Consumer Affairs Branch

FIRST QUARTER REPORT

May 2022



California Public Utilities Commission This page intentionally left blank.

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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 January 1 through March 31, 2022, emphasizing fourth quarter activity.

This report details:

- CAB Returned More Than \$559,000 To Consumers
- CAB Received More Than 5,200 Contacts
- More Than 2,200 Consumer Complaints Resolved with CAB's Assistance
- <u>SCE Billing Issues Continue</u>

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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 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.

CONSUMER REFUNDS – CAB Returned More Than \$559,000 To Consumers This Quarter

In the first quarter of 2022, consumers were reimbursed **\$559,711** 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 were disbursed by the utility following CAB's involvement. The average refund in Q1 by industry: Energy **\$1,021**, Communications **\$968**, Water **\$258**.

		2022		
Industry	Q2	Q3	Q4	Q1
Communications	\$95,549	\$188,911	\$89,667	\$113,676
Energy	\$135,992	\$442,312	\$297,316	\$442,422
Water	\$3,060	\$4,282	\$4,597	\$3,613
Totals	\$234,601	\$635,505	\$391,580	\$559,711

Table 1: Consumer Refunds by Industry¹ and Quarter

First Quarter Consumer Refund Highlights

- A non-profit that experienced a service outage, was credited **\$8,359.11** by U.S. TelePacific Corp., d/b/a TPx Communications, after CAB's intervention.
- After ongoing delays by Southern California Edison of not providing credits for solar generation, a non-profit reached out to CAB and received credit for **\$3,828.20**.
- A consumer in Bakersfield contacted CAB after receiving an unusually high bill from the California Water Service Company. As a result, the meter was tested and replaced by the utility and the consumer was credited **\$618.30**.

CONSUMER CONTACTS – CAB Received More Than 5,200 Contacts in The First 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 first quarter of 2022, CAB received more than **5,200** contacts, see Figure 1.

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.

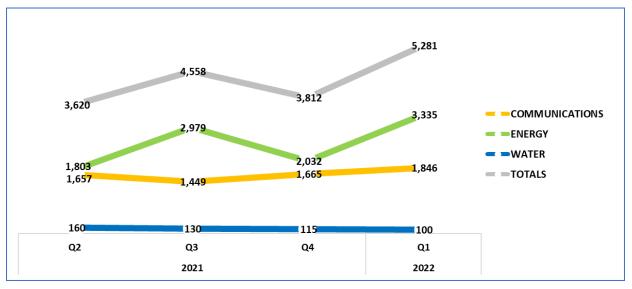


Figure 1: Consumer Contacts by Industry and Quarter

In the first quarter of 2022, billing issues accounted for **45** percent of all industry contacts (Figure 2) and **56** percent of Informal Complaints (Figure 3).

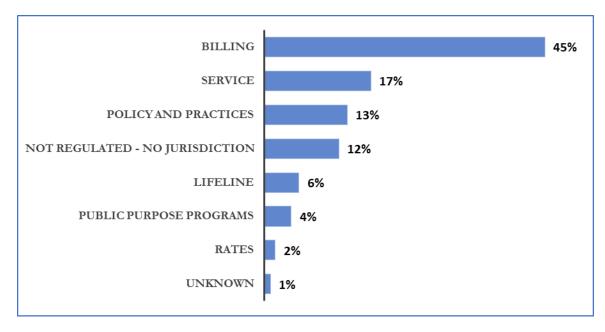


Figure 2: Percentage of Consumer Contacts by Category

CONSUMER COMPLAINTS RESOLVED - CAB Assisted More Than 2,200 Consumers in 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. In the first quarter of 2022, CAB resolved **2,220** Informal Complaints, see Table 2.

		2022		
Industry	Q 2	Q3	Q 4	Q 1
Communications	458	438	497	705
Energy	904	716	1,392	1,473
Water	51	43	60	42
Totals	1,413	1,197	1,949	2,220

Table 2: Informal Consumer Complaints Resolved by Quarter and YTD

The increase in the number of energy provider Informal Complaints resolved in the fourth quarter of 2021 and the first quarter of 2022 can be attributed to Southern California Edison's (SCE) billing system, which is detailed later in this report.

The reason for the increase in the number of communications provider Informal Complaints resolved in the first quarter of 2022 is that LifeLine billing cases are now counted as Informal Complaints.

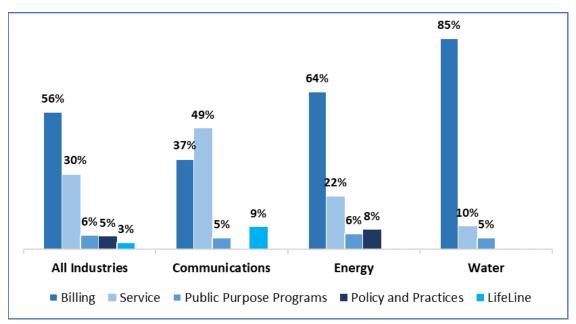


Figure 3: Percentage of Informal Complaints by Industry and Category

SOUTHERN CALIFORNIA EDISON SHOWS NO SIGN OF IMPROVEMENT AS RECORD NUMBERS OF BILLING-RELATED COMPLAINTS CONTINUE DURING Q1 2022

In April 2021, SCE implemented significant changes to upgrade its billing system. Since SCE's system upgrade, CAB has reviewed contact data to identify trends and issues.

The chart below depicts the previous 12-months of SCE consumer contacts, which coincides with the 12month period since the SCE billing system upgrade. Shortly following the upgrade, CAB began to receive a significant increase in consumer contacts, mostly related to billing issues. During the first quarter of 2022, CAB received **2,092** contacts about SCE that represents **39** percent of the total SCE cases received during 2021.

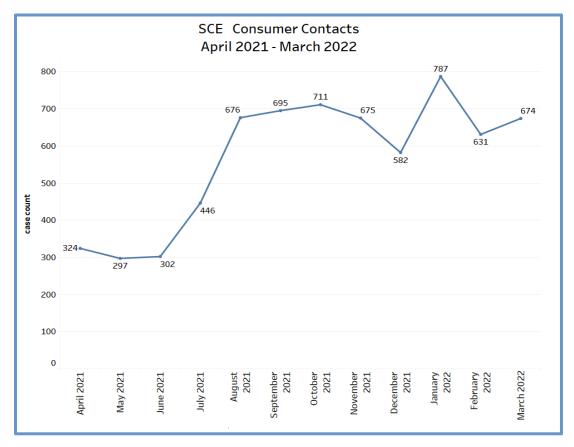


Figure 4: SCE Consumer Contacts April 2021 – March 2022

The data indicates that SCE's billing system continues to impact customers and drives a high level of customer complaints. SCE is still experiencing difficulty responding to Informal Complaints sent by CAB, but since SCE allocated additional resources to resolving its complaint backlog in recent months there appears to be improvement. Table 3 shows statistics relevant to Informal Complaints sent to SCE during 2021 and the first quarter of 2022. However, the ongoing high numbers of consumer contacts continue to perpetuate a backlog even as the number of open Informal Complaints is slowly reducing.

SCE's Utility Response Statistics Q1 2022				
Measure	2021	Q1 2022		
Informal Complaints Sent to SCE	2,194	564		
SCE Responses Received	2,030	534		
CAB Extensions Granted to SCE	1,487	4		
Open Informal Complaints	849	521		
Date of Oldest Unresolved Informal Complaint	Aug. 3, 2021	Aug. 17, 2021		
Average SCE Response Interval in Calendar Days	54	56		

Table 3: SCE Response Statistics to Informal Complaints - Jan. 1, 2021 through Dec. 31, 2021

The first quarter data for 2022 shows that the Billing category remains the dominant category for SCE contacts. Figure 5 below breaks out consumer contacts by complaint subcategory. High Bill remains the primary issue for consumers. The Bill Not Received subcategory demonstrates that SCE is still struggling with its underlying billing system problems a year after the cutover to the new billing system. CAB is actively monitoring the billing issues and will provide an update in the next quarterly report.

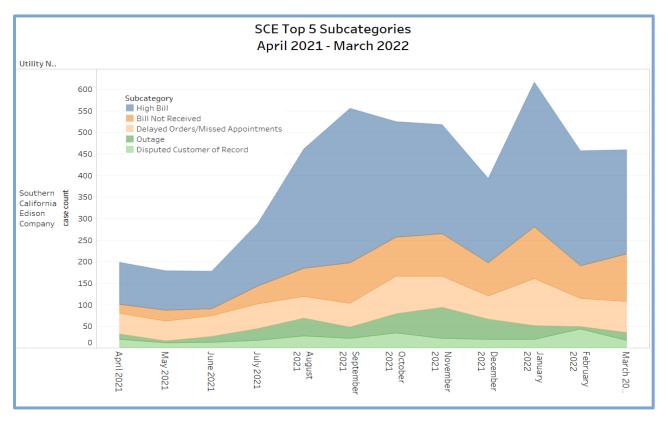


Figure 5: SCE Consumer Contacts April 2021 – March 2022

LIFELINE

In the first quarter of 2022, CAB received **275** LifeLine consumer contacts, which is a **13** percent decrease from the prior quarter. CAB has dedicated specialists to assist consumers in answering inquiries and questions related to the California LifeLine program. In addition, CAB also reviews appeals filed by consumers who were disqualified by the program administrator to participate in the program. CAB also facilitates LifeLine billing issues to service providers for investigation and resolution as necessary.

2021 2022LifeLine Case Types **Q**3 **Q**2 **Q**4 **Q**1 **Phone Contacts** 112 111 145 136 Written Contacts 170 128 195 139 -Total Contacts (phone and written) 240 306 315 275 130 147 164 LifeLine Appeals Closed 110LifeLine Billing Informal Complaints cCosed 142 130182 191

Table 4: LifeLine Contacts

TEAM AND CHANGES

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

TEAM and CHANGES support LEP customers statewide through **27** Community Based Organizations (CBOs) in their preferred language focused on cultural sensitivity. The CBOs provide consumer outreach, education, needs assistance, and dispute resolution.

Overall, there has been an increase in services performed by TEAM and CHANGES compared to the last quarter of last year. In the first quarter of 2022, CBOs provided case support to **2,769** customers, for financial, other needs (e.g., CARE/LifeLine or other financial assistance program), and utility disputes. This was an increase of **25** percent over the previous quarter. In addition, CBO-led programs educated **13,258** consumers in Q1, on a range of topics² to assist them in managing their utility services, which was also an increase of approximately **24** percent compared to the previous quarter.

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

Finally, the TEAM program helped customers through dispute resolution with their telecommunications provider to successfully reclaim **\$38,770** in Q1, an increase of **22 percent** compared to the previous quarter.

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Total
Individual Case Support	2,275	2,683	2,216	2,769	7,174
Education Provided	9,677	8,536	10,680	13,258	34,393
Amount Recovered (TEAM)	\$34,319	\$25,323	\$31,746	\$38,770	\$130,158

Table 5: CBO Case Support and Education Services Provided and Amount Recovered