

July 16, 2018

Andrew P. Fox
Mayor

Public Advisor's Office
California Public Utilities Commission
505 Van Ness Ave
San Francisco, CA 94102

Via Email: public.advisor@cpuc.ca.gov

**RE: A.17-10-008 SOUTHERN CALIFORNIA GAS COMPANY GENERAL
RATE CASE – NOTICE OF OPPOSITION**

To Whom It May Concern:

On behalf of the City of Thousand Oaks this letter is to inform you of our opposition to A.17-10-008. The proposed rate adjustments will affect 21 million customers across the state, including businesses and residents in Thousand Oaks. The purpose of the rate adjustments would be to update Southern California Gas Company's (SoCalGas) infrastructure to support more efficient manufacturing and delivery of natural gas, advanced metering systems, engineering and administrative costs (employee salaries, pension, healthcare).

SoCalGas is seeking considerable adjustments over a 4-year period, from 2019-2022 as follows:

- 2019 - 19%
- 2020 - 8.1%
- 2021 - 6.1%
- 2022 - 6.0%

Cumulatively, this would be a 45 percent increase to rates over the proposed rate period. SoCalGas states that customers would see their gas utility bills increase from \$5.00 to \$7.50 per year, initially in 2019, and taper off based on scheduled rates.

The City is concerned that such sharp rate increases would have hardship implications with working class families, senior adults and low-income individuals. Although the City participates in the CARE Program, which provides a bi-monthly credit to very low-income families, there is a concern that the proposed rates will impact a portion of the population that does not qualify for rate assistance. In fact, to qualify for the CARE Program, a household income must meet 200% of the federal poverty guidelines. For a family of four, for example, that equals \$50,000 a year. We are deeply concerned about families and senior adults above this threshold that would be impacted by increased natural gas costs. An additional \$12 to \$18 a month increase over 4 years may easily shift household budget priorities away from food, medication, and supplies.

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The City of Thousand Oaks is a purveyor for both water and wastewater. In an effort to make these utilities affordable, the City has adopted rates closer to the Consumer Price Index which is currently 2 percent. During our recent consumer rate increase, the City raised utility rates at 4 percent per year for water and 1 percent per year for wastewater over a 2-year period.

We strongly urge the California Public Utilities Commission to work with the applicant to adopt a more reasonable rate structure that falls in line with both the Consumer Price Index and cost-of-living standards.

For these reasons, we oppose A.17-10-008 Southern California Gas Company General Rate Case.

Sincerely,



Andrew P. Fox
Mayor

c: Assemblymember Jacqui Irwin
Senator Henry Stern