

Docket: : K.24-08-005  
Exhibit Number : \_\_\_\_\_  
Commissioner : \_\_\_\_\_  
Admin Law Judge : Debbie Chiv  
Witnesses : Stephanie Wu



**CONSUMERS PROTECTION AND  
ENFORCEMENT DIVISION  
California Public Utilities Commission**

**REPLY TESTIMONY OF STEPHANIE WU  
ON APPEAL OF AAA NATURAL GAS  
FROM CITATION NO. UEB-003-0197  
ISSUED ON JULY 5, 2024**

**(PUBLIC VERSION)**

**K.24-08-005**

San Francisco, California  
January 10, 2025

1 Q1: Have you reviewed the December 20, 2024, prepared testimony of Ms. Rachel  
2 Strealy submitted on behalf of AAA Natural Gas, Inc. (AAA)?

3 A1: Yes.

4

5 Q2: What is the purpose of your reply testimony?

6 A2: The purpose of my reply testimony is to address some erroneous statements from the  
7 prepared testimony of Ms. Rachel Strealy.

8

9 **I. ISSUES RELATED TO MS. RACHEL STREALY’S TESTIMONY**

10 Q3: What is your opinion on Ms. Rachel Strealy’s statement that “a third-party marketing  
11 firm explains AAA’s gas commodity programs during a phone call with the customer  
12 and, if the customer agrees to change services, the sales agent connects the customer to  
13 the third-party verification company”?<sup>1</sup>

14 A3: Ms. Rachel Strealy’s statement contradicts ██████████ statement. ██████  
15 ██████████ declared that he was repeatedly lied to during the sales call by someone  
16 representing themselves as a PG&E employee.<sup>2</sup> In the incomplete TPV recording, the  
17 voice on the TPV is questioning the service and did not give authorization to switch  
18 service. This call did not result in a sale and ██████████ was returned to the sales  
19 agent.<sup>3</sup> AnswerNet returned the customer to the sales agent to explain the program  
20 because the customer does not appear to understand the transaction.<sup>4</sup> In addition, as  
21 mentioned in Attachment 11 of Testimony of Stephanie Wu,<sup>5</sup> AAA cancelled their  
22 agreement with the outside marketing agent as AAA wanted to conduct an investigation  
23 into ██████████ claims<sup>6</sup> of abusive marketing and false advertisement. This

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<sup>1</sup> Opening Testimony of Rachel Strealy, AAA Natural Gas, Inc., p. 2.

<sup>2</sup> Testimony of Stephanie Wu on Appeal of AAA Natural Gas (Testimony of Stephanie Wu), p. 19.

<sup>3</sup> Opening Testimony of Rachel Strealy, AAA Natural Gas, Inc., p. 5.

<sup>4</sup> Id.

<sup>5</sup> Testimony of Stephanie Wu, p. 14.

<sup>6</sup> Testimony of Stephanie Wu, p. 62.

1 statement shows AAA had issues with the outside marketing firm and further proves that  
2 AAA does not review or have quality assurances in place to make sure the third-party  
3 marketing firm is thoroughly explaining to potential customers what services AAA  
4 offers.

5  
6 Q4: What is your opinion on Ms. Rachel Streatly’s statement that “AnswerNet performs  
7 quality control review of third-party verifications (TPV) after completion and provides  
8 and Excel DASR containing the verified sales”?<sup>7</sup>

9 A4: AAA repeatedly shifts responsibility to AnswerNet for performing quality control  
10 reviews of TPVs and does not have quality assurances to prevent unauthorized  
11 enrollments, abusive marketing and false advertising.

12  
13 Q5: What is your opinion on Ms. Rachel Streatly’s statement that “AAA checks  
14 [AnswerNet’s TPV information] when a question about the enrollment rises”?<sup>8</sup>

15 A5: AAA receives all the information from AnswerNet’s TPV but **only** checks or  
16 reviews the TPVs when a customer has enrollment questions or complaints. There are **no**  
17 preventative measures in place for unauthorized enrollments. AAA also states it “can  
18 identify and correct any fraudulent enrollments, where appropriate”.<sup>9</sup> In this instance,  
19 AAA either missed checking [REDACTED] TPV or is aware of the fraudulent TPV  
20 but allowed the enrollment to occur.

21  
22 Q6: Do you agree with Ms. Rachel Streatly’s claim that [REDACTED] said “nothing”  
23 when Ms. Rachel Streatly called [REDACTED] and played the TPV for him?

24 A6: No. According to Attachment 6 of Testimony of Stephanie Wu,<sup>10</sup> on June 7, 2024,  
25 Ms. Rachel Streatly told CPED staff via email that she “had the opportunity to speak with

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<sup>7</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 3.

<sup>8</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 4.

<sup>9</sup> Id.

<sup>10</sup> Testimony of Stephanie Wu, p. 39.

1 [REDACTED] and listened to the recording with him, and he confirmed the accuracy of his  
2 responses”.<sup>11</sup> “Confirming the accuracy of his responses” is not “nothing”. However, [REDACTED]  
3 [REDACTED] has been very adamant and states numerous times that it is his voice only  
4 up until 3:20 on the completed TPV and not his voice afterward.<sup>12</sup>

5  
6 Q7: Do you want to provide any clarification on Ms. Rachel Streatly’s statement  
7 regarding the Consumer Affairs Branch (CAB) closing [REDACTED] complaint in  
8 its files?<sup>13</sup>

9 A7: Yes. CAB is a separate division from CPED. CAB helped [REDACTED] cancel  
10 his services with AAA and also provided information to [REDACTED] to report  
11 inappropriate marketing to the Federal Trade Commission (FTC). The CAB complaint  
12 was closed and ruled in the consumer’s favor because [REDACTED] cancellation  
13 with AAA had been processed and put into effect. CPED separately investigates alleged  
14 unauthorized enrollments and undertakes enforcement actions, such as issuing citations  
15 when violations occur. CAB closing this case is irrelevant to UEB’s ongoing  
16 investigation of this case.

17  
18 Q8: Do you agree with Ms. Rachel Streatly’s claim that “[REDACTED] use of a  
19 laptop and text-to-audio conversation playback feature explain the long pauses between  
20 questions and answers”?<sup>14</sup>

21 A8: No, while [REDACTED] mentioned that he can use voice assistance technology  
22 to assist him, AAA offers no evidence to substantiate that he used it during both TPVs.  
23 There is no verbal or written confirmation from [REDACTED] that he used the text-  
24 to-audio conversation playback feature for the TPVs or the conversations with Ms.

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<sup>11</sup> Id.

<sup>12</sup> Testimony of Stephanie Wu, p.29.

<sup>13</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 8.

<sup>14</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 9.

1 Rachel Strealay. Ms. Rachel Strealay did not comment on [REDACTED] voice  
2 during their phone conversation as mentioned in Question 6.

3

4 Q9: What is your opinion of Ms. Rachel Strealay’s statement that [REDACTED]  
5 Declaration does not acknowledge that he uses his laptop’s voice to text function to help  
6 him during telephone conversations”?<sup>15</sup>

7 A9: [REDACTED] never acknowledged that he uses his laptop’s voice-to-text  
8 function in his Declaration because it was never mentioned in the phone conversation  
9 with CPED staff on May 3, 2024, which the Declaration is based on.

10

11 Q10: Do you agree with Ms. Rachel Strealay’s claim that [REDACTED] was being  
12 evasive in his Declaration?<sup>16</sup>

13 A10: No. AAA states that “[REDACTED] uses his laptop to help him while using the  
14 phone. The fact that his declaration states that the responses are “not [his] voice” evades  
15 the point entirely”.<sup>17</sup> Again, AAA is assuming that [REDACTED] is using his laptop  
16 to assist him in every conversation with no evidence that such is the case. According to  
17 Attachment 11 of Testimony of Stephanie Wu,<sup>18</sup> [REDACTED] states “between  
18 0:3:23 on the audio tape and all the [way] to the end of the audiotape, it was NOT my  
19 voice, let alone me, during that call!... It was NOT me, or my “digitally-inserted voice  
20 that answered ‘yes’ to choosing” AAA”.<sup>19</sup> [REDACTED] is adamant that the voice is  
21 not his or his “digitally inserted voice” on the TPV after 3:20.

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<sup>15</sup> Opening Testimony of Rachel Strealay, AAA Natural Gas, Inc., p. 10.

<sup>16</sup> Id.

<sup>17</sup> Id.

<sup>18</sup> Testimony of Stephanie Wu, p. 88.

<sup>19</sup> Id.

1 Q11: Do you agree with Ms. Rachel Streatly’s claim that “based on [REDACTED]  
2 admissions that he cannot speak for any length of time without assistance, he may well  
3 have used the voice-to-text feature on his laptop while speaking with [CPED staff]”?<sup>20</sup>

4 A11: No. AAA is assuming again with no evidence to back their claim. While [REDACTED]  
5 [REDACTED] states that he can use technological assistance there is no evidence that he  
6 did. During [REDACTED] multiple phone calls with CPED staff, his voice never  
7 changed like it did on the TPV. He also did not mention he was using voice-to-text  
8 features during the TPV and during the phone and email conversations with CPED staff.  
9 There were no long pauses during the conversation like the ones in the TPVs. AAA’s  
10 claims that [REDACTED] used the voice-to-text feature on his laptop are all  
11 assumptions with no evidence to back their claim.

12  
13 Q12: Do you want to respond to Ms. Rachel Streatly’s statement that [REDACTED]  
14 made incorrect or misleading statements, specifically about AnswerNet stating they were  
15 affiliated with PG&E?<sup>21</sup>

16 A12: Yes. In Attachment 1 of Testimony of Stephanie Wu,<sup>22</sup> [REDACTED] states he  
17 received a call from a company that lied during the call where they claimed they were  
18 PG&E employees. “They started the call off by asserting [he] was eligible to start  
19 receiving a 30% discount on [his] PG&E bill... [The third-party marketing agent] then  
20 said she was adding one of her co-workers to the call”.<sup>23</sup> In the Opening Testimony of  
21 Rachel Streatly, Ms. Rachel Streatly states that a third-party telemarketing firm explains  
22 AAA’s gas commodity programs during a phone call with the customer and, if the  
23 customer agrees to change services, the sales agent connects the customer to a third-party  
24 verification company”.<sup>24</sup> In [REDACTED] complaint to CAB that mentioned

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<sup>20</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 10.

<sup>21</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 12.

<sup>22</sup> Testimony of Stephanie Wu, p.19.

<sup>23</sup> Id.

<sup>24</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 2.

1 AnswerNet’s affiliation to PG&E<sup>25</sup>, he is referring to the third-party telemarketing firm’s  
2 phone call before being transferred to AnswerNet. This phone call between [REDACTED]  
3 [REDACTED] and the third-party marketing firm is not recorded. Therefore, AAA has no  
4 evidence to support its claim that [REDACTED] made incorrect or misleading  
5 statements regarding agents claiming to be affiliated with PG&E.  
6

7 Q13: What is your opinion of Ms. Rachel Streatly’s statement that “the preparation of a  
8 sworn statement that seems to evade a material fact is troubling. CPED’s role should be  
9 to investigate fairly. The preparation of a declaration omitting key facts seems both  
10 wrong and an act of advocacy, which seems beyond the CPED’s role”?<sup>26</sup>

11 A13: CPED did investigate fairly, as shown in the steps, processes and data requests that  
12 were outlined in the Testimony of Stephanie Wu. CPED does not believe the ethnicity or  
13 race of the agents is related to the alleged unauthorized enrollment as raised by AAA.<sup>27</sup>  
14 CPED provided AAA many opportunities to explain the voice change, provide quality  
15 assurance policies, and asked clarifying questions on AAA’s data request responses  
16 because AAA failed to respond to the questions fully. Based on CPED’s investigation  
17 and AAA’s responses, CPED staff determined that AAA failed to provide valid proof of  
18 enrollment authorization for [REDACTED]  
19

20 Q14: What is your opinion on Ms. Rachel Streatly’s claim that “AAA obtained a TPV  
21 from a man with vocal issues who uses voice-to-text program to assist him”?<sup>28</sup>

22 A14: As mentioned previously, while [REDACTED] stated he can use voice  
23 assistance technology to assist him, one cannot assume he used it for the TPV. There is  
24 no verbal or written confirmation by [REDACTED] or any other evidence offered by

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<sup>25</sup> Testimony of Stephanie Wu, p. 19.

<sup>26</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 12.

<sup>27</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 11-12.

<sup>28</sup> Opening Testimony of Rachel Streatly, AAA Natural Gas, Inc., p. 13.

1 Ms. Strealby that proves he used the voice-to-text program for the TPVs or during  
2 conversations with AAA or CPED.

3

4 **II. CONCLUSION**

5 Q15: Does this conclude this portion of your reply testimony?

6 A15: Yes.