

CONSUMER AFFAIRS BRANCH

THIRD QUARTER REPORT

November 2020



California Public Utilities Commission This page intentionally left blank.

About This Report

This Consumer Affairs Branch (CAB) 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 information presented in this report is based on inquiries and complaints received by CAB from July through September 2020.

This report details quarterly output including:

- CAB Returned More Than \$393,000 to Consumers
- <u>CAB Assisted Nearly 622 Consumers with Resolving Utility Complaints</u>
- <u>Consumer Contacts Have Trended Down While Consumer Protections are in Effect</u>
- <u>Consumers Experienced Rolling Blackouts in August</u>

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About the Consumer Affairs Branch

CAB resides within the News and Outreach Office at the CPUC. CAB is responsible for supporting the needs of consumers, and joins the other branches of the Office in providing accurate, thorough, and timely information and assistance to the public. 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.

CAB Returned More Than \$393,000 to Consumers This Quarter

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.

In the third quarter of 2020, consumers were reimbursed **\$393,423** 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 at the discretion of the utility following CAB involvement.

Industry	First Quarter Second Quart		Third Quarter	Year to Date	
Communications	\$188,371	\$220,235	\$152,393	\$560,999	
Energy	\$167,705	\$337,646	\$233,886	\$739,237	
Water	\$8,308	\$3,915	\$7,144	\$19,367	
Totals	\$364,744	\$561,796	\$393,423	\$1,319,603	

TABLE 1. 2020	YEAR TO	DATE CONSUMER	REFUNDS BY	INDUSTRY	AND QUARTER ¹

¹ This table only accounts for refunds through the Informal Complaint process. Cases where a phone contact was transferred to the utility for expedited resolution are not reflected here.

Third Quarter Consumer Refund Highlights

- A Net Energy Metering bill adjustment of **\$7,114.81** was issued to a customer from Southern California Edison.
- A customer was issued a bill adjustment of **\$6,185.30** from AT&T California.
- San Jose Water Company issued a **\$526.01** courtesy adjustment to a customer.

CAB Assisted Nearly 622 Consumers with Resolving Utility Complaints in the Third Quarter of 2020

Including the Informal Complaints that resulted in refunds for consumers, CAB sent a total of **1,421** Informal Complaints to the utilities in the third quarter of 2020 and resolved **622** in the same timeframe. On average, CAB found in favor of consumers **66** percent of the time in the third quarter.

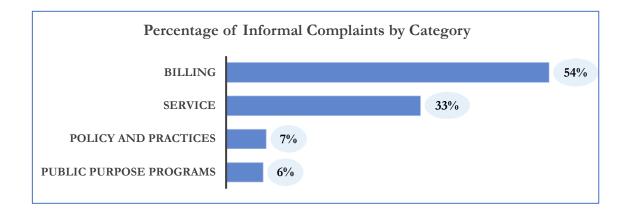
Industry	InformalInformalComplaints SentComplaints Closed		% Resolved in Consumer's Favor		
Communications	676	313	74%		
Energy	676	292	60%		
Water	69	17	47%		
Total	1,421	622	66% ²		

TABLE 2. INFORMAL CONSUMER COMPLAINTS, THIRD QUARTER 2020

As noted on page 2, many consumers were assisted by CAB's Informal Complaint process, particularly with billing issues. Across all industries, **54** percent of all Informal Complaints sent and closed were identified as billing issues; see Chart 1. Within that category, the dominant reason for the Informal Complaint was a high bill, at **48** percent.

CHART 1. INFORMAL CONSUMER COMPLAINTS BY CATEGORY, THIRD QUARTER 2020

² Number of Informal Complaints in favor of consumer divided by total closed Informal Complaints.



TEAM and CHANGES

In addition to the informal contacts received and the Informal Complaints forwarded to the utilities by CAB, the CPUC's 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 assist Limited English Proficient (LEP) consumers with telecommunications and energy issues, respectively.

Support is provided statewide through **28** 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, almost **1,560** 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 reduction of approximately **21** percent from the previous quarter. Cases increased gradually through the quarter and by the end of August were at the same level as in May. It is notable that in common with the previous quarter, these case numbers are historically low for the program. This trend appears to be driven by the moratorium on disconnections.³

Consumer Contacts Have Trended Down While Consumer Protections are in Effect

CAB's team of representatives are responsible for assisting consumers with answering questions and resolving disputes with their utility providers. These contacts, which include

³ All electric and natural gas investor-owned utilities were ordered by the CPUC to suspend service disconnections due to non-payment for both residential and commercial customers until April 16, 2021.

Informal Complaints, are received via phone calls, letters, or the Internet. In the third quarter of 2020, CAB received **3,611** contacts.

TABLE 3.	NUMBER	OF	CONSUMER	CONTACTS,	ΒY	UTILITY
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2,036	Communications		
1,413	Energy		
162	Water		
3,611	Total		

In contrast, in the third quarter of 2019, the contacts to CAB were 53 percent higher -7,674 versus 3,611. The downward trend in contacts can be attributed to consumer protections enacted by the CPUC.

Across all industries, billing issues (40 percent) were the most prevalent reason that consumers contacted CAB, followed by service issues (23 percent); see Chart 2 on the next page.

Within the billing category, during the third quarter of 2020, high bills accounted for **seven percent** of the reporting period's COVID-19 related contacts, the 4th largest category. Energy companies accounted for **51** percent of the high bill contacts, communications **35** percent, and water **13** percent. Examples of energy related high bill contacts include consumers who contacted CAB to complain about their displeasure at being assessed time of use or higher tier rates during a shelter in place mandate. CAB also received contacts from business owners complaining of unwarranted high bills while their businesses were closed due to the pandemic.

Consumers Experienced Rolling Blackouts in August

Within the service category, CAB experienced an increase of contacts related to outages. From August 9 through August 22, CAB received a total of **27** consumer contacts about blackouts, or **19** percent of the total **140** received for the period related to all outages. The increase was due in part to the California Independent System Operator (<u>CAISO</u>) instituting rotating electricity outages due to triple-digit temperatures and overwhelming power demand during that time period.

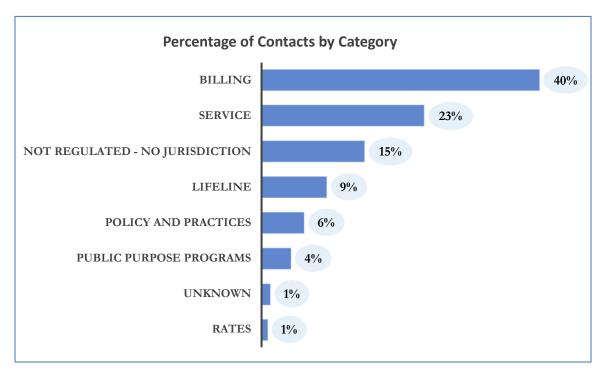


CHART 2. CONSUMER CONTACTS BY CATEGORY, THIRD QUARTER 2020

Overall, in the third quarter, **411** contacts regarding service outages were received by CAB, accounting for **11** percent of all contacts. During the pandemic, many consumers rely on their utilities not only for daily needs but for health reasons. Service outages affect vulnerable groups who rely on both medical equipment and basic phone service for health reasons. While there are a wide range of issues raised, here are some of the cases that closely represent the majority that CAB has received:

- "My telephone and Internet service have been out for 10 days now. AT&T is not responding, and no repair vehicles are in the area. Every two days the estimate for repair is extended. They are the only ISP in the area. I have no other choice for Internet. I stream TV and have been unable to see any news for over a week now."
- "My 89-year-old parents are without telephone service for more than 24 hours. This is the second time this year. My parents use a medical alert system, which does not function if they do not have a telephone. This is unacceptable. I have made numerous long phone calls trying to get my parents' phone up and running. I have been switched from department to department. As I write this, I am on hold with AT&T and it has been 24 hours since my parents have had a functioning phone."
- "On 07/27/2020 SCE disconnected power in our community at 23:15 without prior notification. Power was restored at 05:00 on 07/28/2020. During this time, all of us

residents of Desert Crest Community were without Air Conditioning in 80-degree weather. Many of our residents are on oxygen since we are a senior community."