

Consumer Affairs Branch

SECOND QUARTER REPORT

September 2022



**California Public
Utilities Commission**

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ABOUT THIS REPORT

This quarterly report highlights consumer issues related to communications, electric, natural gas, and water utilities regulated by the California Public Utilities Commission (CPUC).

Unless otherwise noted, the data presented in this report are based on inquiries and complaints received by the Consumer Affairs Branch (CAB) from April 1 through June 30, 2022.

This report details:

- [CAB Returned More Than \\$521,000 To Consumers](#)
- [CAB Received More Than 4,000 Contacts](#)
- [More Than 1,800 Consumer Complaints Resolved with CAB's Assistance](#)
- [SCE Billing Issues Continue](#)

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ABOUT THE CONSUMER AFFAIRS BRANCH

The Consumer Affairs Branch (CAB) resides within the News and Outreach Office at the CPUC. CAB is responsible for supporting the diverse needs of consumers. CAB provides the following services:

- Resolves consumer questions or complaints about their regulated communications, natural gas, electric, and water utility services.
- Resolves appeals and billing issues for California LifeLine, a discounted phone program.
- Administers Limited English Proficiency (LEP) programs that assist consumers with telecommunications and energy issues.
- Analyzes complaint data to assist CPUC decision-makers, support enforcement against fraud and abuse, and inform the public.

- Educates the public on CPUC processes and CPUC jurisdictional matters.

CONSUMER REFUNDS – CAB Returned More Than \$521,000 To Consumers

In the second quarter of 2022, consumers were reimbursed **\$521,475** from utilities by reaching out to CAB and utilizing the **Informal Complaint (IC)** process. An IC is a written consumer contact expressing dissatisfaction with or a dispute with an action or practice that is regulated through tariffs, rules, orders, or any other form of authority that originates from the CPUC.¹

Many of the refunds were the result of incorrect billing and were disbursed by the utility following CAB’s involvement. The average refund in Q2 by industry: Communications **\$536**, Energy **\$1,075**, Water **\$1,085** (Table 1).

Table 1: Consumer Refunds by Industry² and Quarter

Industry	2021		2022	
	Q3	Q4	Q1	Q2
Communications	\$188,911	\$89,667	\$113,676	\$121,619
Energy	\$442,312	\$297,316	\$442,422	\$394,431
Water	\$4,282	\$4,597	\$3,613	\$5,425
Totals	\$635,505	\$391,580	\$559,711	\$521,475

Second Quarter Consumer Refund Highlights

- Pacific Bell agreed to issue a **\$5,708** credit for unused lines to a small business after they filed an informal complaint with CAB about the company’s contract pricing.
- A customer of California American Water reached out to CAB asking that the utility recalculate their water usage. The utility agreed and the recalculation resulted in a billing credit of **\$3,705** to the consumer’s account.
- CAB received a complaint from a Pacific Gas & Electric customer requesting assistance regarding estimated charges from a non-communicating meter. As a result of CAB’s intervention, the customer received a credit of **\$1,648**.

¹ In comparison to an IC, the CPUC has a Formal Complaint (FC) process. A FC is a written legal document that claims a utility regulated by the CPUC has violated state laws or the CPUC’s orders or rules. A FC describes these violations, the injury suffered because of them, and the resolution requested from the CPUC and is overseen by an Administrative Law Judge. CAB focuses on ICs and presents results of Q2 ICs in this report.

² This table only accounts for refunds through the Informal Complaint process. Cases where a phone contact was transferred to a utility for expedited resolution are not reflected here.

CONSUMER CONTACTS – CAB Received More Than 4,000 Contacts in the Second Quarter

CAB’s team of representatives are responsible for assisting consumers with answering questions and resolving disputes with their utility providers. These contacts are received via phone calls, letters, or the Internet. In the second quarter of 2022, CAB received **4,021** contacts, see **Figure 1**.

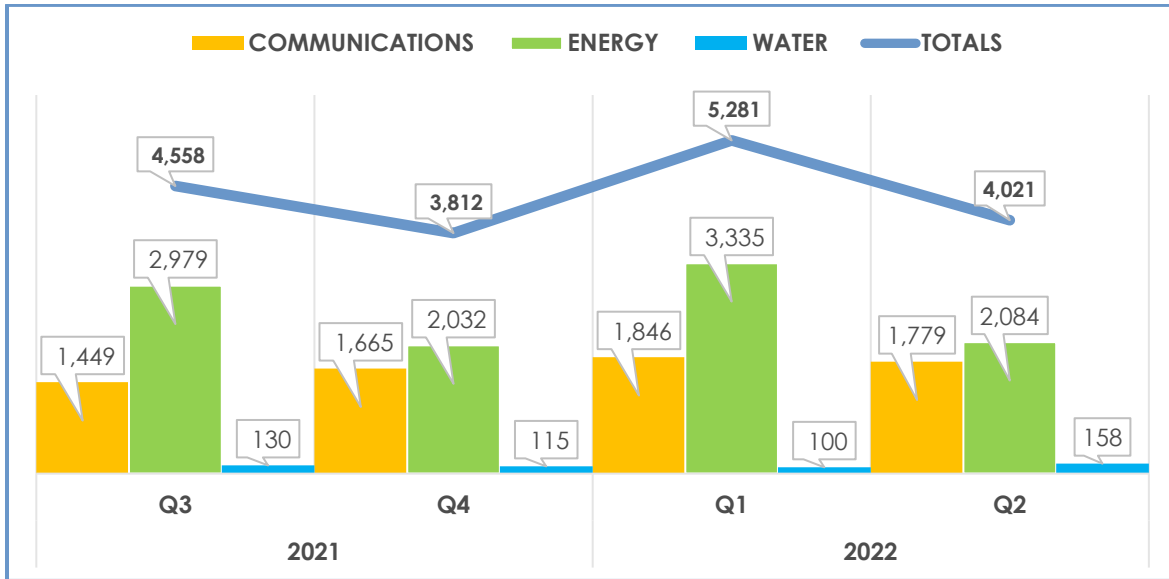


Figure 2: Consumer Contacts by Industry and Quarter

Across all industries, communications, energy or water, billing issues³ accounted for **39** percent of the contacts, followed by service issues⁴ at **19** percent; see **Table 2**. Within the Billing category, the subcategory High Bill⁵ accounted for **44** percent of the contacts, and within the Service⁶ category, **38** percent of the contacts were attributed to the subcategory Outage⁷, followed by Delayed Orders/Missed Appointments⁸ at **34** percent.

³ Billing issues are defined as all consumer contacts related to disputed items appearing on a consumer’s utility bill, the appearance of the bill, or other utility charges.

⁴ Service issues are defined as all consumer contacts related to the service provided to the consumer by the utility.

⁵ Generally, this refers to complaints regarding bills that are higher than normal, and consumers cannot think of possible reasons that could account for the level of use as stated on the bill. This also includes duplicate billing issues.

⁶ Consumer contacts related to the service provided to the consumer by the utility.

⁷ Any disruption in service not related to non-payment.

⁸ Contacts regarding field visit appointments missed by the utility company’s representative. Usually, they are caused by delayed orders or a heavy workload.

Table 2: Consumer Contacts by Category and Industry

Category	Communications	Energy	Water	Totals
Billing	476	1,003	86	1,565
Service	404	335	26	765
Not Regulated - No Jurisdiction	383	253	16	652
LifeLine	371	n/a	n/a	371
Policy and Practices	116	218	24	358
Public Purpose Programs	1	202	0	203
Unknown	27	29	4	60
Rates	1	44	2	47
Totals	1,779	2,084	158	4,021

CONSUMER COMPLAINTS RESOLVED - CAB Assisted More Than 1,800 Consumers in Resolving Utility Complaints

CAB’s Informal Complaint process allows consumers an easily accessible way to resolve disputes with their utility. In the second quarter of 2022, CAB resolved **1,857** Informal Complaints, see **Figure 2**.

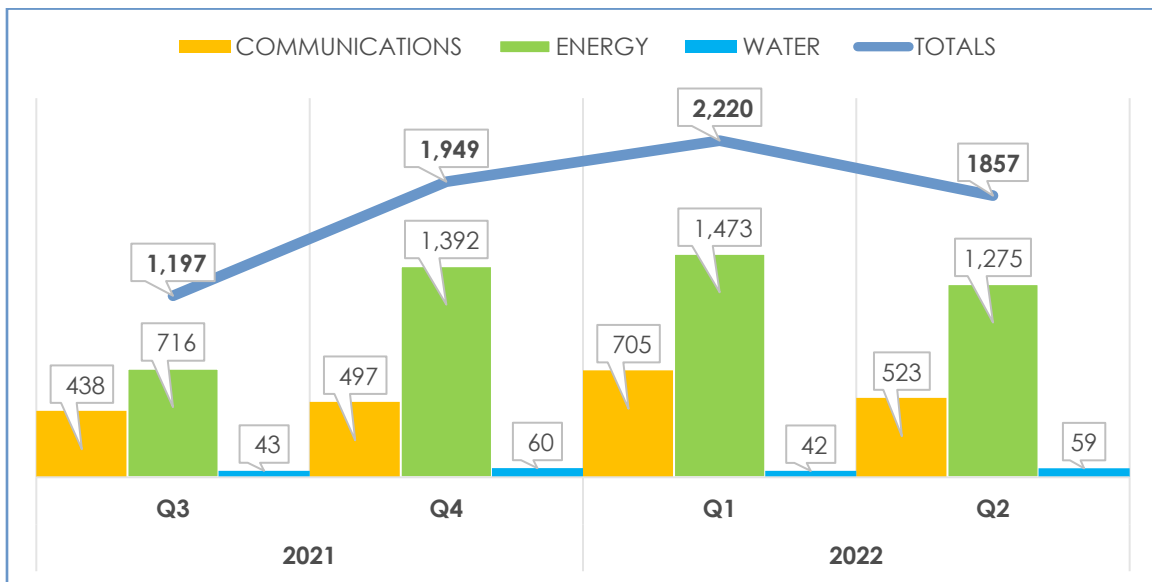


Figure 2: Informal Consumer Complaints Resolved by Industry and Quarter

Across all industries, billing issues accounted for **60** percent of Informal Complaints sent to the utilities with service issues at **22** percent, see **Table 3**. Southern California Edison (SCE) was responsible for **28** percent of those billing issues. See the next section for more details.

Table 3: Informal Consumer Complaints Resolved by Category and Industry

Category	Communications	Energy	Water	Totals
Billing	202	880	30	1,112
Service	205	195	19	419
Policy and Practices	49	82	10	141
Public Purpose Programs	0	118	0	118
LifeLine	67	n/a	n/a	67
Totals	523	1,275	59	1,857

SOUTHERN CALIFORNIA EDISON

CAB reporting on Southern California Edison’s (SCE) contacts began the 3rd quarter of 2021. In the spring of 2022 a data error was found, resulting from an issue that inflated the number of consumer contacts reported in the Q4 2021 and Q1 2022 reports. CAB corrected the error and analyzed the corrected data and it is presented in this report.

The revised analysis of SCE’s contacts covers 18-months of data beginning January 2021 through June 2022.

Contact Counts

Prior to April 2021, SCE was experiencing difficulties with their billing systems, prompting SCE to replace their existing billing system. The new billing system implementation caused additional billing problems, and customers responded with **2,204** contacts in the first four months following the system change. **Figure 3** shows contacts peaked at **699** in September 2021. By October, contacts dropped to **368** and have remained below **400** contacts a month since.

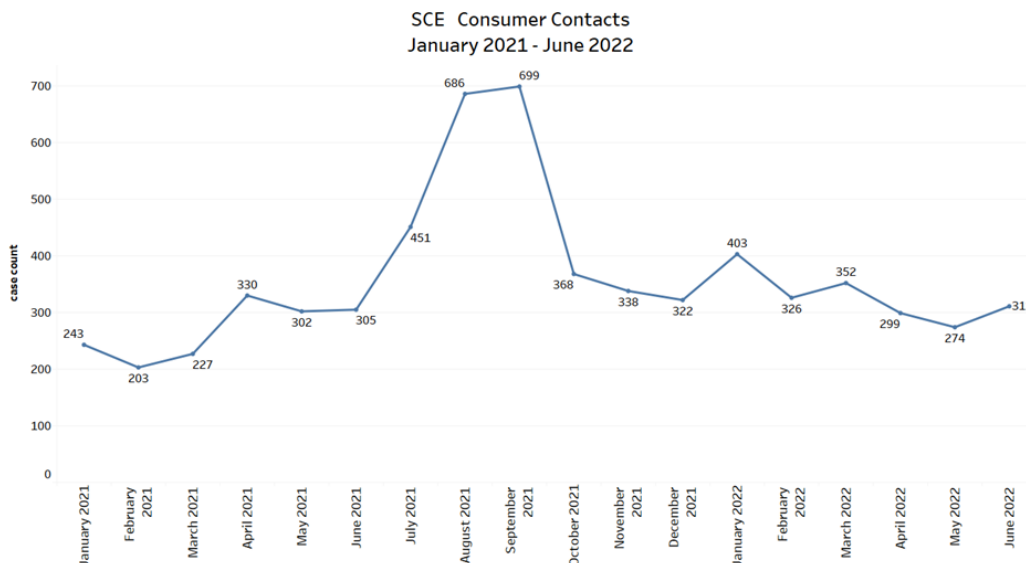


Figure 3: SCE Consumer Contacts – January 2021 through June 2022

Table 4 shows contact counts of applicable ICs during the current 18-month period and the preceding 18-month period for comparison. SCE experienced considerable difficulty responding to ICs from CAB due to a **14** percent increase in overall contacts and a **27** percent increase in IC’s sent to SCE. Utilities are required respond to an IC within 30-calendar days from the date CAB sent the IC. CAB provide SCE with **1,500** extensions to give SCE additional time to resolve complaints. CAB has not granted any extensions to SCE since November 2021.

Table 4: Differences in Contact Counts and Average Utility Response Interval Compared to Previous 18 Month Time Period

Contact Count and Average Utility Response Interval Comparison for Two 18 Month Periods			
	Previous 18 Months <small>07/01/19 - 12/31/20</small>	Current 18 Months <small>01/01/21 - 06/30/22</small>	Percent Difference
Total Contacts Received	5,519	6,439	14.3%
Informal Complaints Sent to Utility	2,264	3,112	27.3%
Cases Requiring Extensions	499	1,500	66.7%
Utility Response Received	2,181	3,010	27.5%
Average Utility Response Interval in Calendar Days	35.4	56.7	37.6%

As shown in **Table 5**, SCE’s utility response interval increased in part to the extensions requested by SCE and granted by CAB. Despite the decrease in contacts that began in October 2021, the average utility response interval increased by almost a week during the second quarter of 2022. The average utility response interval for Q2 2022 was **61.3** days versus **55.7** days for the previous 15 months. Between the two 18-month reporting periods, the utility response interval increased by **38** percent.

Table 5: CAB Contact Counts and Average Utility Response Interval

Contact Statistics for Q2-2022	
	Count
Total Contacts Received	884
Informal Complaints Sent to Utility	421
Cases Requiring Extensions	0
Utility Responses Received	502
Open ICs as of 7/25/2022	383

Top Five Subcategories of Complaints

When CAB receives a consumer contact, the contact is entered into the Consumer Information Management System (CIMS) database. The contacts are coded to identify the consumer’s issues mentioned. The coding hierarchy first identifies issues by Category, such as Billing, Service, Not Regulated-No Jurisdiction, Policy and Practices, and so on. Billing and Service are consistently the two top categories of issues that concern consumers. The third most chosen category is Not-Regulated No Jurisdiction.

Next in the coding hierarchy is Subcategory. Subcategories help identify the individual issues that a consumers is experiencing. **Figure 4** shows the top five issues/subcategories of interest to consumers in Q2 2022.

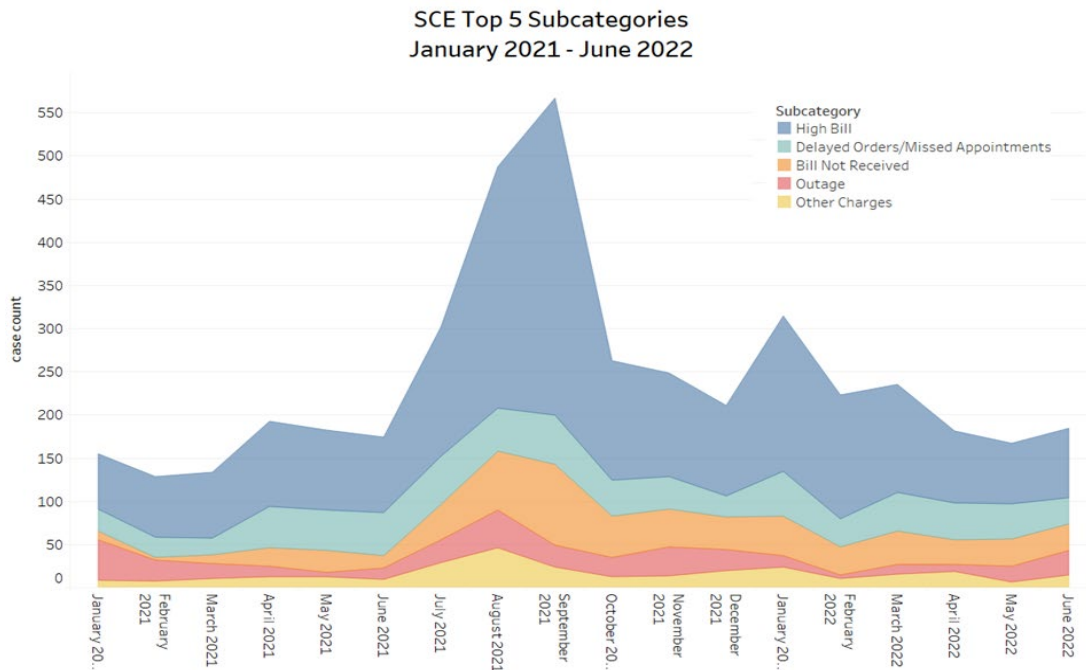


Figure 4: SCE Top 5 Subcategories.

High Bill dominates the landscape with a total of **2,330** High Bill complaints over the 18-month period. For a few months following the SCE billing system change, CAB received a substantial increase in high bill-related complaints, as shown in blue in **Figure 4**. SCE increased rates by **9** percent in October 2021 and as a result, more consumers contacted CAB to complain about their high bills. The rate increase complaints usually follow a rate increase after 1-3 months, which coincides with the spike in complaints in January through March.

Delayed Order complaints are in the Service Category and represent complaints about delays in providing service, repair delays, and missed appointments. During the reporting period CAB received **722** complaints about delayed orders.

Bill Not Received⁹ is the third most chosen subcategory for complaints about SCE, and this subcategory is the most reliable indicator of ongoing problems with SCE’s billing systems and processes. **Figure 5** illustrates that since the billing system change, Bill Not Received complaints peaked in the months immediately following the change and have slowly declined since October 2021. Nevertheless, complaints related to this sub-category have not declined to the pre-system change numbers, indicating that SCE still has more to do to solve their billing problems.

The fourth most chosen subcategory is Outage, which includes all types of service interruptions not related to billing issues, including service outages where a customer experiences a power outage caused by equipment failure. Outage includes rotating outages where the utility cuts power to certain portions of the grid to prevent larger scale power outages due to high power demand, as called by the California Independent System Operator; planned service outages to perform repairs and upgrades to the grid; and utility-initiated outages when wildfire risk is high due to wind or other mitigating conditions (Public Safety Power Shutoffs).

The Other Charges subcategory is used when a consumer complains about unexpected charges on their bill related to returned check charges, transfer charges, activation fees, closed account charges, etc.

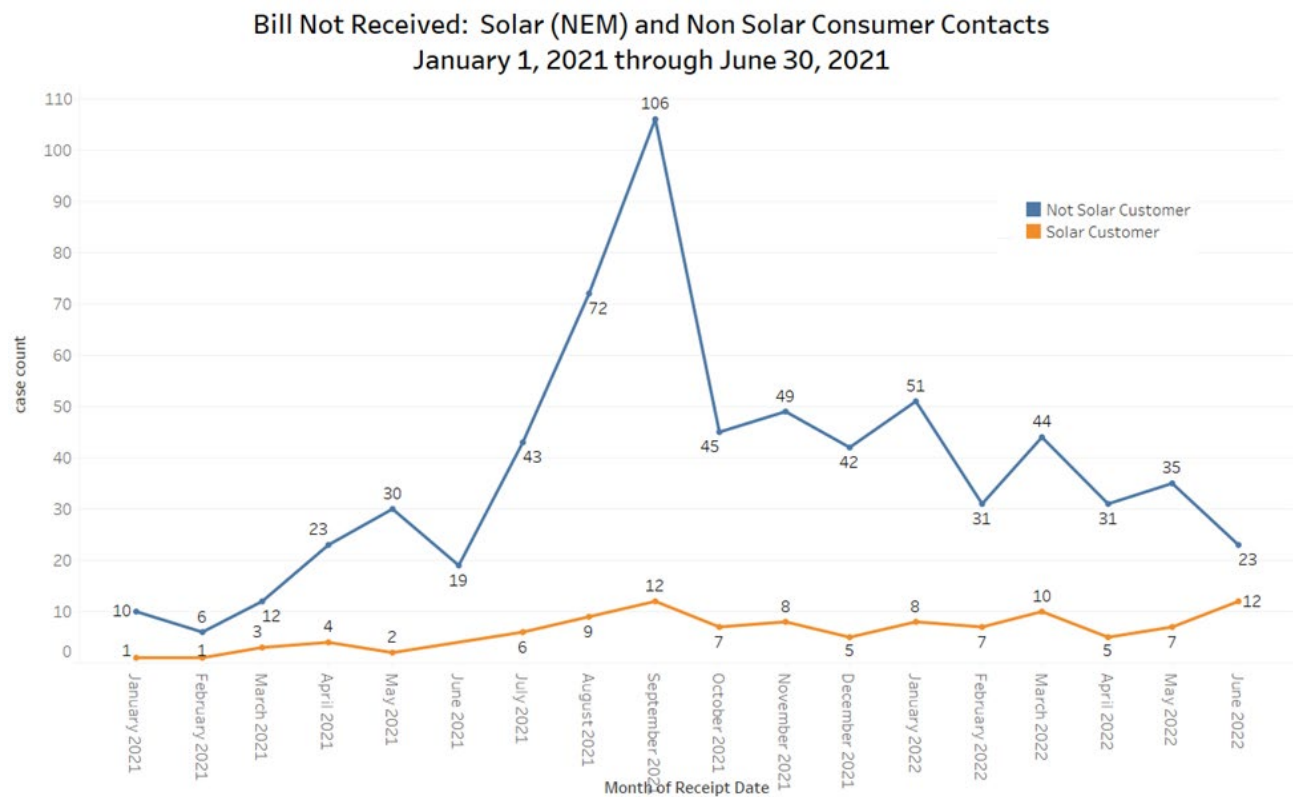


Figure 5: Bill Not Received Solar (NEM) and Non-Solar Consumer Contacts

⁹ Consumer did not receive bill either in regular mail or electronically.

LIFELINE

CAB has five dedicated California LifeLine specialists to assist consumers in answering inquiries and questions related to the LifeLine program. In addition, CAB reviews appeals filed by consumers who were disqualified by the program’s Third-Party Administrator (TPA). CAB also facilitates LifeLine billing issues to service providers for investigation and resolution as necessary. In the second quarter of 2022, CAB received **371** LifeLine consumer contacts, which is a **35** percent increase from the prior quarter attributed to normal seasonal increases in billing and appeals contacts, see **Table 6**.

Table 6: LifeLine Contacts

LifeLine Case Types	2021		2022	
	Q3	Q4	Q1	Q2
Phone Contacts Received	111	145	136	157
Written Contacts Received	195	170	139	214
Total Contacts Received (phone + written)	306	315	275	371
LifeLine Appeals Closed	147	164	110	118
LifeLine Billing Contacts Closed	130	182	191	225

The CPUC released a Request for Proposal (RFP) for a new TPA contract¹⁰ at the beginning of second quarter 2022. The new TPA contract is expected to kick off in the third- quarter and the proposed transition period will start in the middle of the fourth quarter 2022.

In concert with the LifeLine team, CAB anticipates and is prepared to respond to an increase in consumer inquiries during the transition period between the current and new TPA.

TEAM AND CHANGES

In addition to the customer contacts handled by CAB, the Telecommunications Education and Assistance in Multiple-Languages (**TEAM**) and Community Help and Awareness of Natural Gas and Electric Services (**CHANGES**) programs overseen by CAB assist Limited English Proficient (LEP) consumers with telecommunications and energy issues, respectively.

The most recent TEAM and CHANGES contract was awarded to the non-profit organization Self-Help for the Elderly (SHE) from June 7, 2019, to June 6, 2022, with two one-year options to extend the contract. The CPUC is currently in the first option year, which is due to expire on June 6, 2023. If a second option year is approved, the contract will end on June 6, 2024. TEAM is authorized for an annual budget up to \$1.6 million, and CHANGES is authorized up to \$1.68 million per year.

¹⁰ TPAs are contracted up for up to a maximum of five years – three years required, and two one-year optional extensions.

TEAM and CHANGES support LEP utility consumers statewide through 27 CBOs that offer services in their preferred language, and with cultural sensitivity. The CBOs provide consumer outreach, education, and case assistance (needs assistance and dispute resolution). Case assistance decreased compared to the first quarter of the year. In the second quarter of 2022, CBOs provided case assistance to **2,472 consumers**, for financial and other needs (e.g., CARE/LifeLine or other financial assistance programs), or with utility disputes, representing a decrease of **11 percent** from the previous quarter, as shown in **Table 7**. In addition, CBOs educated 12,029 consumers in the second quarter of 2022 on a range of topics to assist them in managing their utility services, which was a decrease of **9 percent** compared to the previous quarter.

Finally, the TEAM program helped consumers resolve disputes with their telecommunications provider that resulted in reclaiming more than **\$33,000** on their behalf in the second quarter. Over the last four quarters, CBOs reclaimed close to **\$130,000** from utilities on behalf of their TEAM clients.

Table 7: CBO Case Support and Education Services Provided and Amount Recovered

	2021		2022		Totals
	Q3	Q4	Q1	Q2	
Individual Case Support	2,683	2,216	2,769	2,472	10,140
Education Provided	8,536	10,680	13,258	12,029	44,503
Amount Recovered (TEAM)	\$25,323	\$31,746	\$38,770	\$33,023	\$128,862