



**California Public Utilities Commission**  
**505 Van Ness Ave., San Francisco**

**FOR IMMEDIATE RELEASE**

Media Contact: Terrie Prosper, 415.703.1366, [news@cpuc.ca.gov](mailto:news@cpuc.ca.gov)

**PRESS RELEASE**

Docket #: Res UEB-003

## **CPUC STRENGTHENS CONSUMER PROTECTIONS WITH CITATION PROGRAM FOR THIRD-PARTY NATURAL GAS SUPPLIERS**

SAN FRANCISCO, October 25, 2018 - The California Public Utilities Commission (CPUC) today strengthened its consumer protection capabilities by authorizing its staff to issue citations to for-profit natural gas suppliers, known as Core Transport Agents, for violation of CPUC rules.

The program approved today will allow CPUC staff to issue citations of \$1,000 for each violation to Core Transport Agents that serve residential and small commercial customers. The citation program provides a tool for the CPUC's enforcement staff to quickly obtain compliance with rules and regulations as a precursor to suspension and revocation of a Core Transport Agent's operating authority. In addition, citations can act as deterrence against ongoing violations.

To protect consumers from being switched to receive service from a Core Transport Agent without the customer's permission, Core Transport Agents are required by the CPUC to keep a record of a customer's confirmation that they would like to receive service from a Core Transport Agent. Core Transport Agents must keep the confirmation on file for three years from the date of that confirmation, and make those records available, upon request, to the customer and to the CPUC in the course of a CPUC investigation of a customer complaint. For example, if a consumer complains that his/her gas service provider was switched without authorization, a practice referred to as "slamming," CPUC staff may utilize the verification records to determine whether the Core Transport Agent properly followed the standards for verification of change in provider. If a Core Transport Agent violates these rules, CPUC staff now has the authority to issue citations.

"Core transport agencies, also known as gas aggregators, have been defrauding customers for too long - especially the most vulnerable such as elderly, non-English speakers, and low income



Californians,” said Commissioner Martha Guzman Aceves. “Our new citation program enables our enforcement team to hold these companies accountable. We hope this effort will halt the predatory sales practices of gas aggregators as a result.”

Added Commissioner Clifford Rechtschaffen, “This new Citation program provides the CPUC with a swift enforcement tool needed to help deter misconduct by Core Transport Agents, including slamming and consumer fraud.”

The CPUC has created a number of citation programs to provide its enforcement staff with tools to expeditiously correct rule violations without the necessity of a formal process. However, if a pattern of misconduct emerges, violations or potential violations may be addressed by a formal investigation and/or other enforcement actions. Today’s decision does not diminish, alter, or reduce the CPUC’s existing authority to implement and administer the Core Transport Agent program.

The proposal voted on is available at:

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M235/K246/235246772.PDF>.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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