

Consumer Affairs Branch

THIRD QUARTER REPORT-2021

November 2021



**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 July through September 2021.

This report details:

- [CAB Returned \\$635,505 to Consumers in the Third Quarter of 2021](#)
- [CAB Assisted Approximately 1,200 Consumers with Resolving Utility Complaints](#)
- [Consumer Contacts Increased Significantly in the Third Quarter of 2021](#)
- [Southern California Edison Accounts for The Increase in Customers Contacts](#)

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ABOUT THE CONSUMER AFFAIRS BRANCH

The Consumer Affairs Branch (CAB) resides within the News and Outreach Office at the California Public Utilities Commission (CPUC). CAB is responsible for supporting the 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 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.

CONSUMER REFUNDS – CAB Returned \$635,000 to Consumers This Quarter

In the third quarter of 2021, consumers were reimbursed **\$635,505** from the utilities by reaching out to CAB and utilizing the Informal Complaint process. Many of the refunds were the result of incorrect billing and consumers were reimbursed by utilities following CAB’s involvement.

Table 1: Consumer Refunds by Industry¹ and Quarter

Industry	2020		2021		
	Q3	Q4	Q1	Q2	Q3
Communications	\$153,103	\$101,246	\$112,017	\$ 95,549	\$188,911
Energy	\$234,399	\$134,570	\$508,292	\$135,992	\$442,312
Water	\$ 7,144	\$ 4,572	\$ 13,764	\$ 3,060	\$4,282
Totals	\$394,646	\$240,388	\$634,073	\$234,601	\$635,505

Third Quarter Refund Highlights

- California Water Service Company credited a customer \$1,172 after several high meter readings due to a water leak.
- A Pacific Gas and Electric Company (PG&E) customer received a credit of \$7,632 due to the utility’s billing errors.
- CAB’s representatives assisted a small business with a credit adjustment with Airespring, Inc., for \$7,908.

CONSUMER COMPLAINTS RESOLVED

CAB Assisted Approximately 1,200 Consumers with Resolving Utility Complaints

CAB’s Informal Complaint process allows consumers an easily accessible way to resolve disputes with their utility. In contrast to the CPUC’s Formal Complaint process, the Informal Complaint process does not require a formal proceeding or Administrative Law Judge oversight.

Including the Informal Complaints that resulted in refunds for consumers, CAB resolved **1,197** Informal Complaints in the third quarter of 2021.

¹ 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.

Table 2: Informal Consumer Complaints Resolved by Industry and Quarter

Industry	2020		2021		
	Q3	Q4	Q1	Q2	Q3
Communications	629	487	694	458	438
Energy	633	522	700	904	716
Water	43	58	55	51	43
Totals	1,305	1,067	1,449	1,413	1,197

Across all industries, **56** percent of all Informal Complaints resolved were identified as billing issues, followed by service issues at **28** percent, see Figure 1.

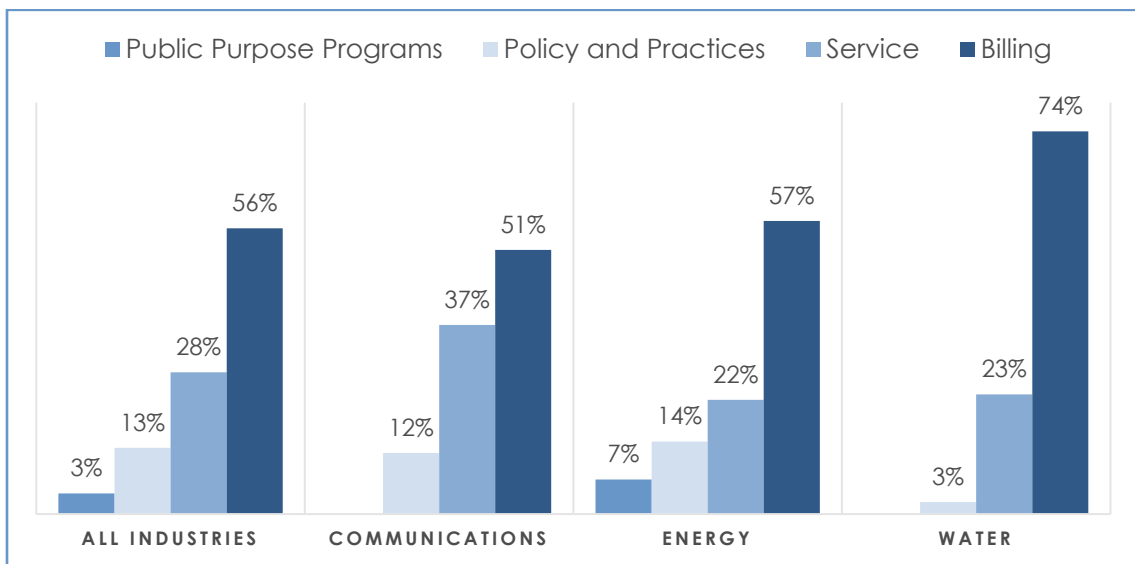


Figure 1: Percentage of Informal Consumer Complaints by Category and Industry

TEAM AND CHANGES

In addition to the informal 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.

Support is provided statewide through **27** Community Based Organizations (CBOs) that work with LEP consumers in their preferred language with cultural sensitivity. The programs provide consumer outreach, education, needs assistance, and dispute resolution.

In the third quarter of 2021, **2,683** consumers were offered individual case support from CBO staff for a need (e.g., CARE/LifeLine or other financial assistance) or a utility dispute. This represents a slight decrease of **3** percent from the previous quarter but is **72** percent higher than the historical low point for the program of **1,560** cases, which occurred in the third quarter of 2020.

Demand for education services also slightly reduced in this quarter with **8,536** consumers educated on a range of topics² intended to assist them in managing their utility services, a decrease of almost **12** percent compared to the previous quarter.

CONSUMER CONTACTS INCREASED IN THE THIRD QUARTER

CAB’s team of representatives are responsible for assisting consumers with answering questions and resolving disputes with their utility providers. These contacts, which include Informal Complaints, are received via phone calls, letters, or the Internet. In the third quarter of 2021, CAB received **4,558** contacts; see Figure 2.

For the year prior to third quarter-2021, consumer contacts remained stable, due in part to consumer protections enacted by the CPUC and other governmental agencies. However, in the third quarter of 2021, there was a marked increase in the number of contacts to energy providers, where Southern California Edison accounted for **58** percent of all energy contacts and **72** percent of all energy billing contacts (see the section below for more information related to Southern California Edison’s contacts).

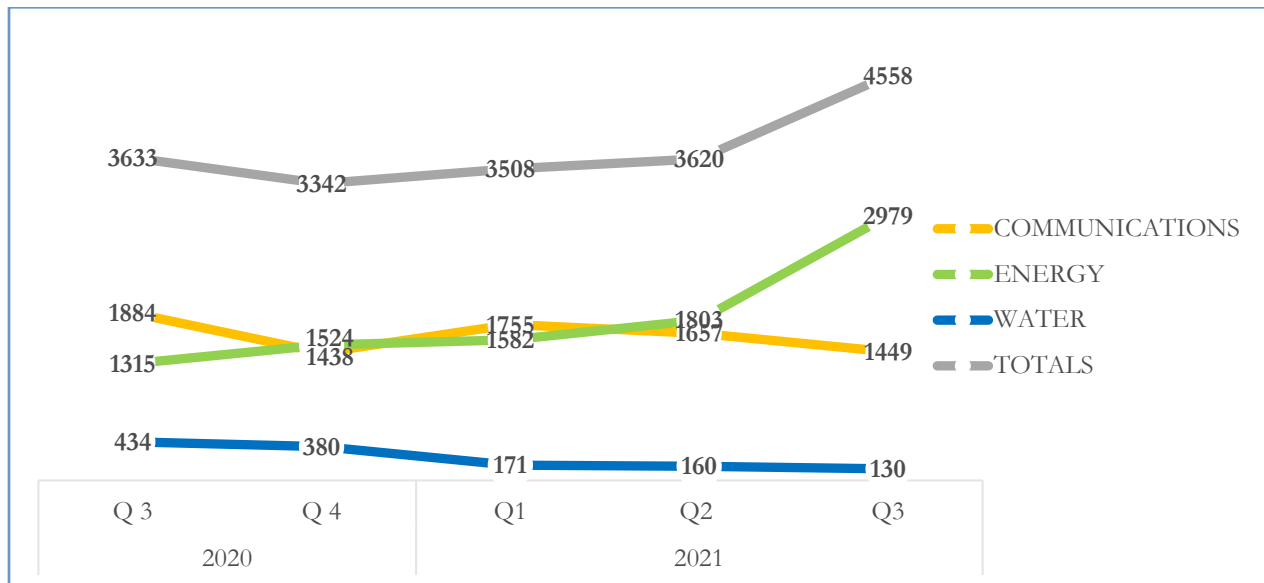


Figure 2: Consumer Contacts by Industry and Quarter

Billing issues accounted for **52** percent of the contacts across all industries and Service issues accounted for **23** percent of all contacts, see Figure 3. Within the Billing category, the subcategory High Bill accounted for **27** percent of the contacts, and within the Service category **11** percent of the of the contacts were attributed to the subcategory of Outage.

² <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/consumer-affairs-branch/team-and-changes-programs> (see heading “Educational Brochures in Different Languages”).

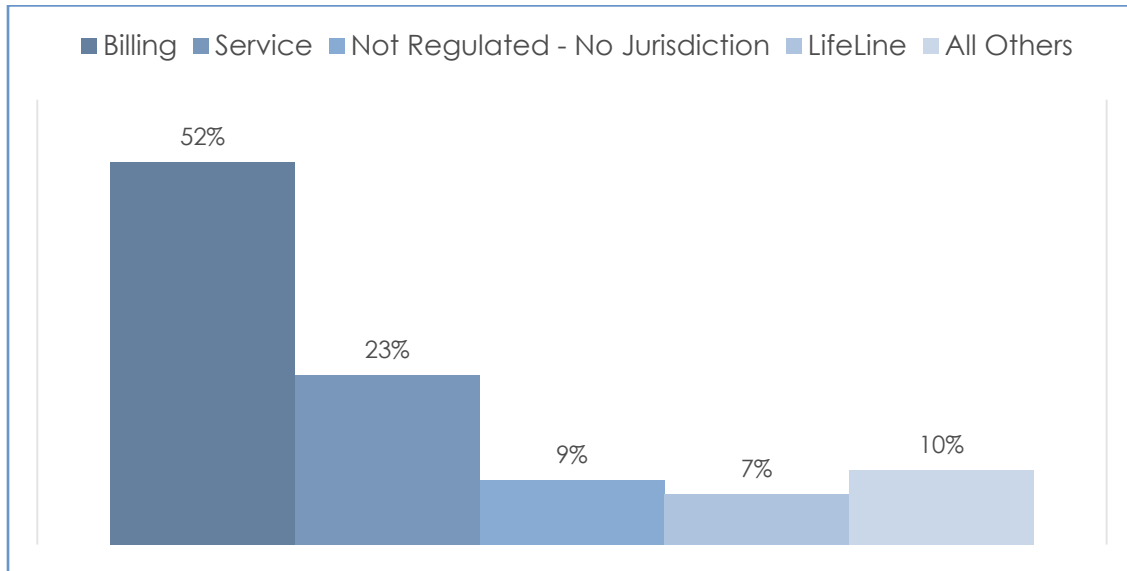


Figure 3: Percentage of Consumer Contacts by Category, All Industries

SOUTHERN CALIFORNIA EDISON ACCOUNTS FOR THE INCREASE IN CONTACTS.³

CAB’s Analytical Unit analyzed the Southern California Edison (SCE) consumer complaint data to draw attention to the increasing number of complaints against SCE during the second and third quarters of 2021 in the areas of Billing and Service.

CAB’s consumer complaint information provides useful indicator data pointing to customer issues and trends; however, it may not truly reflect the magnitude of the problems. Complaints can reflect larger-scale issues because not all customers who have a problem with their utility contact CAB, preferring to interact with the utility directly or unaware of available regulatory assistance.

To gain a perspective on the SCE complaints, CAB’s analysis involved a comparison of consumer contacts from SCE and Pacific Gas & Electric Company (PG&E) customers. The comparison does not demonstrate that one company is necessarily a better performer, but it shows the relative relationship between the companies in terms of consumer contacts reflecting temporal customer satisfaction with their utilities.

Following the implementation of its Customer Service Re-Platform (CSRP) in early April 2021, SCE identified billing issues, extended wait times to reach its call center, system slowness, and outages affecting different customer segments at various times and locations. The SCE and PG&E related customer contacts increased during Q2 and Q3 2021, shown in Figure 4, below.

³ For a more complete analysis see Appendix 1.

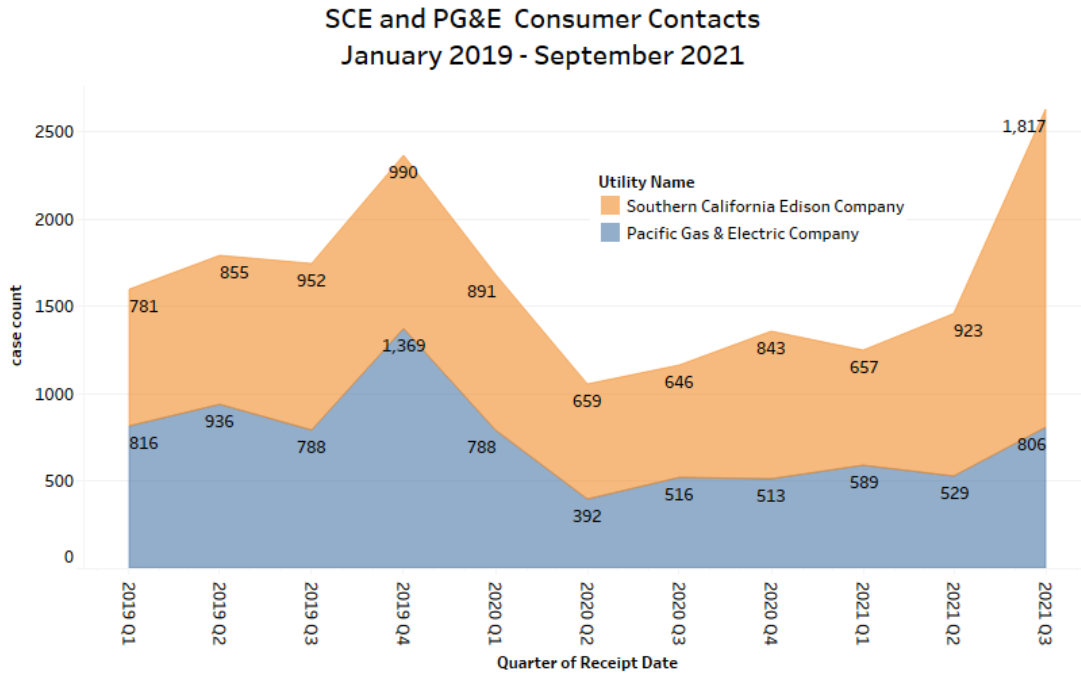


Figure 4: SCE and PG&E Consumer Contacts January 2019 – September 2021

Table 3 below shows statistics relevant to Informal Complaints sent to SCE and PG&E during the first three quarters of 2021. The data indicates that SCE is experiencing considerable difficulty responding to Informal Complaints sent by CAB. Utilities should respond to an Informal Complaint within 30 calendar days from the date CAB sends the Informal Complaint. On average, PG&E responds to Informal Complaints well within the expected timeframe, averaging **22 days**. Because of its billing system issues SCE has trouble responding to Informal Complaints in a timely manner, resulting in more than 1,000 extensions granted to give SCE more time to resolve complaints, increasing their average response interval to **42 days**. In the meantime, comments from SCE’s customers indicate they are noticeably distressed by the delays in resolving their billing issues due to the economic uncertainty the delays cause.

Table 3: Utility Response Statistics to Informal Complaints Sent to Utilities Between January and September

Utility Response Statistics to Informal Complaints Sent to Utilities Between January 1, 2021 and September 30, 2021		
Measure	SCE	PG&E
Number ICs sent to utility	1,633	940
Number Utility Responses Received	1,062	908
Number Extensions Granted	1,139	6
Number of Open IC's	570	32
Date of Oldest IC sent with no utility response	6/17/2021	8/24/2021
Average Utility Response Interval in Calendar Days	42	22

Figure 5 below breaks out consumer contacts by complaint category. Billing complaints are the most frequent contacts, followed by Service-related contacts. Service contacts tend to peak during the fire season with complaints about fire mitigation service outages such as utility Public Safety Power Shutoffs and Fast Trip outages.

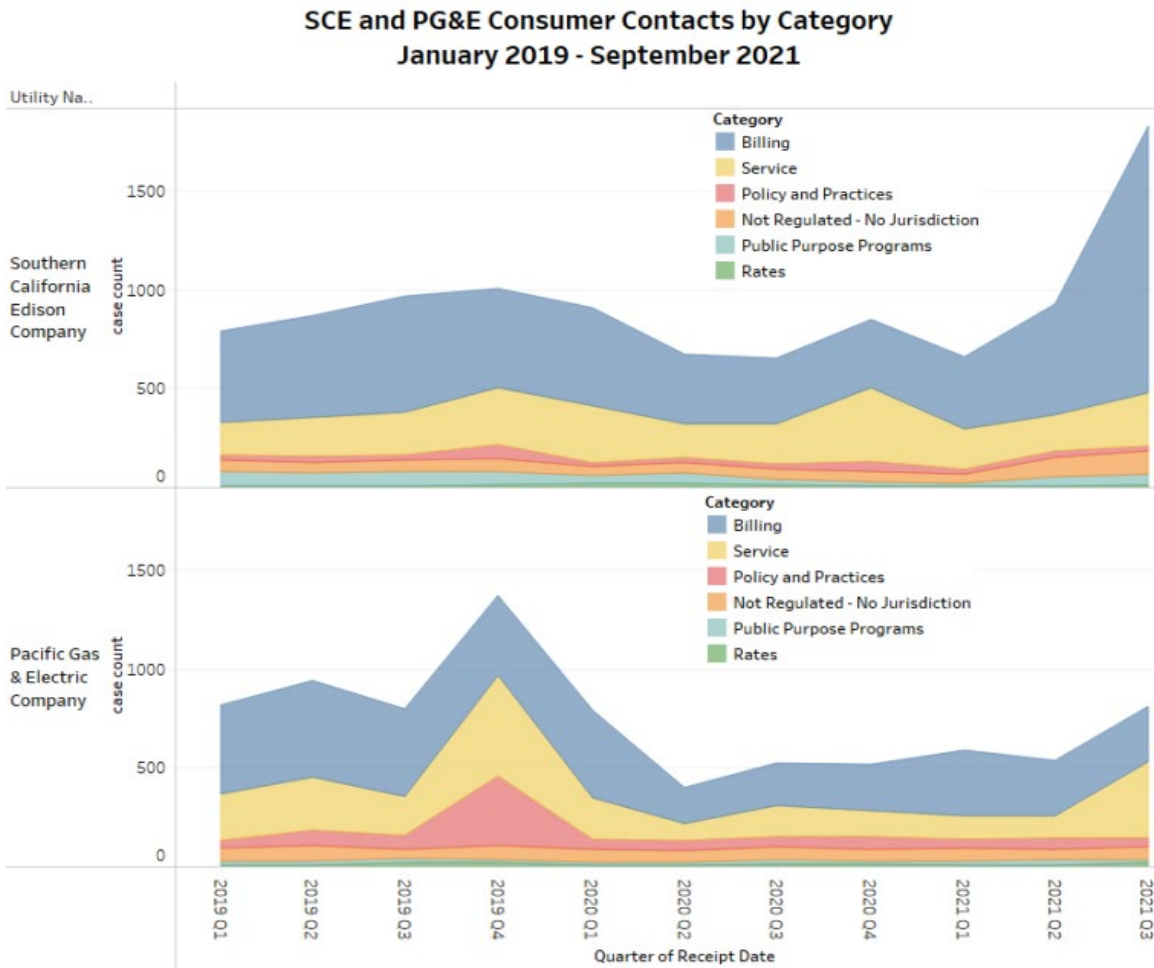


Figure 5: SCE and PG&E Consumer Contacts January 2019 – September 2021

The notable increase in SCE’s Non-Regulated – Non-Jurisdictional⁴ contacts for the second and third quarters of 2021 shown in Figure 6, below, are due to consumer complaints about the extended hold times to reach an SCE service representative in their call center or interacting with the utility website when accessing account information.

⁴ Non-Jurisdictional is a category that includes complaints about issues where the CPUC doesn’t have the authority to pursue the issue with the utility via the Informal Complaint process. For example, CAB does not have the authority to regulate customer service levels. Because of this, CAB cannot send an Informal Complaint to the utility about its customer service. However, CAB keeps track of consumer complaints about customer service to identify issues and track trends.

**All Consumer Contacts with Non-Jurisdictional Customer Service and/or Non-Jurisdictional Company Practice
January 1, 2019 - September 30, 2021**

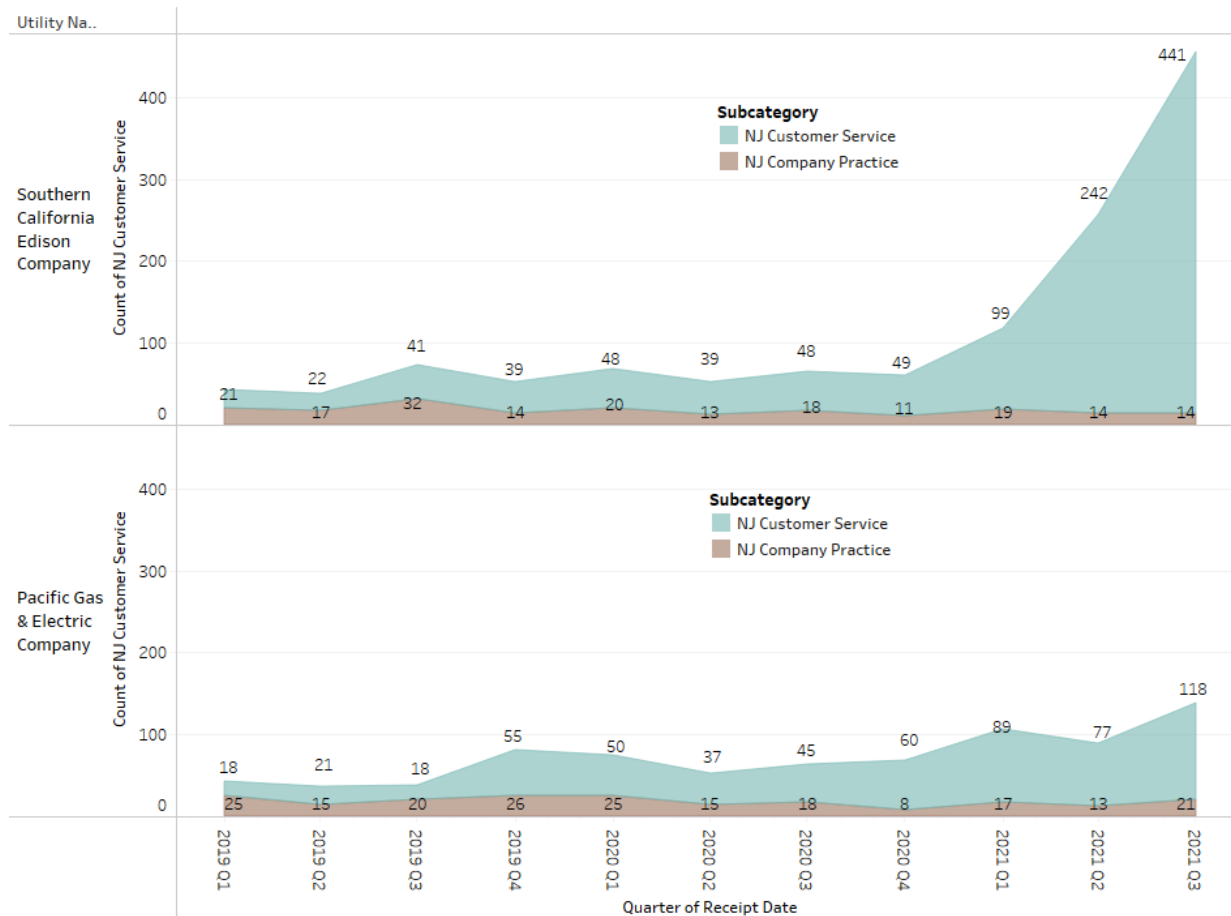


Figure 6: All Consumer Contacts with Non-Jurisdictional Customer Service and /or Non-Jurisdictional Company Practice – January 1, 2019 – September 30, 2021

CAB’s data indicates that SCE is experiencing severe problems with its new billing system that harms its customers. The excessive delay in resolving the billing system problems results in declining customer service. Though SCE contacted all its customers that filed Informal Complaints to explain the delay in responding, SCE continues to request additional extensions to respond to Informal Complaints and fully resolve customer problems.

It is not clear when SCE will fully resolve its billing system-related problems. The dissatisfaction with the delays in fixing billing problems and declining customer service is causing additional economic uncertainty for some of the most vulnerable customers during pandemic times.

CAB participates in regular meetings with all utilities and increased the frequency of meetings with SCE since implementation of the SCE billing system in April in order to track and review SCE’s system issues. CAB actively monitors the closure of the billing issues and follows-up on the status as needed.

Appendix 1: SCE's Customer Satisfaction Is in Decline Due to Its Billing System Problems - An Analysis of SCE and PG&E Consumer Contacts

Introduction

CAB's Analytical Unit produced this report to draw attention to the increasing number of complaints against Southern California Edison (SCE) during the second and third quarters of 2021 in the areas of Billing and Service. The Analytical Unit reviews CAB contact data to identify trends and issues related to utility companies under the jurisdiction of the CPUC and report observations in the data.

CAB's consumer complaint data can provide useful indicator data pointing to customer issues and trends; however, it does not truly reflect the magnitude of the problems. Complaints reflected in CAB's data can indicate larger-scale issues because not all customers who have a problem with their utility contact CAB due to time constraints, or preferring to interact with the utility directly, or unawareness of available regulatory assistance.

To gain a perspective on the SCE complaints, the analysis in this report involves a comparison of consumer contacts between SCE and Pacific Gas and Electric Company (PG&E). PG&E's consumer contacts serve as a relative comparison SCE. The comparison does not demonstrate that one company is necessarily a better performer, but it shows the relative relationship between the companies in terms of consumer contacts reflecting temporal customer satisfaction with their utilities.

CAB Regularly Communicates with both SCE and PG&E to Identify and Resolve Issues

CAB holds regular meetings with utilities such as PG&E to discuss ongoing issues, including the new Fast Trip technology that has been the root cause of many recent PG&E outage complaints and the Gas Advanced Meter Module replacements.

Similarly, CAB frequently meets with SCE to discuss issues related to the new customer billing system (called Customer Service Re-platform (CSR)) implementation. The utility has provided critical notice of the potential issues affecting customers related to CSR's implementation, such as the number of customers impacted and the anticipated resolution date of these problems. In addition, SCE covers other issues in these reoccurring meetings, including its actions to fix issues, such as correcting staffing levels in the call center that led to long customer wait times to reach a service agent.

The reasoning for comparing SCE and PG&E

In recent years, PG&E and SCE experienced significant problems providing reliable service to their customers related to wildfires throughout their service territories. Both utilities have

experienced consumer complaints associated with their Public Safety Power Shutoff events, service outages, and internal problems with billing systems.

PG&E began replacing its gas smart meters in the summer of 2021 and is expected to complete the project in 2023. The smart meters started malfunctioning significantly sooner than their guaranteed 10-year life span. The malfunctioning meters resulted in delayed billing. PG&E took measures to communicate with their customers and to make billing adjustments.

Prior to April 2021, SCE was experiencing difficulties with their billing systems, prompting it to replace its billing system. The new billing system caused a slew of additional billing problems, and customers responded with an extraordinary number of complaints against the company.

The new billing system rolled out during the pandemic when some customers are working and schooling from home and using more energy. There are many reports of customers suffering hardships on many levels due to being out of work, wildfire-related outages, and the cost of increased energy use (e.g., triggering higher rate tiers).

SCE and PG&E are generally comparable because they serve approximately the same number of electric customers over a similarly large service territory.

SCE's service territory includes 430 cities and communities with a total customer base of approximately 5 million residential and business accounts, serving approximately 15 million people in a 50,000-square-mile service area within Central, Coastal, and Southern California.

PG&E's service territory covers approximately 70,000 square miles, servicing 5.5 million electric customer accounts and 4.5 million natural gas customer accounts.

Utility Response Statistics 2021

Table 1 below shows statistics relevant to ICs sent to SCE and PG&E during the first three quarters of 2021. The data indicates that SCE is experiencing considerable difficulty responding to ICs sent by CAB. Utilities should respond to an IC within 30--calendar days from the date CAB sent the IC. On average, PG&E responds to ICs well within the expected time frame. Because of the billing system issues SCE has trouble responding to ICs timely resulting in over a thousand extensions granted to give SCE more time to resolve complaints. SCE's utility response interval increased due to the extensions requested by SCE and granted by CAB. In the meantime, SCE's customers are noticeably distressed by the delays in resolving their billing issues due to the economic uncertainty the delays cause.

Table 1: Utility Response Statistics to Informal Complaints Sent to Utilities Between January and September 2021

Utility Response Statistics to Informal Complaints Sent to Utilities Between January 1, 2021 and September 30, 2021		
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Average Utility Response Interval in Calendar Days	42	22

Consumer Contact Analysis

Figure 1 below illustrates PG&E and SCE consumer contacts received by CAB between the first quarter of 2019 and the third quarter of 2021. The figure indicates more contacts related to SCE than PG&E in eight of the 11 reporting quarters.

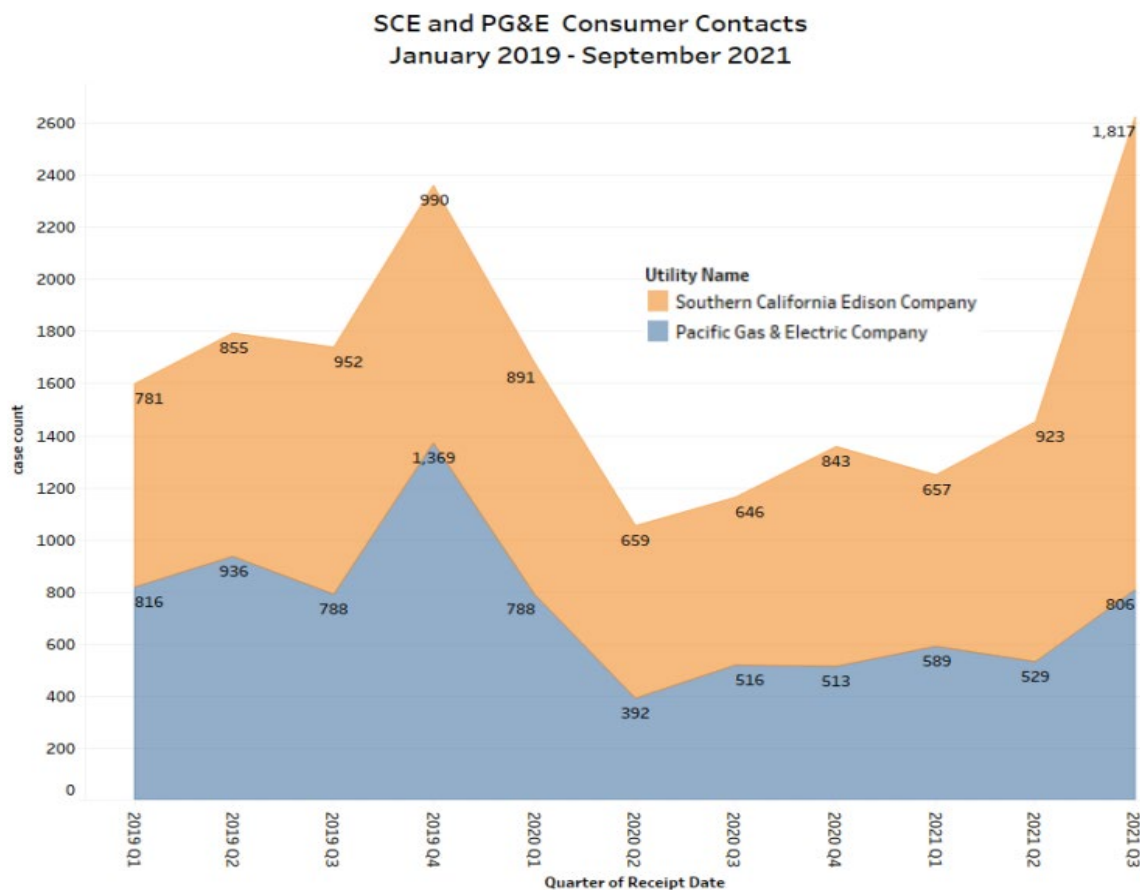


Figure 1: SCE and PG&E Consumer Contacts January 2019 – September 2021

The two figures below break out consumer contacts by complaint category (Figure 2) and subcategories (Figure 3). Billing complaints are the most frequent contacts, followed by service-related contacts. Service contacts tend to peak during the fire season with complaints about fire mitigation service outages such as utility Public Safety Power Shutoffs and Fast Trip outages, e.g., Fall of 2019, December 2020, and August and September 2021.

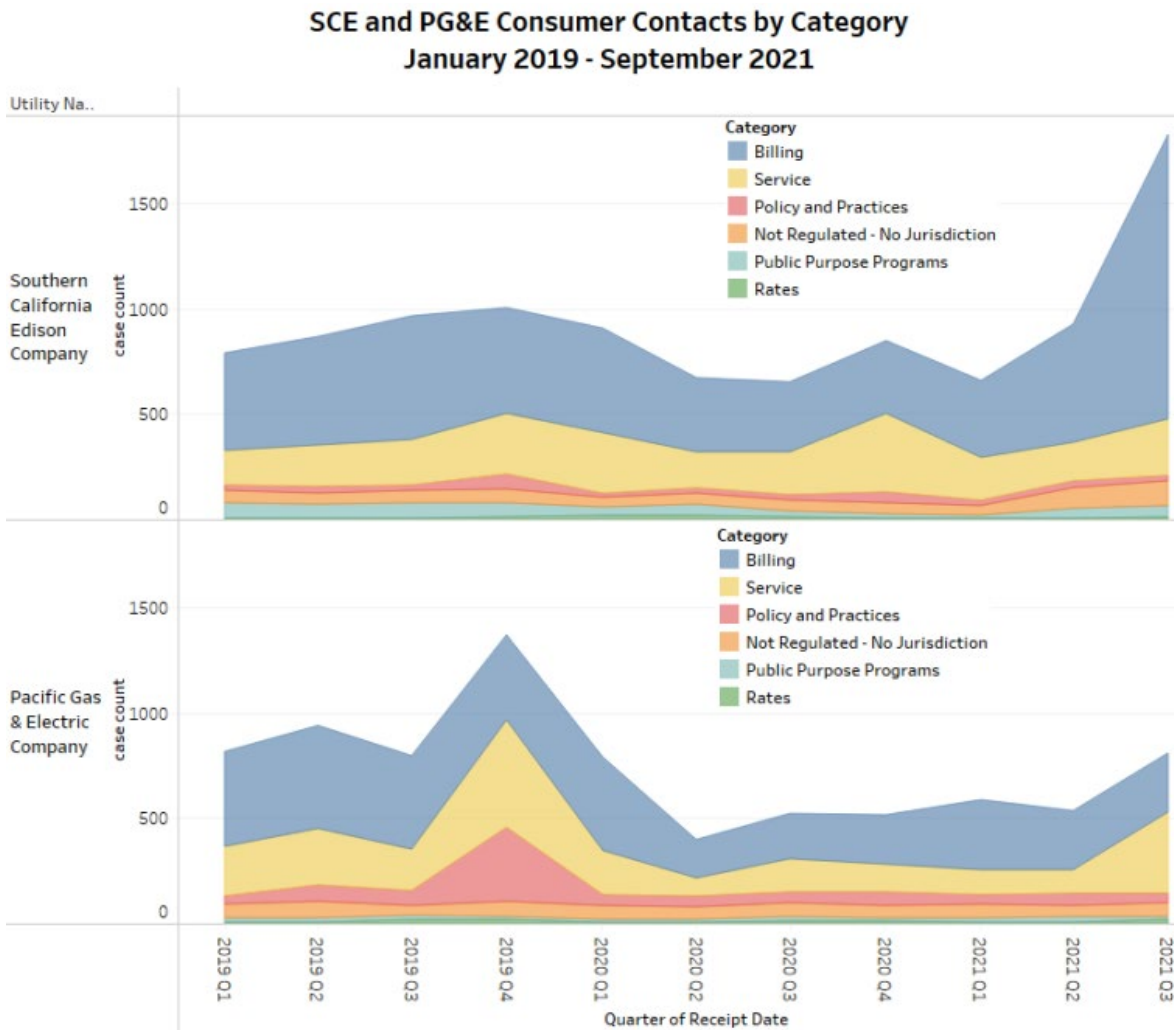


Figure 2: SCE and PG&E Consumer Contacts by Category January 2019 – September 2021

Customers of both utility companies most frequently and consistently complain about high bills. The implementation of SCE's new billing system April 2021 only exacerbated the billing complaints in the second and third quarters of 2021.

The data in Figure 3 indicates that SCE has increasing difficulty keeping scheduled commitments and resolving long-standing billing issues, Net Energy Metering (NEM) interconnections, and service problems, as evidenced in the Delayed Order complaints.

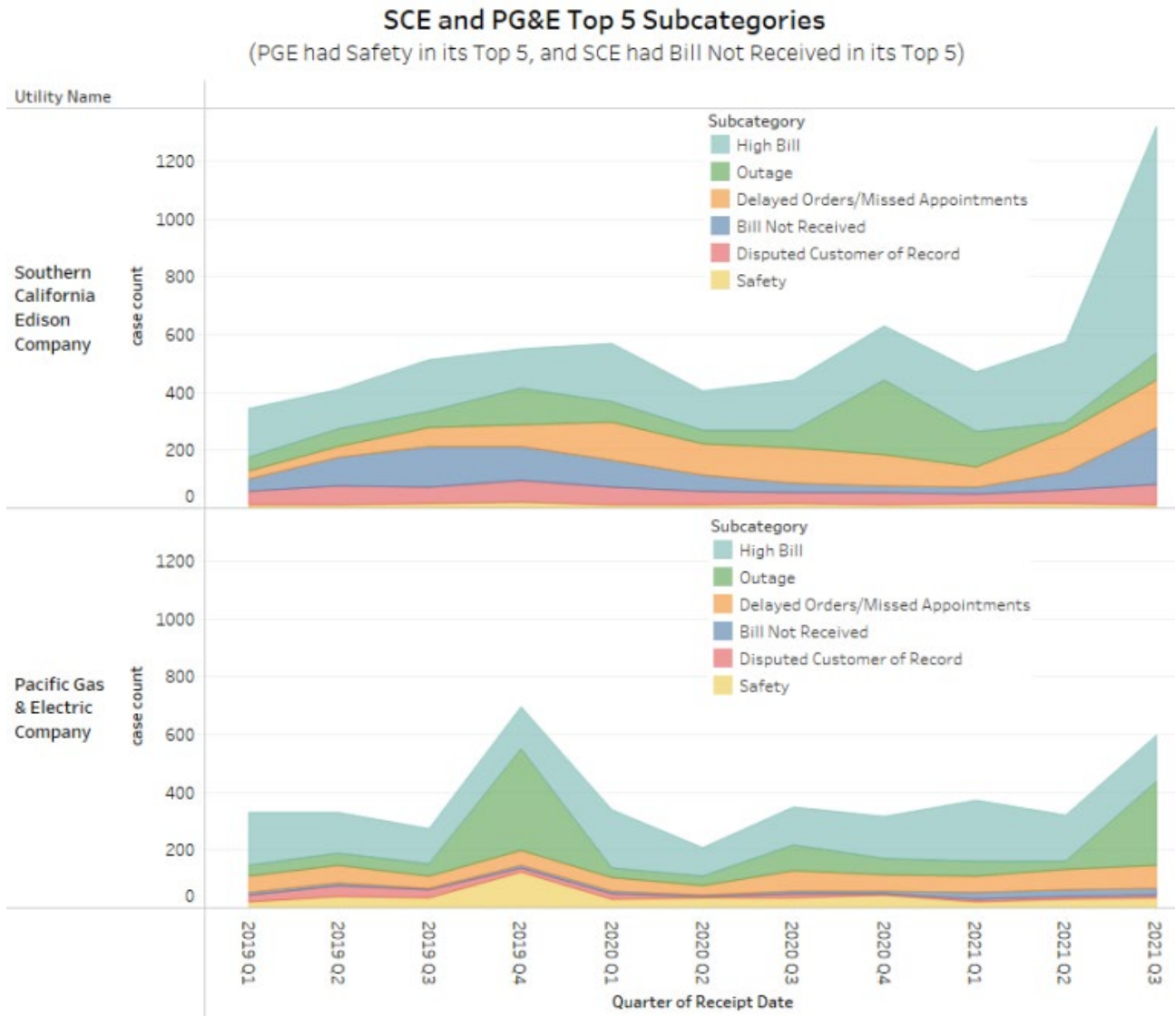


Figure 3: SCE and PG&E Top 5 Case Subcategories

Complaints about SCE's NEM-related services dominated the Billing-related contacts prior to its new billing system, and after trending down prior to 2021, re-emerged as a significant source of customer complaints after the new billing system rollout.

SCE and PG&E NEM Contacts Q1 2019 through Q3 2021

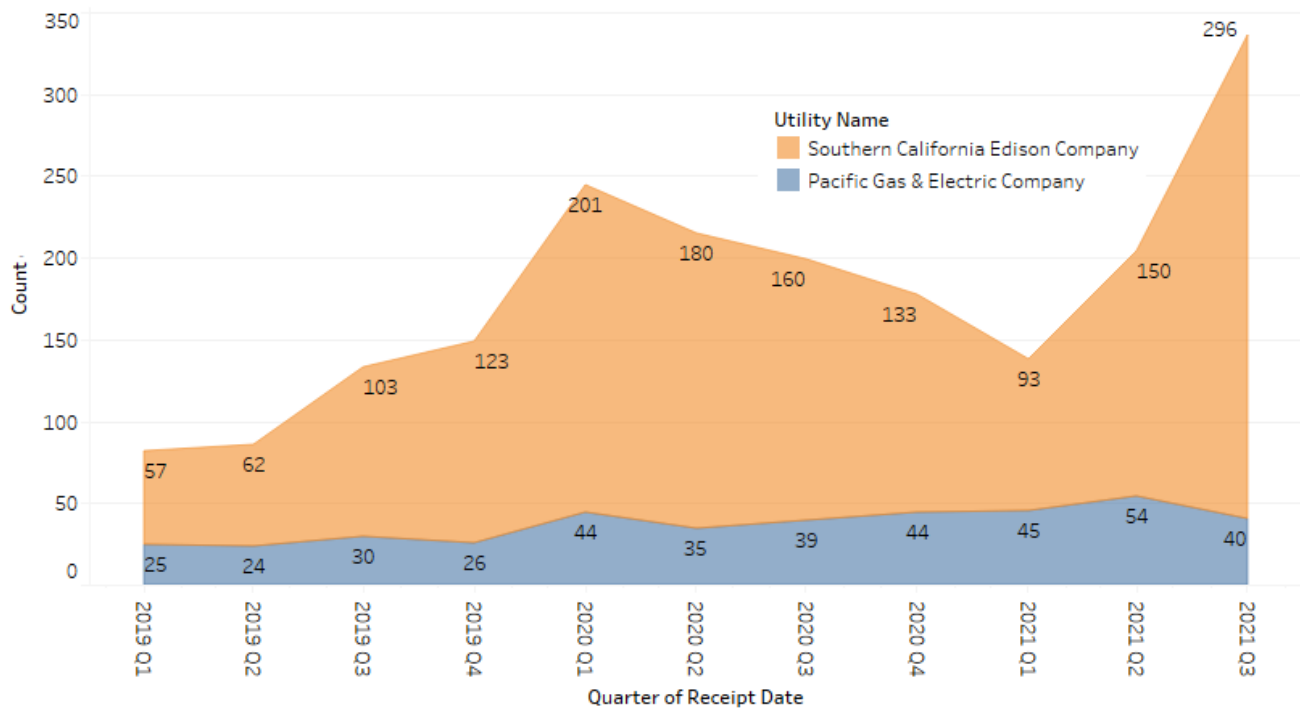


Figure 4: SCE and PG&E NEM Contacts Q1 2019 through Q3 2021

High Bill complaints are the driving force behind NEM complaints about both SCE and PG&E; however, CAB regularly receives more High Bill complaints about SCE than PG&E, particularly in Q3 2021. Delayed Order complaints against SCE surged in 2020 and are again on the upswing for 2021 due to the issues with SCE's new billing system rollout. NEM delayed order complaints were overwhelmingly related to delays in switching from regular service to NEM billing. Some SCE customers have waited more than a year to get their billing switched over. In the meantime, these customers receive high bills and are experiencing extreme difficulty reaching customer service representatives at the utility.

After the SCE CSR rollout, customers calling SCE with billing issues regularly faced hold times of more than an hour. SCE also experienced delays establishing NEM interconnections.

In contrast, PG&E's Delayed Order complaints are consistently related to delayed interconnection and missed appointments for service repairs such as voltage issues, meter issues, or facilities repairs such as blown transformers. There are also a few complaints related to delays in switching customers to NEM billing.

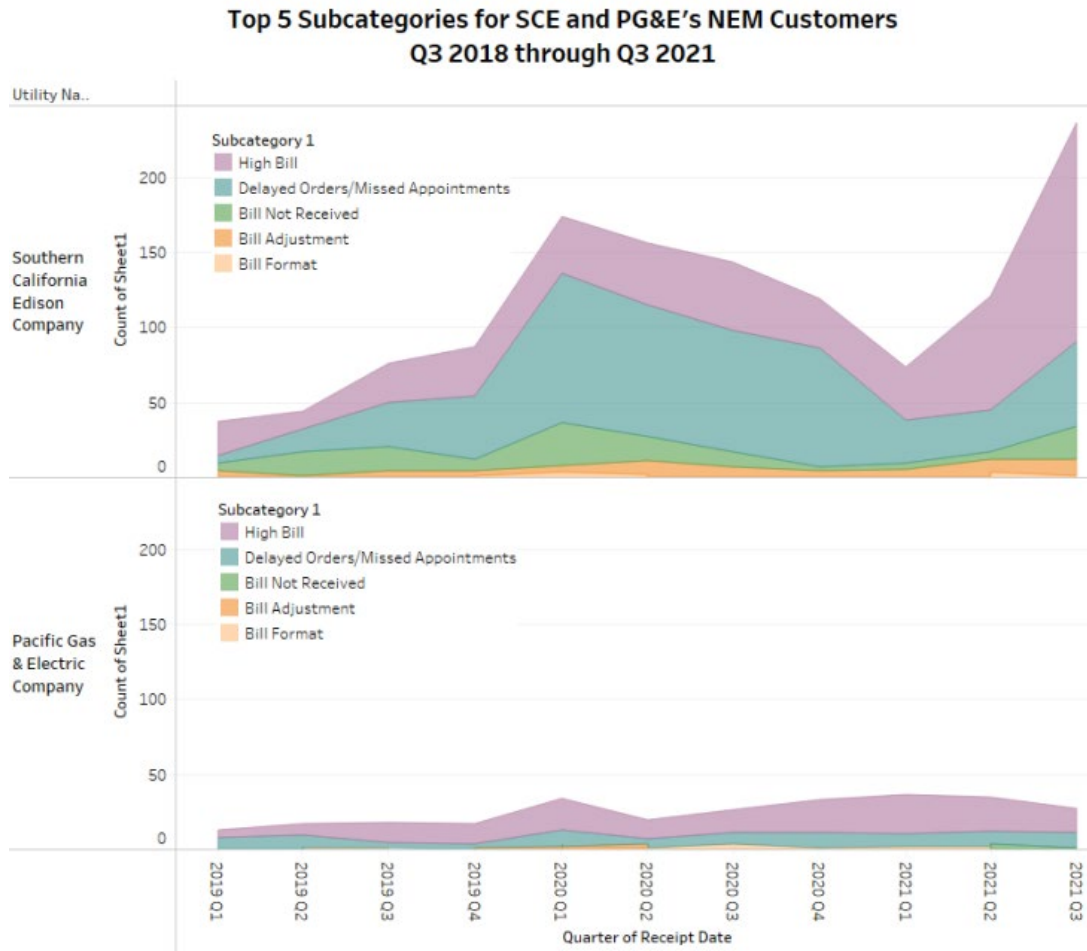


Figure 5: Top 5 Subcategories for SCE and PG&E NEM Customers Q3 2018 through Q3 2021

While customer issues with utility customer service and company policy are non-jurisdictional to the CPUC, customer complaints received about these issues still contain valuable information about customer perception of their respective utility companies. For SCE, the lengthy hold times created a barrier to access their customer call centers to question billing issues resulting from the CSR implementation. CAB captures these Informal Complaints under the Non-Jurisdictional Customer Service category. The Non-Jurisdictional contacts are a key indicator of customer dissatisfaction and angst that contributed to the influx of complaints to CAB.

Figure 6 illustrates the increasing dissatisfaction with SCE in 2021, whereas PG&E's customers show increased dissatisfaction beginning fourth quarter of 2019, which included the first year of Public Safety Power Shutoffs. Starting in 2021, SCE customers became increasingly dissatisfied with their utility.

**All Consumer Contacts with Non-Jurisdictional Customer Service and/or Non-Jurisdictional Company Practice
January 1, 2019 - September 30, 2021**

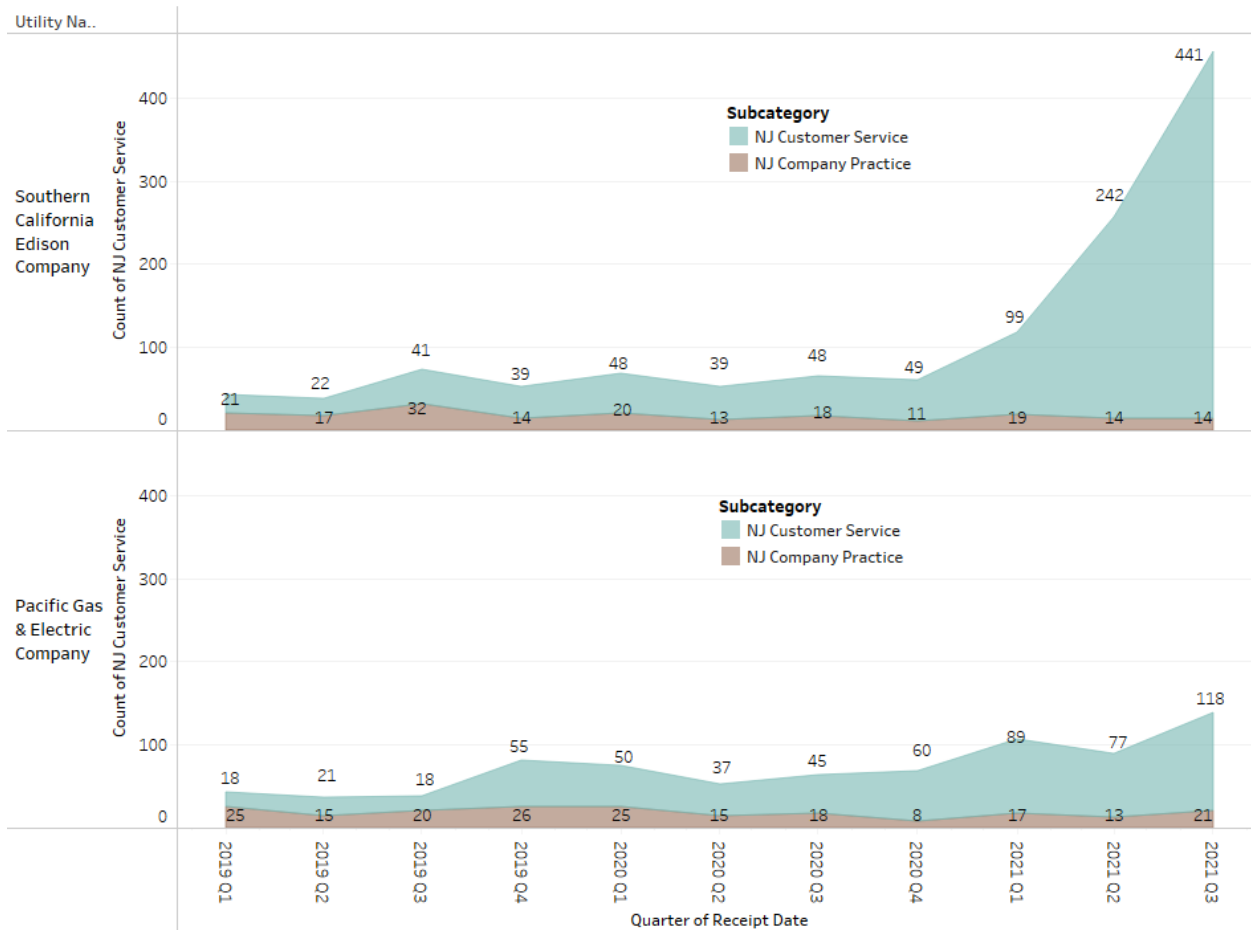


Figure 6: All Consumer Contacts with Non-Jurisdictional Customer Service and/or Non-Jurisdictional Company Practice – January 1, 2019 – September 30, 2021

Conclusion

CAB's data indicates that SCE is experiencing severe problems with its new billing system that harms its customers. The excessive delay in resolving the billing system problems results in declining customer service. Though SCE says it has contacted all its customers that filed Informal Complaints to explain the delay in responding, SCE continues to request additional extensions to respond to Informal Complaints and fully resolve customers problems.

It is not clear when SCE will fully resolve its billing system-related problems, though they claim to be committed to applying the resources necessary to address this as soon as possible. The dissatisfaction with the delays in fixing billing problems and declining customer service is causing additional economic uncertainty during pandemic times, which according to customer comments causes extreme stress in households struggling financially.