organizer Santa Cruz Climate Action Network

Barbara Stebbins, Steering Committee Member California Alliance for Community Energy

Morning Star Gail, Executive Director Indigenous Justice

Janet Cox, CEO Climate Action California

Isaiah Glasoe, Secretary San Diego DSA

Chris Peck, President Urban Ecology Project

Phil Glosserman, Lead Facilitator Third Act SoCal

Deborah Moore, Campaign Strategist Third Act

Ronnie Lipschuz Sustainable Systems Research Foundation Jennifer Tanner, Leader Indivisible CA Green Team

Melissa Taylor, President Foothills Community Democrats

Hilda Gaytan, Executive Director Puente Latino Association Inc.

Gopal Shanker, President Récolte Energy

Ellen Marks, Director California Brain Tumor Association

Justin Schott, Director Energy Equity Project

Rae Huang, Senior Organizer Housing Now!

Gloria Alonso, Environmental Justice Advocacy Coordinator Little Manila Rising

Suzanne Hume, Educational Director & Founder CleanEarth4Kids.org

Sarah Sharpe, Deputy Executive Director Central California Asthma Collaborative

Elected Official Sign-on

Igor Tregub, Councilmember District 4 City of Berkeley

Cecilia Lunaparra, Councilmember District 7 City of Berkeley

Gayle McLaughlin, Former Mayor (2007-2015) and Councilmember (2005-2007, 2015-2017, 2021-2024) City of Richmond

Soheila Bana, Councilmember District 4 City of Richmond

Claudia Jiménez, Councilmember District 6 City of Richmond