

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



FILED

02/12/26

04:59 PM

12303008

Order Instituting Investigation on the
Commission's Own Motion into Natural Gas
Prices During Winter 2022-2023 and
Resulting Impacts to Energy Markets

I.23-03-008
(Filed March 16, 2023)

**COMMENTS OF THE UTILITY CONSUMERS' ACTION NETWORK (UCAN)
ON THE PROPOSED DECISION REGARDING THE CAUSES AND CONTRIBUTORS
TO THE 2022-2023 GAS PRICE SPIKE AND ADOPTING DIRECTIONS TO REDUCE
THE LIKELIHOOD OR MITIGATE THE IMPACT OF FUTURE GAS PRICE SPIKES**



Edward Lopez
Executive Director
Utility Consumers' Action Network
404 Euclid Avenue, Suite 377
San Diego, CA 92114
619-696-6966
edward@ucan.org

Date: February 12, 2026

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the
Commission’s Own Motion into Natural Gas
Prices During Winter 2022-2023 and
Resulting Impacts to Energy Markets

I.23-03-008
(Filed March 16, 2023)

**COMMENTS OF THE UTILITY CONSUMERS’ ACTION NETWORK (UCAN)
ON THE PROPOSED DECISION REGARDING THE CAUSES AND CONTRIBUTORS
TO THE 2022-2023 GAS PRICE SPIKE AND ADOPTING DIRECTIONS TO REDUCE
THE LIKELIHOOD OR MITIGATE THE IMPACT OF FUTURE GAS PRICE SPIKES**

I. INTRODUCTION

Per Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission, the Utility Consumers’ Action Network (“UCAN”) submits its Opening Comments on the Proposed Decision (“PD”) in the above-referenced proceeding. These Comments are timely filed as the PD was issued and served on January 23, 2026.

II. THE PD ERRS IN NOT ADOPTING ADEQUATE RATEPAYER PROTECTIONS AND SAFEGUARDS

This proceeding commenced because the price of natural gas in California, and throughout the Western United States, was extraordinarily high starting in late November 2022 and continuing through the winter. And while the proceeding, and its record, examined and spotlighted the background and factors that led and contributed to the High Natural Gas Prices crisis during the 2022-23 Winter season, the PD ultimately errs in not finding and adopting, even minimal, safeguards and protections for ratepayers should the same situation arise in the future.

The PD, using measured language, absolves the public utilities and finds that they, along with Independent Storage Providers (ISPs),¹ did not cause or contribute to the 2022-2023 gas

¹ Central Valley Gas Storage, LLC, Gill Ranch Storage, LLC, Lodi Gas Storage, L.L.C., and Wild Goose Storage, LLC.

price spike.² But the PD errs in not focusing on the context and effect for utilities' customers. Parties, including UCAN, made the record that evinced the true nature of the crisis – and a crisis it was indeed. Just for example, in the SDG&E territory, gas bills for some customers increased upwards over 100% as compared to January 2022.³ January's enormous increase in natural gas charges from SDG&E amounted to a 114 percent rate hike, taking an additional \$120 from a typical customer, an additional \$100 million from all residents of our region.⁴ The 114% increase caused more customers to join the 340,000 already behind in their utility bills; an estimated one in four SDG&E customers was in arrears on their utility bill payment before the January gas spike.⁵ UCAN's own members constantly called daily to complain about the outrageous, skyrocketing costs, how hard it was for some to pay that much, and how some simply could not afford the high bills. Ratepayers' angst over recent SDG&E bills carried over into the Public Participation Hearings held by the Commission in the ongoing General Rate Case. A common refrain was "Please help us. We're trying everything. We're trying to pay our bills."⁶

Although the PD attests that the "winter of 2022-2023 witnessed a surge in gas prices across California"⁷ and some "customers saw an average 147 percent increase in their January 2023 gas bills compared to January 2022"⁸ it merely and meekly simply finds that the "winter 2022-2023 gas prices placed an extreme burden on ratepayers."⁹

California, and its utility ratepayers, find themselves in a severe "affordability crisis."¹⁰ In fact, one that has only hastened and worsened in current times. In fact, this proceeding

² PD, at p. 2.

³ *Newsom wants the feds to investigate California's high natural gas prices*, San Diego Union Tribune, February 6, 2023, <https://www.sandiegouniontribune.com/business/story/2023-02-06/newsom-wants-the-feds-to-investigate-californias-high-natural-gas-prices>.

⁴ San Diego Public Power Letter to San Diego City Council, March 14, 2023, <https://www.ucan.org/investigation-into-high-gas-prices/>.

⁵ San Diego Public Power Letter to San Diego City Council, March 14, 2023, <https://www.ucan.org/investigation-into-high-gas-prices/>.

⁶ *I'm just fed up, some consumers tell regulators who will decide SDG&E's proposed rate hike*, <https://www.sandiegouniontribune.com/pomeroado-news/news/story/2023-03-24/dont-give-sdg-e-anything-frustrated-consumers-tell-commission-that-decides-proposed-rate-hike>, March 24, 2023.

⁷ PD, at p. 4.

⁸ PD, at p. 4.

⁹ PD Finding of Fact 85, at p. 150.

¹⁰ See, e.g., *Electric Bills To Spike In Southern California: Utility Rate Hike Approved* <https://patch.com/california/los-angeles/electric-bills-spike-southern-california-utility-rate-hike>

commenced with numerous calls for public agencies and entities for an explanation of and relief from the gas bills that soared.¹¹ And, although the PD emphasizes and utilizes its goals to “mitigate” impacts and “learn” lessons from this crisis, the PD errs in not adopting satisfactory and adequate protections and pro-active measures for ratepayers to safeguard against future deleterious effects. The Decision in this proceeding affords the Commission an opportunity to demonstrate it regulates with the interests of ratepayers in mind; a chance to affirmatively consider the “affordability” crisis and its impacts upon utility customers and to go beyond merely balancing considerations but provide actual relief for Californians.

III. THE PD ERRS IN NOT ADOPTING ENHANCED COMMUNICATING AND REPORTING REQUIREMENTS

When this investigation opened, the Commission committed to determining whether spike-related utility communications to customers are sufficient or require modifications.¹² Despite Parties recommending various improvements relevant to the timing, content, and methods of utility communications, few specific, new actions are adopted in the PD.

UCAN, like many other Parties, commented, opined, and ultimately recommended, for updated, transparent communications that serve ratepayers better as they will be better warned and prepared for future bill shocks.¹³ Calls for increased communications focused on payment plans and options,¹⁴ multichannel approaches, including text messages, emails, standard mail, bill inserts, web forum discussions, social media platforms, calls, and voicemails,¹⁵ and specific notices about impending price spikes and increases.¹⁶ And, ultimately, Intervenors recommended more, not less, measures, efforts, notifications – all in an effort to provide greater, not lesser,

[approved?utm_source=flipboard&utm_medium=rss&utm_term=business&utm_campaign=recirc&utm_content=flipboard](https://www.canarymedia.com/articles/utilities/californias-utility-bill-crisis-is-clear-to-all-the-solution-not-so-much), September 18, 2025; *California’s utility bill crisis is clear to all. The solution, not so much.* <https://www.canarymedia.com/articles/utilities/californias-utility-bill-crisis-is-clear-to-all-the-solution-not-so-much>, March 12, 2025; *Rising electric bills lead to state scrutiny — but little relief for residents,* <https://www.sandiegouniontribune.com/2025/12/28/state-scrutiny-electric-bills/>, December 28, 2025.

¹¹ See, e.g., *Push for San Diego City Council to hold public hearings on spike in SDG&E bill,* <https://www.cbs8.com/video/news/local/push-for-san-diego-city-council-to-hold-public-hearings-on-spike-in-sdgc-bill/509-93f2edd5-8165-4d71-b657-64ba6b2d4ded>, February 6, 2023; e.g., PD, at p. 4.

¹² PD, at p. 102.

¹³ PD, at pp. 120-121.

¹⁴ PD, at pp. 122-123.

¹⁵ PD, at p. 123.

¹⁶ PD, at pp. 135-136.

information to ratepayers so that consumers, to any degree possible, could do and act in a way to help prepare for price spikes and bill hikes and to avoid falling behind on utility payments.

Yet, as reviewed below, the PD fails to adopt and recommend pro-active, pro-consumer measures that could help ratepayers be better informed, on a timelier basis, with greater information that could provide relief from the “affordability” crisis. While, at times, the PD cites lack of evidence in the record, or suggests balancing interests lead to status quo findings, this proceeding and Decision is a chance for the Commission to respond and show its acknowledges the Governor’s call for the CPUC to address rising electricity costs and escalating customer bills.

1. The PD Should Require Notices Based On a 20% Increase to Bills.

The PD pronounces it is “persuaded” to set a threshold for a gas price spike based on the core procurement price — how commodity prices appear on core customers’ bills – and finds it reasonable to base the threshold on gas prices and the associated bill impact.¹⁷ But holds that a 10-20 percent increase in commodity prices above the monthly average compared to the previous year would not constitute a price spike in order to trigger notification.¹⁸ There is no evidentiary record, however, that supports this arbitrary conclusion other than a “choice” as to when to require notification. The PD endorses the principle that that gas utilities’ must inform customers of rising prices before customers receive their bills and even recognized UCAN’s assertion that SDG&E underestimated the scope and impact of the gas price spike but stopped short of a notice trigger at a more reasonable level in light of volatility.¹⁹ UCAN continues to contend that, given the volatility of prices and, hence, the surprise to customers of even a 20% hike, (TURN noted this could be triggered by a \$30-per-month increase)²⁰ notification should be triggered at this more conservative level.²¹ Given the ongoing spiraling of “affordability” pressures and concerns, setting a trigger at this more reasonable point would support far greater the goal of avoiding ratepayers fall behind on their bills due to gas price spikes. Nothing in the proceeding record

¹⁷ PD, at p. 52.

¹⁸ PD, at p. 53.

¹⁹ PD, at pp. 110-112.

²⁰ PD, at pp. 51-55.

²¹ See, PD, at pp. 109-110. (UCAN acknowledged that SDG&E proactively communicated with customers but also found, based on customers calls notices significantly understated the scope and impact of the gas price spike.)

contradicts such a recommendation; rather, it is a matter of what action provides greater relief for ratepayers.

2. The PD Should Require a Disconnection Moratorium and Ban on Reporting Customer Delinquencies to Credit Agencies.

The PD we recognize UCAN's point that a gas price spike may put customers at risk of disconnection and falling into arrears. And implementing UCAN's recommendations for a disconnection moratorium and a ban on reporting customer delinquencies to credit agencies could help ratepayers, particularly vulnerable customers. Yet, again, however, the PD fails to adopt any pro-active, adequate measures that would tangibly protect customers from negative consequences caused by price spikes that are out of their hands.²² In declining, to adopt a disconnection moratorium or a ban on reporting customer delinquencies to credit agencies, the Commission misses the opportunity to support ratepayers, punts on the need to regulate the situation in favor of customers, and foregoes its role to mitigate price hike effects and adopt measures to address affordability. The Commission can, and should, implement such a positive, pro-active requirement as a demonstration of aggressive, consumer-friendly, decision-making.

3. The PD Should Require Timely Notification Given Broader Conditions.

Given the potential severity of gas price spikes, and corresponding significant bill increases, UCAN also recommends considering rapid, short-term increases in natural gas commodity costs; natural gas supply shortages in other US regions; and extreme cold weather/other non-seasonal weather events as conditions requiring elevated communication efforts.²³ UCAN, as well as other Parties, emphasized the importance of notifying customers "in advance how much essential energy services will cost each month" and also highlighted the importance of communicating prices to customers before they receive their bill.²⁴ Thus, Parties recommended more timely and frequent customer notifications.²⁵ In declining to adopt UCAN's proposal, the PD does not refer or cite the record or any evidence but merely opines "gas customers may be confused" if they receive alerts every time there is a rapid, short-term increase in natural gas commodity costs, natural gas supply shortages in other US regions, or extreme

²² PD, at p. 66.

²³ PD, at p. 134.

²⁴ PD, at p. 115.

²⁵ PD, at pp. 134-136.

cold weather/other non-seasonal weather.²⁶ Again, there is no evidence that supports the PD's holding; it is simply an abrogation of the duty to regulate in the interests of the ratepayers. Moreover, the PD, in fact, admonishes the gas utilities to not interpret these minimum requirements in a manner that would limit the need to provide reasonably timely and adequate communication to their customers and to prudently keep customers informed of anticipated price spikes.²⁷ Thus, the PD should be revised to explicitly require more frequent and timely notifications and recognize the changing and evolving conditions that requiring elevated communication efforts.

4. The PD Should Require Additional ISP Reporting Requirements.

UCAN, plus several other Parties suggested adding additional ISP reporting requirements to provide the public with more information.²⁸ Despite the PD finding the public interest favors making some information regarding storage levels public which will increase transparency and may reduce confusion, the PD did not fully adopt Intervenors recommendations for reporting daily inventory levels as it may put the ISPs are a competitive “disadvantage and negatively impact the market.”²⁹ UCAN opines, not requiring more regular reporting and only reporting monthly storage levels publicly by the 15th of each month, “disadvantages” and “negatively impacts” customers in the long-run. Here, as elsewhere above, the PD should be revised to adopt recommendations which are in ratepayer, not corporate, interests and go beyond the status quo or minimal regulatory steps. The Commission has an opportunity to proscribe definitive, aggressive measures which will provide greater protections in the future when, not if, the same conditions and situations will arise.

5. The PD Should Require CRCs.

UCAN, along with EDF, SBUA, and TURN supported requiring gas and electric utilities to provide CRCs. Furthermore, consistent with its emphasis on broader conditions, UCAN also recommend that utilities provide CRCs at other times, such as when disconnection rates are high, curtailments are significant, and cold weather is extreme.³⁰ The PD recognizes that CRCs could

²⁶ PD, at pp. 135-136.

²⁷ PD, at p. 136.

²⁸ PD, at pp. 138-139.

²⁹ PD, at p. 140.

³⁰ PD, at p. 67.

provide relief to vulnerable Californians during a gas price spike, such as access to hot showers, warmth, and food preparation.³¹ And, yet, the PD stops short of adopting specific, pro-active, and more affirmative measures that would provide greater assistance and help to ratepayers. Accordingly, the PD “encourages” the Utilities to coordinate with local governments and health departments within their service territories on an ongoing basis to ensure gas utilities have up-to-date information on resources that can provide relief to vulnerable Californians during a gas price spike.³² The PD reaches this recommendation, supposedly, on the basis of balancing costs and access but there is no record or evidence that supports that conclusion. At a time when the “affordability” crisis is front-and-center, not only in California, but the entire Nation,³³ the interests of ratepayers, and their needs, should outweigh the interests of the Utilities.

IV. CONCLUSION

UCAN reiterates its overriding fears and concerns regarding the 2022 Winter High Natural Gas Prices crisis – a “crisis” not to be underestimated. SDG&E customers severely experienced the effects of the 2022 Winter skyrocketing prices. California’s regulatory environment, its specific framework, and its incentive mechanisms broke down in the context and wake of these conditions. UCAN believes the key markets are too opaque and preclude the State, Commission, and public from truly learning the roles played during high natural gas price events. Because similar circumstances and events may repeat, the PD errs in not recommending new protections and safeguards for utility customers.

Respectfully submitted,
/s/ Edward Lopez

Edward Lopez
Executive Director
Utility Consumers’ Action Network
404 Euclid Avenue, Suite 377
(619) 696-6966
edward@ucan.org

Dated: February 12, 2026

³¹ PD, at p. 69.

³² PD, at p. 69.

³³ See, *EIA expects heating US homes by electricity to cost more this winter than last year*, <https://www.reuters.com/business/energy/eia-expects-heating-us-homes-by-electricity-cost-more-this-winter-than-last-year-2025-10-15/>, October 15, 2025.

Proposed Findings of Facts and Conclusions of Law
(*italics* – additions, **red** – deletions)

Findings Of Fact

Actions to Mitigate Ratepayer Harm if Gas Price Spikes Recur

xx. California utility ratepayers are currently in the midst of an “affordability” crisis as they face and suffer from utility bills that far outpace inflation and continue to spiral upwards.

xx. The gas price spike caught ratepayers off-guard and unprepared to pay high winter bill prices and caused ratepayers to fall behind on utility bills thereby further contributing to the “affordability” crisis.

xx. The high natural gas price crisis highlighted that ratepayers should have enhanced and increased consumer protections and safeguards to help address the “affordability” crisis.

92. The record does ~~not~~ support full consideration of a disconnection moratorium and a ban on reporting customer delinquencies to credit agencies *as a pro-active measures to help ratepayers that fell behind on bills and as a measure to address affordability.*

xx. CRCs help ratepayers deal with increased bill hikes and provide relief to vulnerable Californians during a gas price spike.

94. Utilities are ~~not equipped to~~ *can* provide ~~equitable~~ access to CRCs *and offer relief to vulnerable Californian*
s through coordination with local governments, health departments, and community-based organizations within their service territories.

Utility Communications

xx. More frequent and transparent communications and specific notices about impending price spikes and increases serve ratepayers better as they will be better warned and prepared for future bill shocks.

139. Gas utilities’ winter communications must inform customers of rising prices before customers receive their bills.

xx. Gas utilities' winter communications, however, often underestimate the scope and impact of the gas price spikes and, thus, do not sufficiently prepare ratepayers for impending hikes to their high winter bill prices.

xx. Gas utilities' winter communications, therefore, should be implemented and triggered on a conservative, pro-active, and consumer-oriented basis of a 20% bill increase possibility so that customers may be more fully prepared to deal with gas bill increase.

Proactive Lessons to Monitor and Identify Gas Price Spikes and Notify Customers

161. Gas customers who are timely notified of a gas price spike, as defined in this decision, can access information to reduce their demand during the gas price spike and enroll in payment plans and assistance programs.

~~162. Gas customers may be confused if they receive alerts every time there is a rapid, short-term increase in natural gas commodity costs, natural gas supply shortages in other US regions, or extreme cold weather/other non-seasonal weather.~~

xx. Gas utilities should not interpret these minimum requirements in a manner that would limit the need to provide reasonably timely and adequate communication to their customers and should prudently keep customers informed of anticipated price spikes.

163. For gas customers, the opportunity to adjust their behavior in response to a gas price spike outweighs the risk of confusion when communication is narrowly tailored.

xx. Enhanced, increased, and elevated communications are important as they help notify customers before they receive their bills, how much essential energy services will cost each month and, therefore, should be required in conditions of rapid, short-term increases in natural gas commodity costs; natural gas supply shortages in other US regions; and extreme cold weather/other non-seasonal weather events.

167. Information on ISPs' *daily inventory* ~~monthly storage~~ levels will increase transparency, which may reduce customer confusion.

Conclusions of Law

9. It is reasonable to require gas utilities to make information on resources that can provide relief to vulnerable Californians available to their customers on their websites within 24 hours of identifying a gas price spike.

xx. It is reasonable to require utilities, in coordination with local governments, health departments, and community-based organizations within their service territories, to operate CRCs and offer relief to vulnerable Californians.

14. It is reasonable to expect gas utilities to provide their customers with transparent, relevant, and accessible information so customers can prepare accordingly.

xx. It is reasonable to expect and require utilities take greater, pro-active, and aggressive steps to communicate potential bill hikes and increases before gas price spikes to help ratepayers avoid falling behind bill payments and to help address the “affordability” crisis.

xx. It is reasonable to assess requirements for more frequent, transparent, and timely communications in the context of the “affordability” crisis as such notices provide a measure of consumer protections and safeguards.

16. During gas price spikes, it is reasonable for utility communications to focus on actions customers can take to keep their bills affordable in the short term, such as reducing usage and exploring payment plan options.

25. ~~By the 15th of each month,~~ **To increase transparency and reduce confusion,** it is reasonable to require ISPs to report ~~their monthly storage~~ **daily inventory** levels publicly on their websites using the table in Appendix A to this decision. ISPs should also provide links to prior months and years so the public can view storage levels over time.