

# Consumer Affairs Branch

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FIRST QUARTER REPORT-2024

May 22, 2024



**California Public  
Utilities Commission**

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## ABOUT THIS REPORT

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This quarterly report highlights consumer issues related to telecommunications, electric, natural gas, water, and transportation service providers 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 through March 2024.

## THIS REPORT DETAILS Q1-2024 HIGHLIGHTS:

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- [CAB Returned More Than \\$1,250,871 to Consumers in the Q1-2024](#)
- [CAB Received 9518 Consumer Contacts](#)
- [CAB Assisted About 2475 Consumers Resolve Complaints](#)

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## ABOUT THE CONSUMER AFFAIRS BRANCH

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The Consumer Affairs Branch (CAB) resides within the External Affairs Division 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 telecommunications, 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 contact data to assist CPUC decision-makers, supports enforcement against fraud and abuse and informs the public.

## CONSUMER REFUNDS – CAB RETURNED \$1,250,871 TO CONSUMERS

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During Q1-2024, consumers were reimbursed **\$1,250,871** from the utilities by contacting 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 California Public Utilities Commission (CPUC).<sup>1</sup>

Many of the refunds were the result of incorrect billing and were disbursed by the utility following CAB’s involvement. The average refunded amount from the utility to consumer in Q1 by industry: Telecommunications **\$469.36**, Energy **\$3,420.54**, Transportation **\$60**, and Water **\$780.51**.

**Table 1: Consumer Refunds by Industry<sup>2</sup> and Quarter**

Industry	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Energy	\$400,065	\$639,504	\$609,939	\$1,091,153
Telecommunications	\$146,110	\$142,225	\$157,702	\$143,155
Transportation	n/a	\$50	\$987	\$172
Water	\$22,037	\$17,940	\$12,039	\$16,391
<b>Total</b>	<b>\$568,212</b>	<b>\$799,719</b>	<b>\$780,667</b>	<b>\$1,250,871</b>

**Table 2: Q1 2024 Consumer Refund Statistics**

Industry	Count of Refunds	Avg. Refund Amount	Min. Refund Amount	Max. Refund Amount	Total Refund Amount
Energy	319	\$3,421	\$2	\$623,648	\$1,091,153
Telecommunications	305	\$469	\$3	\$21,661	\$143,155
Transportation	3	\$60	\$9	\$163	\$172
Water	21	\$781	\$2	\$8,173	\$16,391
<b>Total</b>	<b>648</b>	<b>\$1,183</b>	<b>N/A</b>	<b>N/A</b>	<b>\$1,250,871</b>

## FIRST QUARTER REFUND HIGHLIGHTS

*AT&T California – Service Outage* CAB received a complaint from an AT&T customer who stated he had no phone service for over two weeks despite repeated calls for repair. The customer is 89 years old and relies on the telephone in the event of emergencies. The customer resides in zip code 90032, which is in the 84<sup>th</sup> ESJ percentile. The customer’s last conversation with the AT&T service center indicated that the phone would be repaired by September 13, 2023. However, AT&T missed the repair date, and the customer remained without phone service. It took AT&T almost 2 months to resolve the outage situation.

AT&T investigated and determined the customer’s AT&T traditional home phone service was impacted by an outage that was resolved on 11/07/2023. AT&T applied two out-of-service

<sup>1</sup> 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 Q1 in this report.

<sup>2</sup> This table only accounts for refunds through the IC process. Cases where a phone contact was transferred to a utility for expedited resolution are not reflected here.

adjustments of \$47.47 and \$71.42 to the customer’s account on 10/05/2023 and 11/09/2023, respectively.

- *Greenwave Energy - Abusive Marketing* - A PG&E customer was contacted by a door-to-door salesperson for Greenwave Energy (Greenwave) who offered them a lower electric rate compared to what PG&E was billing them. The customer agreed to the lower rate as they needed to save money but did not qualify for any income-based programs. Greenwave set the rate at \$1.40 per therm in January, when they signed up, and this rate was applied to their February bill. However, on the same statement, there was also a rate of \$4.99 per therm, although they were advised verbally that there would be no increase guaranteed in the first 30 days. The customer was concerned that they were lied to, and now their bill was so high that they were having even more difficulty making the required payments. In addition to not saving money, an additional \$519.28 in February was incurred on top of the PG&E bill and an additional \$189.98 in March. When the customer called to cancel, a Greenwave rep told her she could not cancel until she filed a dispute, hence the higher March bill.

When the customer contacted PG&E, she was told she had to speak to Greenwave and vice versa. The customer was informed by a Greenwave rep that she could dispute and have a manager call her back within 30 days from Greenwave after a decision on the dispute was made. A manager called the customer back a month later and said the rate was due to an increase, and they were sorry but couldn’t do anything other than remove her from the program. The customer was removed from Greenwave’s program, and she contacted PG&E to see what she could do and was informed she could dispute through CPUC. Greenwave confirmed service was disconnected March 14, 2023. An outstanding balance was placed on the PG&E bill; however, those charges have since been written off. As a result, the customer’s account has a zero balance.

- *San Jose Water Company – High Bill/Meter Reading Issue* The consumer contends he received a high bill from San Jose Water for an enormous amount of usage, suggesting an erroneous meter reading, especially when subsequent bills showed a lower average usage.

The customer contacted San Jose Water Company multiple times over the course of a week. The water company sent out a technician to test the meter, and the meter tested correctly. Further investigation by San Jose Water Company revealed that the company inadvertently included the meter reading from the previous consumer at the same location, thus resulting in a higher bill. A correction was made, and a credit was issued in the amount of \$209.85.

## CAB RECEIVED 9518 CONSUMER CONTACTS

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, mail, email, or website complaint forms. In Q1-2024, CAB received **9518 contacts**<sup>3</sup> (see **Figure 1** below).

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<sup>3</sup> For the purposes of this report “Total Contacts” is calculated as all contacts received during the time period excluding contacts to CAB where the category is “Unknown”, caller not online, wrong number, where the industry is unknown if the analysis is by industry, or the utility is unknown if the analysis is by utility company.

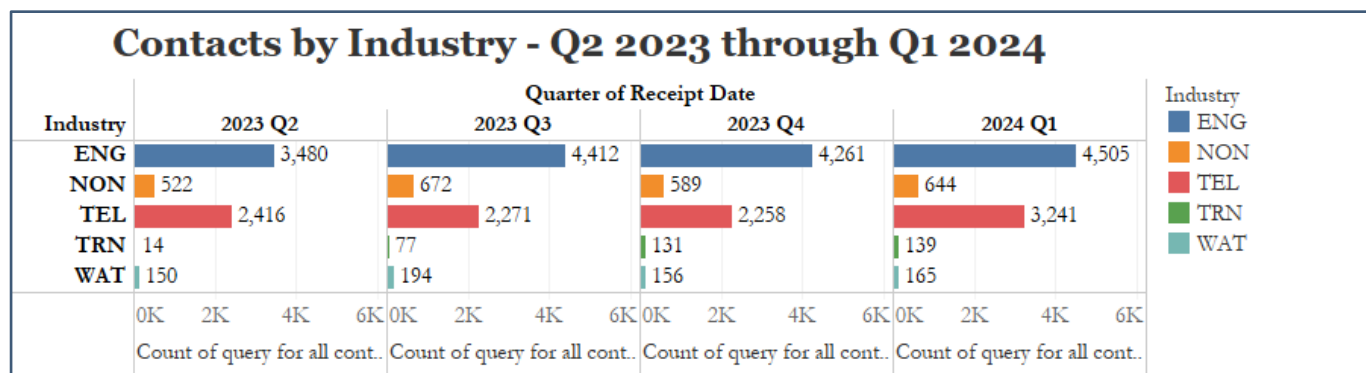


Figure 1: Consumer Contacts by Industry and Quarter

CAB began receiving Transportation consumer contacts in June 2023. CAB will continue to report on the Transportation contacts it receives in future quarterly reports. CAB’s role is to accept all consumer contacts related to Transportation and perform triage to determine which contacts can be resolved by CAB and which contacts need to be referred to Transportation Enforcement.

### CAB ASSISTED 2,475 CONSUMERS RESOLVE INFORMAL COMPLAINTS

CAB’s Informal Complaints (ICs) are written complaints<sup>4</sup> about issues under the CPUC’s jurisdiction, and CAB has the authority to act as an intermediary between the consumer and the regulated utility to resolve the consumer’s issues. The IC process allows consumers an easily accessible way to resolve disputes with their utility. During Q1-2024, CAB resolved 2475 ICs, see **Figure 2** below. Of the ICs closed in Q1, **69 percent** were for Energy ICs, **30 percent** were for Telecommunications ICs, and the remaining **2 percent** were attributed to Water ICs.

Table 3: Informal Consumer Complaints Resolved by Industry and Quarter

Industry	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Energy	2,169	1,364	2,167	1,714
Telecommunications	919	710	745	752
Transportation	-	3	9	9
Water	84	63	77	71
<b>Total</b>	<b>3,172</b>	<b>2,140</b>	<b>2,998</b>	<b>2,475</b>

### ENERGY UTILITIES RECAP WITH Q1-2024 HIGHLIGHTS

This report reviews consumer contacts CAB received in Q1-2024 for all energy utilities and, more specifically, the Top-10 utilities. Being a member of the Top-10 means that CAB received the most contacts for these companies compared to all other energy companies regulated by the CPUC.

<sup>4</sup> Written complaints means that CAB received the consumer’s complaint from a written source such as letter, email, web, and faxed.

## ENERGY CONSUMER CONTACTS Q1-2024

CAB received a total of **4,902** contacts related to energy utility companies in Q1-2024. The Top-10 energy utilities accounted for **96 percent** of total energy contacts. Most of the contacts were from Southern California Edison (SCE) customers and Pacific Gas and Electric (PG&E) customers, accounting for **45 percent** and **31 percent** of contacts, respectively. Most of the contacts were related to High Bills, Non-Jurisdictional Customer Service, Payment Arrangements, Disconnection Non-payment, and Delayed Orders/Missed Appointments.

**Table 4** shows the breakout of Top-10 Energy Utilities by count and percentage of the total.

**Table 4: Top-10 Energy Utility Contact Statistics**

	<b>Contacts and Top-10 Utilities</b>	<b>Q1 2024</b>	<b>% of Total</b>
<b>Total Energy Contacts</b>		4,902	100%
<b>Total Top-10 Utility Energy Contacts</b>			
	<b>Top-10 Utility Name</b>		
	Southern California Edison Company	2,197	45%
	Pacific Gas & Electric Company	1,518	31%
	Southern California Gas Company	265	5%
	San Diego Gas & Electric Company	234	5%
	SFE Energy Inc.	108	2%
	United Energy Trading LLC dba Collective Energy	105	2%
	AAA Natural Gas	100	2%
	Vista Energy Marketing L.P.	65	1%
	Liberty Utilities (CalPeco Electric) LLC	63	1%
	Spark Energy Gas LLC	49	1%

**Figure 2** below shows the relative impact that each of the Top-10 energy utilities had on CAB’s energy workload by volume of contacts. The chart was created by using the variables – utility name, case type, and case count. Each of the Top-10 utilities is represented by a unique color, which is replicated throughout this report, and the size of the bubbles is relative to the case counts for each utility and case type.

In Q1-2024, CAB’s energy consumer contacts were dominated by SCE, PG&E, and San Diego Gas & Electric consumers respectively. Most of CAB’s staff resources were allocated to these three companies. The various case types represent different contact resolution processes, with Phone Contacts being the least time intensive, and ICs and Complaints<sup>5</sup> being the most intensive.

<sup>5</sup> A consumer contact expressing dissatisfaction with or protesting an action or practice of the CPUC, or a regulated or non-regulated utility. The dispute may not be within the purview of the Consumer Affairs Branch to investigate, and the issue is best handled by another CPUC branch. The allegation is NOT sent to the utility for investigation and response, but handled as a referral to the appropriate utility, CPUC division, or closed outright with the appropriate letter of explanation.



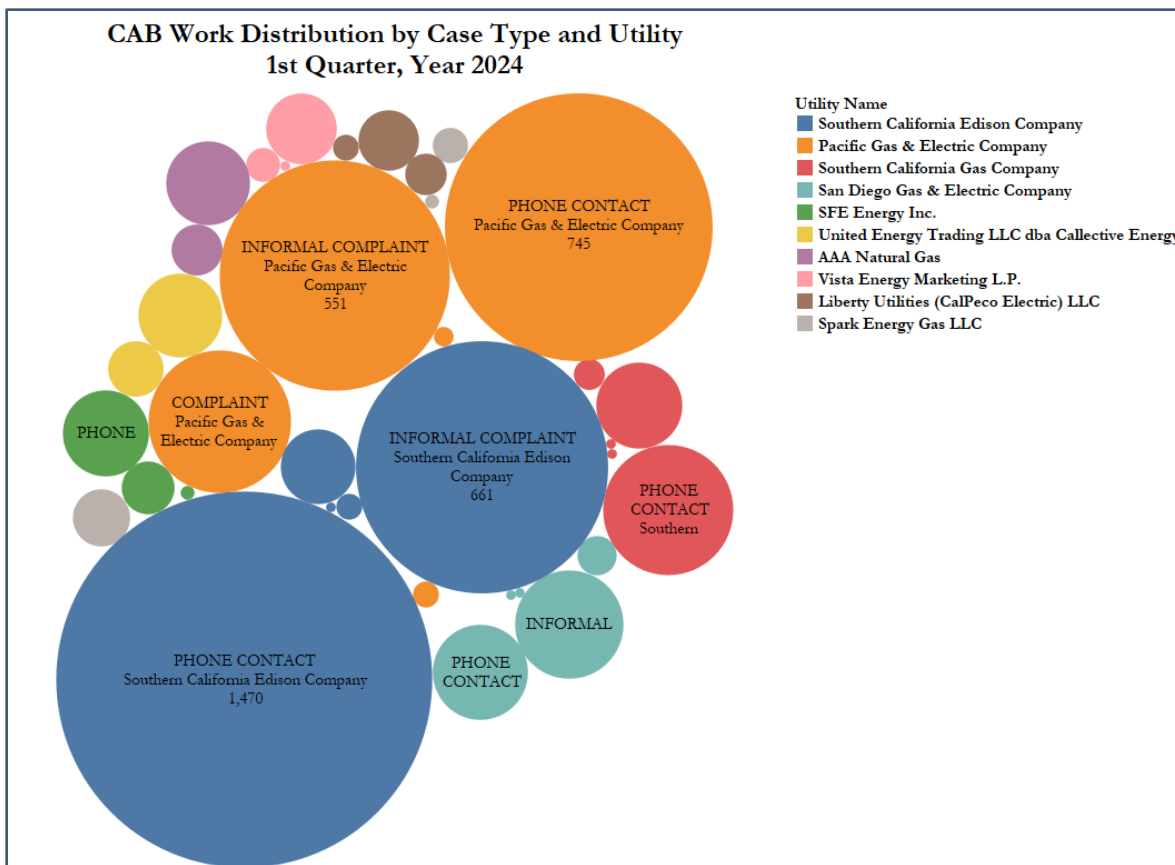


Figure 2: CAB Energy Work Distribution by Case Type and Utility – Q1-2024

Table 5 below shows the ranking of the Top-10 Energy Utilities for Q1-2024, by the number of informal complaints submitted and the average utility response interval. When CAB sends an IC to a utility, the expectation is that the utility will respond to CAB within **20 business days** to resolve the IC. SDG&E had the largest average utility response interval of **25 days**. In contrast, PG&E and SCE responded to **530 and 675 ICs** with an average response interval of only **13 and 18 calendar days, respectively**.

Table 5: Top-10 Energy Utilities by Case Responses - Average Utility Response Intervals Q1-2024

Utility	Count of Case Responses	Average Response Interval
San Diego Gas & Electric Company	139	25
Southern California Gas Company	78	21
StateWise Energy California LLC	16	21
SFE Energy Inc.	26	20
Liberty Utilities (CalPeco Electric) LLC	33	19
Southern California Edison Company	675	18
Pacific Gas & Electric Company	530	13
United Energy Trading LLC dba Collective Energy	28	10
Vista Energy Marketing L.P.	14	7
AAA Natural Gas	28	3
Total	1,567	16

## TOP-10 SUBCATEGORIES FOR TOP-10 ENERGY COMPANIES FOR Q1-2024

Typically, when CAB reports case data by subcategory, we count cases and group them by “primary subcategory”. The primary subcategory is the first subcategory attributed to the complaint, and it represents the overarching reason the consumer contacted CAB. However, CAB’s Consumer Information Management System (CIMS) database permits the selection of multiple subcategories to a case (attributes), which in turn allows for a better description of the case and subsequent in-depth analysis.

In **Figure 3**, subcategory frequency represents the number of times an individual subcategory was selected in Q1-2024. High Bill was applied to **35 percent** of all contacts, followed by Wrong Number and Abusive Marketing, which were applied to **11 percent** and **8 percent**, respectively.

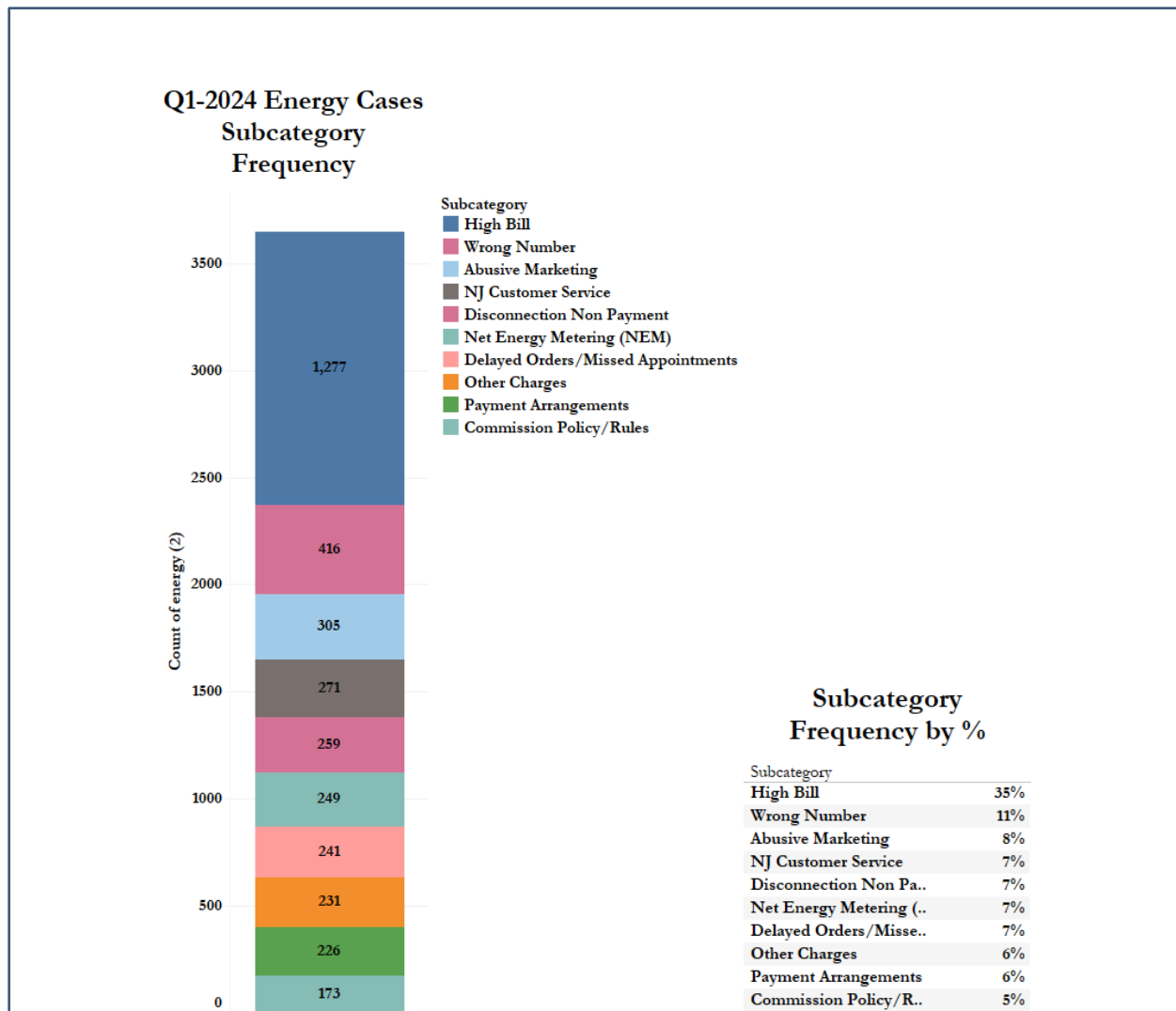


Figure 3: Top-10 Subcategory Frequencies for Top-10 Energy Utilities Consumer Contacts

**Figure 4** below shows the subcategory frequency distribution for the Top-10 energy utilities in the first quarter of 2024. A review of subcategory frequencies data reveals that SCE accounted for the largest number

of subcategory choices for 5 out of the Top-10 subcategories including, High Bill, Wrong Number, Net Energy Metering and Payment Arrangements. PG&E dominated the Disconnection Non-Payment, Payment Arrangements, and Rates subcategories.

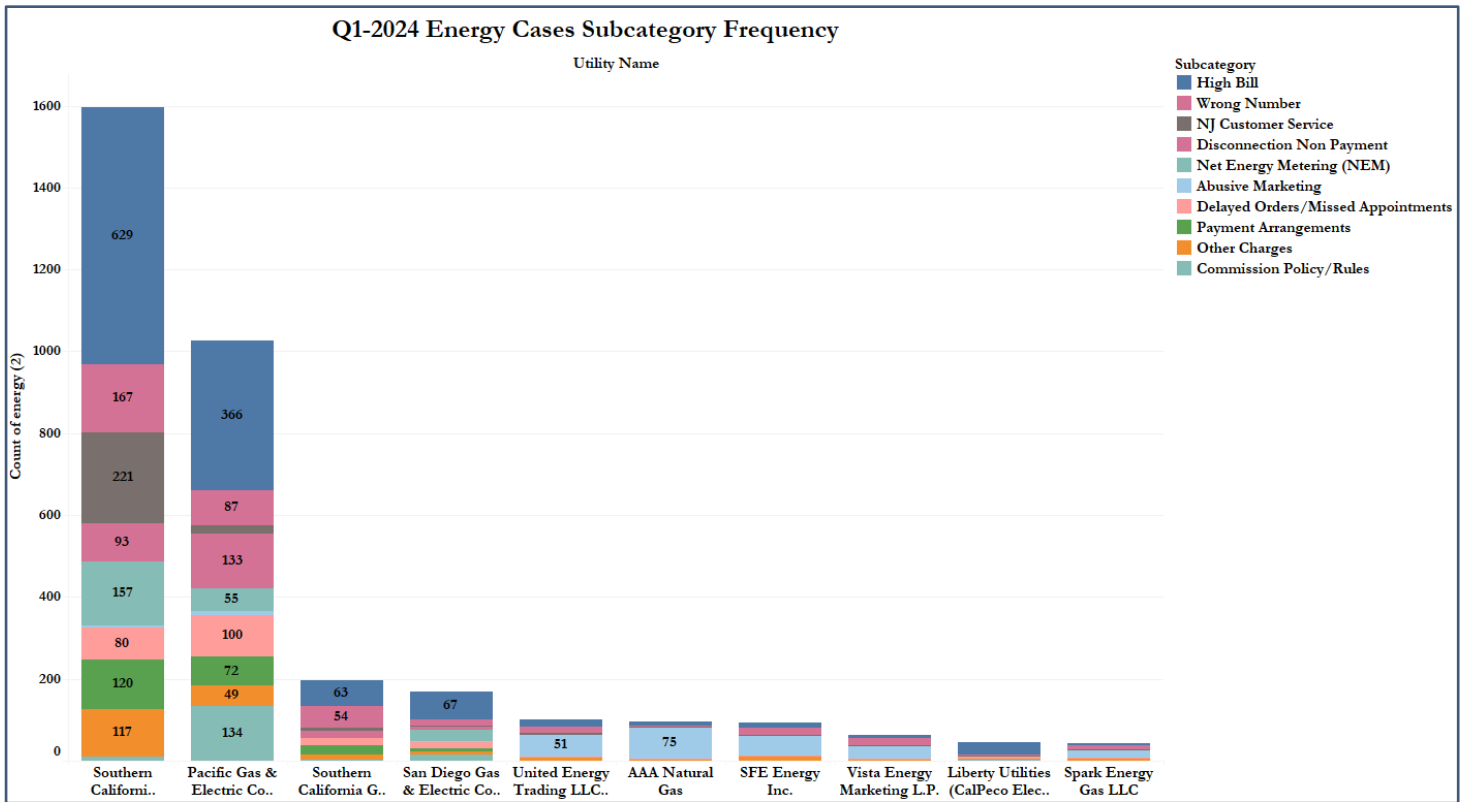


Figure 4: Subcategory Frequency for Top-10 Energy Utilities

## TELECOMMUNICATIONS UTILITIES 12-MONTH RECAP WITH Q1-2024 HIGHLIGHTS

In Q1-2024, CAB handled a total of 2,165 contacts pertaining to telecommunication utilities, excluding LifeLine-related inquiries. Notably, the following 10 telecommunication utilities received the majority, encompassing **90 percent** of all telecommunication-related contacts for the quarter. AT&T California received the highest volume of contracts, constituting **50 percent** of the total queries directed at telecommunication companies. For a detailed breakdown of the total number and percentage of contacts received by the Top-10 telecommunication utilities in Q1-2024, please refer to **Table 6** below.

Table 6: Top-10 Telecommunication Utility Contact Statistics.

Top -10 Telecommunications Contacts	Q1 2024	% of Total
<b>Total for Telecommunications Contacts</b>	<b>2,165</b>	<b>100%</b>
<b>Top-10 Utilities</b>		
AT&T California	1,093	50%
Frontier California Inc.	225	10%
Comcast Phone of California	154	7%
T-Mobile West LLC	119	6%
Cellco Partnership	118	5%
Charter Fiberlink CA-CCO, LLC	90	4%
AT&T Mobility Wireless Operations Holdings Inc.	83	4%
Comcast OTR1, LLC	22	1%
Cox California Telecom, LLC	22	1%
Blue Casa Telephone LLC	21	1%
<b>Total Top-10 Telecommunications Contacts</b>	<b>1,947</b>	<b>90%</b>

When examining the first-quarter data, a clear shift is evident compared to the preceding quarters. In the fourth quarter of 2023, contacts remained low compared to the earlier quarters, but then in the first quarter of 2024 we saw a large surge of contacts, specifically coming from AT&T California, larger than any surge in previous quarters in the past year. This sharp rise could signify industry changes, regulatory changes, or possibly some issues with the service provided by AT&T. Further analysis of AT&T’s contacts below highlights some of the reasons for the surge in complaints received. Frontier Wireless which had slightly higher number of contacts, the other utilities’ contact counts remained relatively consistent with previous quarters.

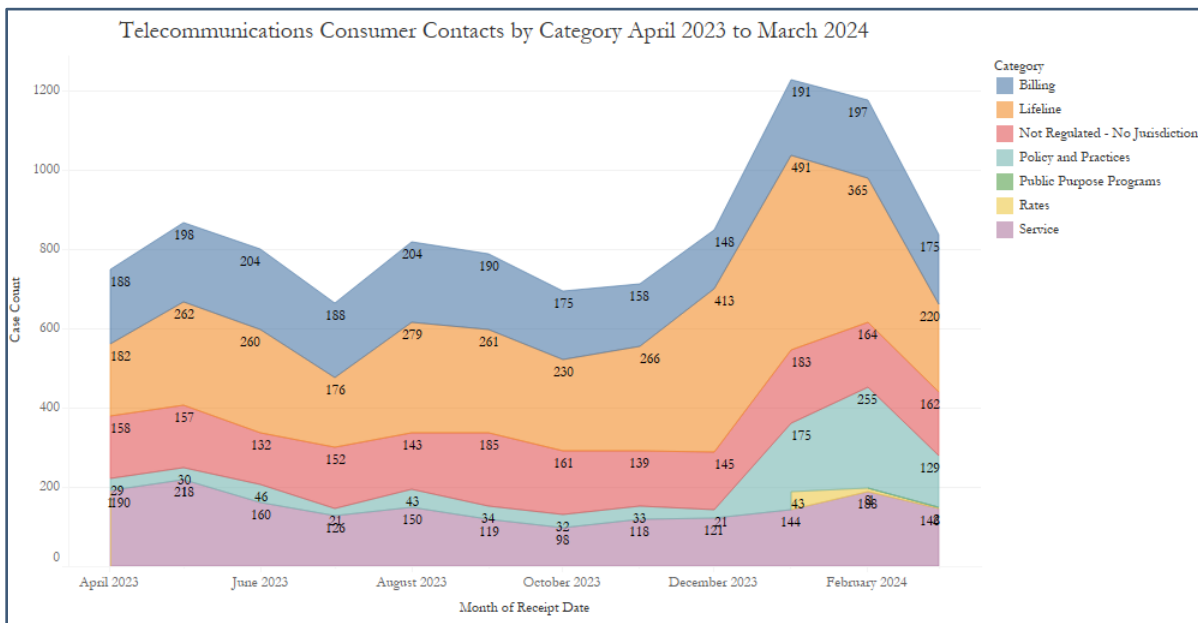


Figure 5: Top-10 Telecommunication Company Consumer Contacts by Category

During the first quarter, consumer contacts related to Policy and Practice skyrocketed to an all-time high. The Policy and Practice category is selected when consumer contacts are related to Consumer contacts are related to utility policies and practices and CPUC policy and practices. This shift signifies an adjustment in the volume of inquiries and issues raised by consumers. This increase is primarily related to the ongoing proceeding in which AT&T California is asking for "Relief" from their "Carrier of Last Resort" obligation.

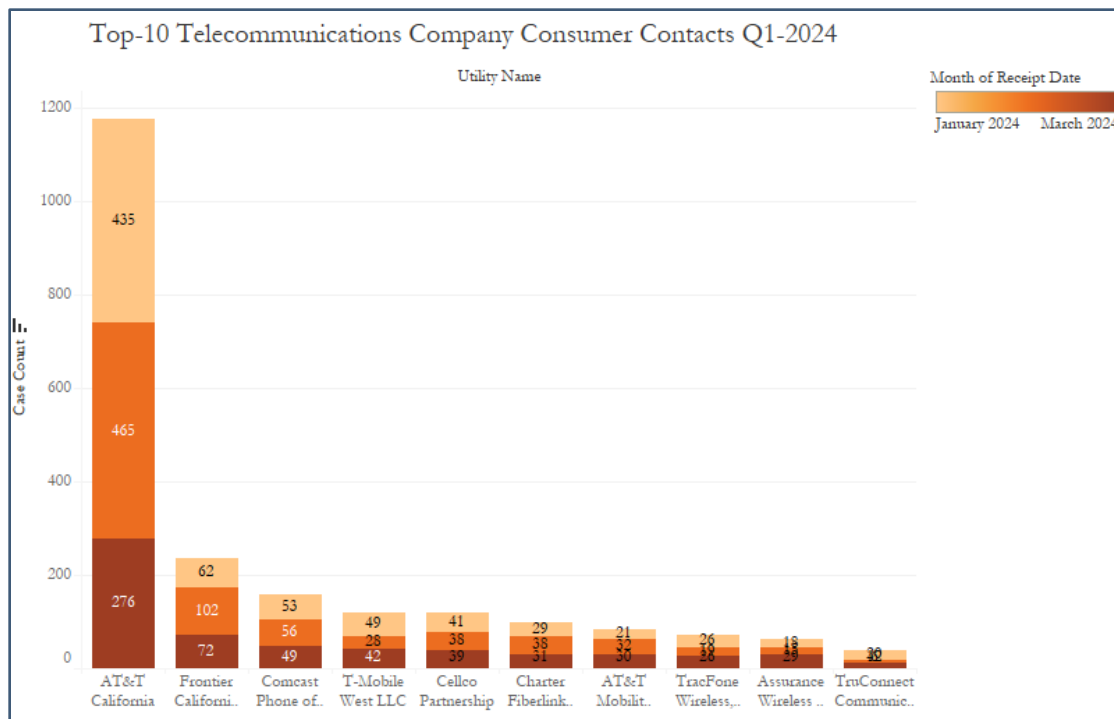


Figure 6: Telecommunication Company Consumer Contacts

Figure 6 provides a detailed snapshot of case counts among the Top-10 telecommunication companies from January to March 2024. Notably, AT&T California replaced Frontier California by having the largest share of contracts each month, i.e. making up nearly half of all complaints received by these Top-10 utilities.

The surge in the number of AT&T's contacts received could be attributed to the utility's request for relief from their "Carrier of Last Resort" obligation. This data underscores a critical concern regarding the carrier of last resort proceedings and hints at a broader concern: the potential for other utilities to follow AT&T California's lead.

In contrast, the other carriers experienced minimal changes compared to previous quarters, maintaining relatively stable contact levels.

Figure 7 below delves into subcategory frequencies for the Top-10 telecommunication utilities in the first quarter of 2024. A deeper analysis reveals significant patterns and trends. There is a dramatic increase in complaints related to commission policy and rules, primarily dominated by AT&T. Subcategories such as Non-Jurisdictional Customer Service, Outages, and Delayed Orders/Missed Appointments are prevalent across multiple utility companies, indicating common challenges within the telecommunication sector.

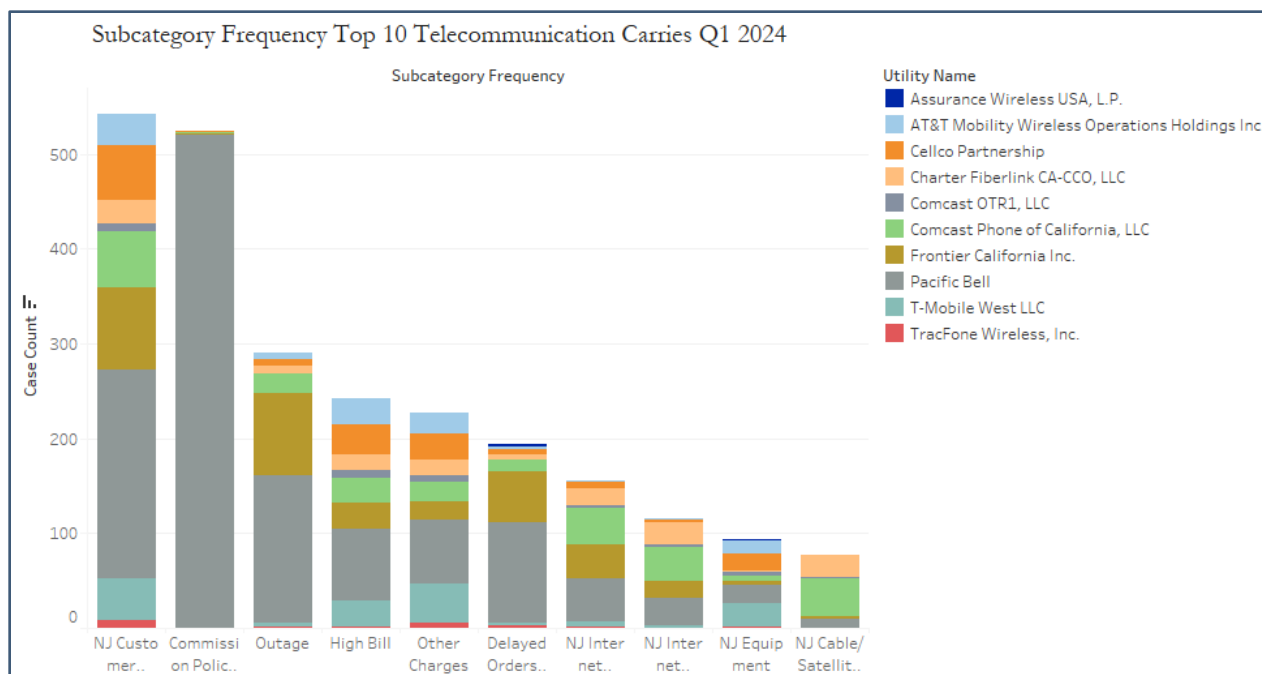


Figure 7: Subcategory Frequency for Top-10 Telecommunication Utilities for Q1-2024

The Outage subcategory is also significant, indicating instances of service disruptions. It is evident that some utilities are grappling with higher case counts in this area, signaling a need for improved service reliability. AT&T California stands out with a higher frequency across various subcategories, particularly in Non-Jurisdictional Equipment, High Bill, and Non-Jurisdictional Customer Service, while Frontier California Inc. exhibits substantial case counts in Non-Jurisdictional Customer Service, Delayed Orders/Missed Appointments, and Outages. The data hints at specific areas where each utility could focus on improvement. This may involve addressing customer service concerns or enhancing service reliability to reduce cases related to outages.

## LIFELINE

CAB has three dedicated California LifeLine specialists to assist consumers in answering inquiries and questions related to the LifeLine program. CAB also reviews appeals filed by consumers who were disqualified by the program’s Third-Party Administrator (TPA). Additionally, CAB facilitates LifeLine billing issues to service providers for investigation and resolution as necessary.

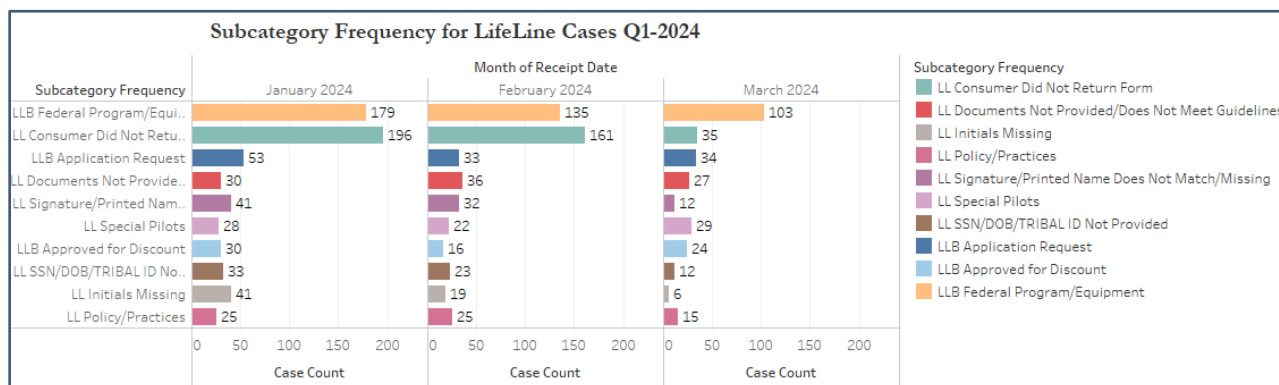
**Table 7** outlines the number of LifeLine cases received and the top written case types closed during the fourth quarter. In Q1-2024, Lifeline Billing cases saw a total of 170 successfully closed cases, compared to 136 in Q4-2023. Notably, LifeLine Wireless Appeal cases experienced a substantial increase in closure rates, rising from 144 cases in Q4 2023 to 362 cases in Q1-2024. The data reveals a significant surge in written contacts compared to the previous quarter and a gradual increase over the past quarters. The numbers climbed from 388 in Q2-2023 to 421 in Q3-2023, 546 in Q4-2023, and peaked at 783 in Q1-2024. Moreover, the data highlights the ongoing trend of LifeLine Phone Contacts, where consumers consistently engage with CAB regarding their LifeLine-related concerns, queries, and complaints. During Q4-2023, 368 LifeLine

Phone Contact cases were resolved, increasing to 303 in Q1-2024. The uptick in written contacts in Q1 compared to Q4 could be attributed to seasonal fluctuations.

**Table 7: LifeLine Contacts Received and Closed**

	2023			2024	
	Q2	Q3	Q4	Q1	% Change Q4 to Q1
<b>LifeLine Contacts Received</b>					
Phone Contacts Received	309	325	368	303	18%
Written Contacts Received	388	421	546	783	-43%
Total Contacts Received	697	746	914	1086	-19%
<b>Top LifeLine Cases Type Closed</b>					
LifeLine Wireless Appeal	225	174	144	362	-151%
LifeLine Billing	161	172	136	170	-25%

The Top-10 LifeLine subcategories’ frequency in Q1-2024 are shown in **Figure 8**.



**Figure 8: LifeLine Subcategory Frequency Comparison between January, February and March 2024**

In the first quarter, LL Consumer Did Not Return Form made up the highest subcategory used in Q1-2024, with 196 contacts in January and 161 in February, this increase was attributed to the seasonal filing time, which can be noted by the fact that the contacts had a significant drop to just 35 in March. This subcategory is selected when CAB does not have evidence that the application form was returned and the consumer did not return the household worksheet with their application form, or when application is received after the due date.

Contacts associated with the Lifeline Billing (LLB) Federal Program/Equipment subcategory experienced an overall decline during the quarter. This subcategory is chosen when consumers encounter issues securing a free or discounted phone through their Federal Lifeline Wireless Carrier. These issues typically involve not receiving the equipment or receiving a defective handset.

LLB Approved for Discount services saw a slight increase in the first quarter compared to the fourth quarter. This subcategory is selected when consumers assert that they are not receiving the Lifeline discount on their bill despite being confirmed by the Lifeline Administrator to receive it from the carrier linked to their current telephone bill.

Occurrences of LL Documents Not Provided/Does Not Meet Guideline experienced a decrease in the number of cases when compared to the end of the fourth quarter. This subcategory is selected when CAB

begins receiving complaints about consumers either not receiving the correct documents or being rejected due to not meeting the annual income guidelines required for enrollment in the Lifeline program.

LLB Application Request subcategory is assigned in scenarios where consumers attempt to request a new LL application from their carrier but have not received the form, and CAB has verified that they are not pending in the Certifying Agents database as a new customer or as a customer attempting to get back onto the program. For the Q1-2024, there was an increase in the number of contacts at the beginning of the quarter, after which the number began to decrease at a rate similar to what occurred in the fourth quarter of 2023.

LL Policy/Practices contacts, where a Lifeline consumer expresses dissatisfaction with or protests a Lifeline-related action or practice of a utility regulated by the CPUC, remained stable.

LL Form Complexity (consumer finding the application form complex) also played a role in consumer contacts.

Overall, the analysis of LifeLine contacts in Q1-2024 underscores the critical role of CAB's effective consumer support and resolution mechanisms in addressing a wide range of consumer needs and concerns.

## ENVIRONMENTAL SOCIAL JUSTICE (ESJ) CONSUMER CONTACTS FOR Q1-2024

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### ESJ OVERVIEW

The CPUC mission is to regulate essential utility services to protect consumers and safeguard the environment, assuring safe and reliable access to all Californians. CAB is committed to furthering the CPUC's commitment to advance Environmental Social Justice (ESJ) principles by integrating ESJ considerations into our work.

The CPUC identifies ESJ communities as:

- Predominantly communities of color or low-income
- Underrepresented in the policy setting or decision-making process
- Subject to a disproportionate impact from one or more environmental hazards; and
- Likely to experience disparate implementation of environmental regulations and socio-economic investments in their communities.

ESJ communities may also include:

- Disadvantaged Communities
- All Tribal Lands
- Low-income households (defined as household incomes below 80 percent of the area median income); and
- Low-income census tracts (defined as census tracts where aggregated household incomes are less than 80 percent of area or state median income)



- For the purposes of this report, CAB identifies ESJ communities using census tracts that score in the top 25 percent of CalEnviroScreen 4.0 and rolled them up to United States Postal Service (USPS) zip codes.
- CalEnviroScreen is a mapping tool and data that helps identify California communities most affected by many sources of pollution and where people are often especially vulnerable to pollution’s effects. The tool uses environmental, health, and socioeconomic information to produce scores for every census tract in the state. The scores are mapped so that the different communities can be compared. An area with a high CalEnviroScreen score is one that experiences a much higher pollution burden than areas with comparatively low scores. CalEnviroScreen ranks communities based on available data from state and federal government sources. CalEnviroScreen 4.0 is the latest version and was last updated in October 2021.

CPUC defines Disadvantaged Communities pursuant to CalEnviroScreen 4.0 as census tracts that score in the top 25 percentile (75<sup>th</sup>- 100<sup>th</sup> percentiles)<sup>6</sup> of CalEnviroScreen 4.0, those that score within the highest 5 percent of CalEnviroScreen 4.0’s Pollution Burden but do not receive an overall CalEnviroScreen score, census tracts identified as Disadvantaged Communities in CalEnviroScreen 3.0, and areas under the control of federally recognized Tribes.

While the focus of CAB’s analysis is on the contacts it receives from consumers in the top 25 percentile, CAB’s analysis uses consumer contact data from the other three Quartiles (0-24, 25-49, 50-74 percentiles) in some portions of the ESJ analysis.

## ENERGY ESJ HIGHLIGHTS

The table below shows the upward trend of energy related contacts from consumers who live in zip codes where their ESJ Percentile is calculated between 75 and 100. Complaints exhibit an upward trend over the previous two quarters.

**Table 8: Energy ESJ Contacts 75th - 100th Percentile, Q2-2023 to Q1-2024.**

ESJ Contacts Percentile	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Energy ESJ 75 - 100	761	936	1047	969

**Figure 9** below shows the distribution of the count of consumer contacts by zip codes that are included in the 75<sup>th</sup> to 100<sup>th</sup> ESJ Percentiles for Q4-2023. While Lancaster California in Los Angeles County has the highest number of contacts, heavily impacted customers reside in the Central and San Joaquin Valleys particularly in Stockton, Bakersfield, and Fresno.

<sup>6</sup> The higher the percentile number, the greater the impact of the measure on the affected geographic area.

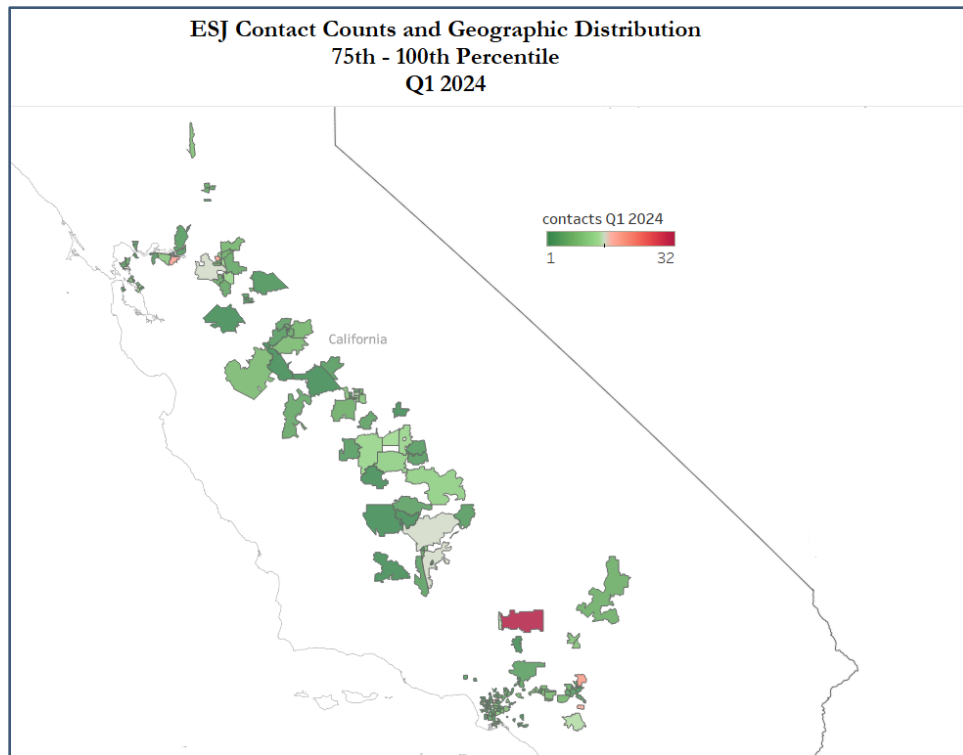


Figure 9: Q1-2024 Energy Contacts in the 75<sup>th</sup> to 100<sup>th</sup> ESJ Percentiles

## WHAT CONSUMERS IN THE 75-100<sup>TH</sup> ESJ PERCENTILES ARE COMPLAINING ABOUT

**Table 9** below shows the subcategory frequency (the number of times a subcategory was chosen to describe consumer contacts expressed as a percent) for consumer contacts in the 75<sup>th</sup> to 100<sup>th</sup> ESJ Percentile. During the first quarter of 2024, consumers in the 75<sup>th</sup> to 100<sup>th</sup> ESJ Percentile reflected financial stress as High Bill, Disconnection Non-Payment, Payment Arrangements, and other billing issues dominated the Top-10 Subcategories. Additionally, these consumers are angry with their Energy utilities as complaints about poor customer service nearly equal the number of High Bill complaints. Energy industry complaints related to Abusive Marketing congeal around the Core Transport Agents (CTA) are the subject of additional analysis later in this report.

**Table 9: 75<sup>th</sup> to 100<sup>th</sup> ESJ Percentile Top-10 Subcategory Frequency**

Subcategory	Count	Frequency
High Bill	353	23%
NJ Customer Service	336	22%
Disconnection Non-Payment	134	9%
Payment Arrangements	123	8%
Abusive Marketing	101	7%
Other Charges	70	5%
Delayed Orders/Missed Appointments	51	3%
CARE Recertification	28	2%
Bill Not Received	27	2%
Outage	24	2%
<b>Total Top-10 Subcategories</b>	<b>1247</b>	<b>81%</b>

Due to high variability in population and number of consumer contacts between zip codes, determining which zip codes are experiencing greater impacts relative to others is critical to understanding and interpreting the ESJ data. Thus, the data is normalized by mathematically adjusting the values measured by creating a ratio of the total number of contacts received during a timeframe divided by the population of the zip code. Using normalization ratios allows for an “apples to apples” comparison between zip codes. The higher the ratio, the greater the impact or intensity. This ratio also provides a simple way to compare consumer contacts across zip codes of differing population sizes with contact counts for each zip code.

**Figure 10** and **Table 10** below show the zip codes and relative impact by way of consumer contacts. Of the 18 zip codes shown in the table below, the cities of Stockton and Fresno both have three impacted zip codes and Lancaster has two.

**Table 10: ESJ Contacts Normalized by Population Q1-2024 75<sup>th</sup>-100<sup>th</sup> Percentile.**

ZIP	Location	Population	Normalized	Contacts Q1 2024
93701	Fresno	3,594	0.55648	2
90755	Signal Hill	11,545	0.43309	5
93535	Lancaster	75,528	0.42368	32
95388	Winton	9,800	0.40816	4
95203	Stockton	18,326	0.38197	7
93640	Mendota	13,415	0.37272	5
95367	Riverbank	16,110	0.37244	6
93534	Lancaster	37,911	0.36929	14
92281	Westmorland	2,728	0.36657	1
95207	Stockton	50,324	0.35768	18
95205	Stockton	38,725	0.33570	13
94804	Richmond	44,784	0.33494	15
93650	Fresno	3,152	0.31726	1
94621	Oakland	34,764	0.31642	11
90606	West Whittier-Los Nietos	28,796	0.31254	9
93726	Fresno	44,819	0.31237	14
90302	Inglewood	29,634	0.30371	9
92404	San Bernardino	64,062	0.29659	19
93308	Oildale	50,718	0.29575	15
95210	Stockton	41,509	0.28909	12

## DISCONNECTION NON-PAYMENT CONTACTS

The good news is Disconnection Non-Payment (DNP) contacts decreased overall by **13 percent** between Q4-2003 and Q1-2024 for all ESJ Quartiles combined. A welcome relief from the preceding four quarters of DNP contact increases. The decline in DNP contacts revealed zip codes representing a particular demographic to be highlighted as impacted.

**Table 11: Energy Disconnection Non-Payment Contacts in ESJ 75-100 Percentile, Q2-2023 to Q1-2024**

ESJ Percentile/Quartile	2023 Q2	2023 Q3	2023 Q4	2024 Q1	Grand Total	Quartile Percent of Total
75-100	105	124	157	137	523	47%
50-74	84	85	69	60	298	27%
25-49	57	52	49	44	202	17%
0-24	19	28	29	22	98	9%
<b>Total</b>	265	289	304	263	1121	100%
<b>Rate of Change</b>	157%	9%	5%	-13%	-	

In the Q4-2023 report, the DNP analysis covered a twelve-month period, and the city of Stockton had more impacted zip codes than any other city in California. The impacted zip codes were all in the 75<sup>th</sup> to 100<sup>th</sup> percentiles. For this Q1-2024 report, the DNP analysis focuses on the activity in Q1 and not the preceding three quarters.

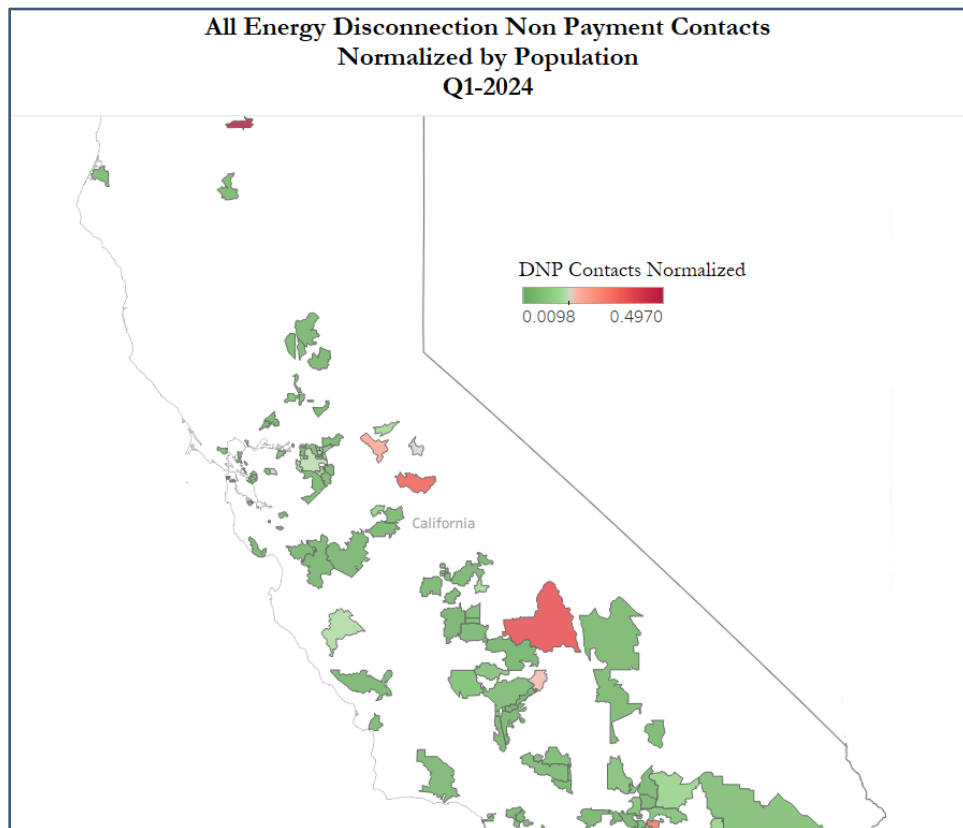


Figure 10: Disconnection Non-Payment Contacts in all Energy ESJ Percentiles Normalized

During Q1-2024, the most impacted zip codes were not in the Stockton area. In fact, only one Stockton zip code and only three zip codes in an ESJ percentile over 75 appeared in the Top-10 as shown in **Table 12** below. **Figure 10** above reveals that the most impacted zip codes reside from Dunsmuir in Siskiyou County in the north and follow the Sierra foothills and other hilly rural areas.

All ten zip codes median household incomes fall far below the state of California’s median income of \$85,300. The demographics of the zip codes that are not in the 75<sup>th</sup> to 100<sup>th</sup> percentiles share demographics with striking commonalties, including being residents of areas with small populations and predominantly white and elderly demographics. In California, **14 percent** of the residents are 65 years and older. **Table 12** shows the percentage of seniors in these zip codes to be much higher than the state percentage. Most elderly people live on fixed incomes and are vulnerable to overall inflation and utility rate increases. While the total contacts for these zip codes are low, the story they tell is compelling.

**Table 12: Top-10 DNP Normalized Zip Codes**

ZIP	Location	ESJ Percentile	Contact Count	Population	DNP Normalized	Median HH Income	White (%)	Hispanic (%)	% 65 and Older
96025	Dunsmuir	43	1	2,012	0.49702	32,000	77	15	21%
93265	Springville	53	2	5,237	0.38190	47,058	64	18	17%
92281	Westmorland	93	1	2,728	0.36657	30,543	14	80	10%
95311	Coulterville	30	1	2,857	0.35002	33,649	74	19	18%
92382	Running Springs	68	1	3,232	0.30941	57,090	73	12	18%
90211	Beverly Hills	57	1	4,092	0.24438	68,589	69	11	32%
95222	Angels Camp	28	1	4,483	0.22306	52,088	84	8	26%
93285	Wofford Heights	76	2	10,485	0.19075	31,761	84	12	9%
95346	Mi Wuk Village	10	1	5,933	0.16855	50,983	81	14	4%
95207	Stockton	78	8	50,324	0.15897	39,301	28	39	13%

## CORE TRANSPORT AGENTS AND ABUSIVE MARKETING COMPLAINTS

Core Transport Agents (CTA) are non-utility gas suppliers who purchase gas on behalf of residential and small commercial end-use customers. If a consumer elects to take CTA service from one of the many providers in California, the consumer will be able to buy natural gas from the CTA but paying the utility for gas delivery service on its distribution pipelines. Depending on the billing option a consumer chooses, the consumer may receive bills from the utility, the CTA, or both.

The CPUC does not regulate the rates CTAs charge their customers; however, CTAs are required to register with the Commission to conduct business in California. Since the Commission can suspend or revoke the registration of a non-compliant CTA, it is able to effectively process consumer complaints against CTAs.

CTAs have been accused of defrauding customers, especially vulnerable groups such as the elderly, non-English speakers, and low-income Californians. The accusations against CTAs for defrauding customers, particularly vulnerable groups, have come from various sources, including consumer advocacy groups, individual complaints, and media investigations.<sup>7</sup>

Unfair trade practices refer to the use of various deceptive, fraudulent, or unethical methods to obtain business. Unfair business practices include misrepresentation, false advertising, or representation of a good or service, tied selling, false free prize or gift offers, deceptive pricing, and noncompliance with manufacturing standards. An unfair trade practice is sometimes referred to as “deceptive trade practices” or “unfair business practices.”<sup>8</sup>

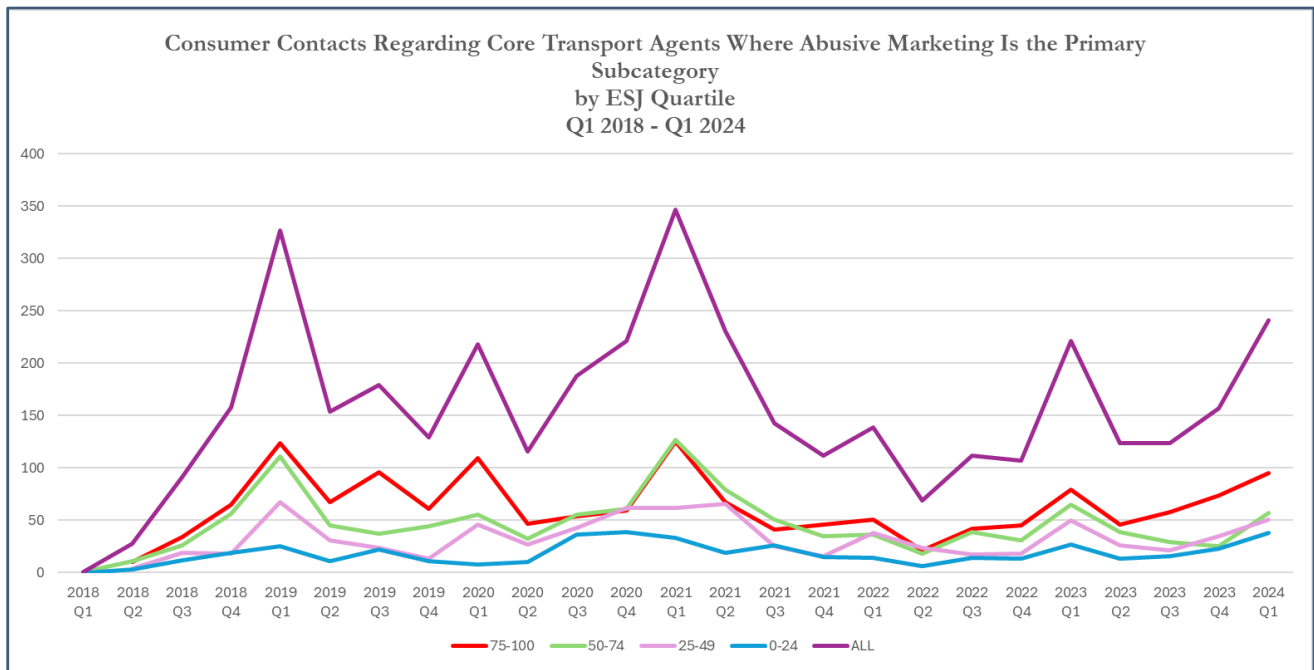
The CIMS database contains the subcategory Abusive Marketing, which is defined as a practice that misleads a utility customer by not providing a promised service at the promised price, failing to provide proper

<sup>7</sup> [Why are people knocking on my door asking about my utilities bill? | WHY GUY | abc10.com](https://www.abc10.com/story/news/local/2023/04/11/why-are-people-knocking-on-my-door-asking-about-my-utilities-bill/7048187001/)

<sup>8</sup> [Unfair Trade Practice: Definition, Deceptive Methods and Examples \(investopedia.com\)](https://www.investopedia.com/terms/u/unfair-trade-practice.asp)

disclosures, or adding extra services or features without the consumer's consent. The following is a preliminary analysis of Abusive Marketing contacts that are related to CTAs.<sup>9</sup>

**Figure 11** below illustrates a history of consumer contacts where Abusive Marketing is the primary subcategory (Subcategory 1) related to the case. In CAB’s database, the primary category is supposed to represent the overarching reason why the consumer contacted CAB. Also, the primary subcategory is the main driver of an IC. The chart below shows that Abusive Marketing complaints against CTAs have been ongoing since 2018, despite a CPUC citation program to deter unauthorized switching of the gas provider. In addition to the top purple line in the chart which shows the total of contacts received over time, the four lines below represent contacts attributed to each of the four ESJ Quartiles. The red line represents the 75<sup>th</sup> to 100<sup>th</sup> Percentile group (quartile), and except for the 2021 peak where it tied with the 50<sup>th</sup> to 74<sup>th</sup> Percentile quartile, complaints from consumers in the former quartile outpace complaints from any other quartile.



**Figure 11: Consumer Contacts About CTAs Where Abusive Marketing is Subcategory 1**

The map in **Figure 12** below shows the geographic distribution of all consumer contacts related to CTAs where Abusive Marketing was the primary subcategory normalized to the population of the corresponding zip code. CTAs are most active in Northern and Central California. No contacts came for any CTA during this period from consumers in Southern California. Zip codes that appear as red or pink indicate the impact is greater in that zip code per the normalization ratio. The map is too small to show the smaller impacted zip codes, but the map gives the idea of the general footprint of CTA activity in California over the past 12 months.

<sup>9</sup> This review of CTA Abusive Marketing complaints will be updated in the Q2-2024 report.

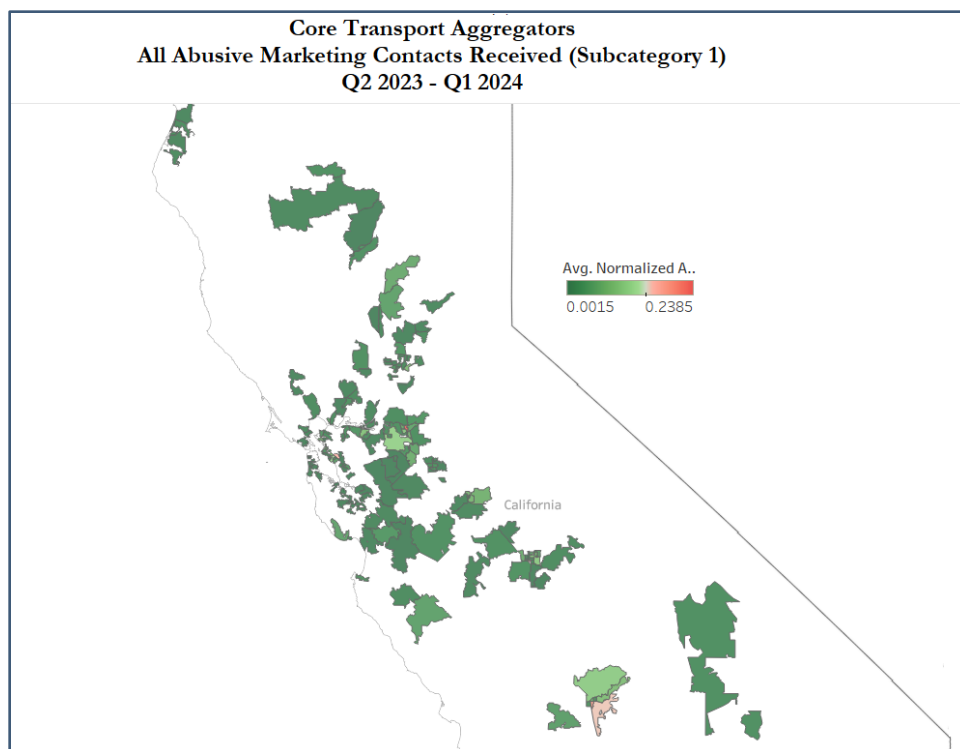


Figure 12: Core Transport Aggregators All Abusive Marketing Contacts Received

Table 13 below provides the necessary detail about the Top-10 normalized zip codes for CTA Abusive Marketing contacts described above. Note that nine of the ten zip codes are in the 75<sup>th</sup> to 100<sup>th</sup> ESJ percentile. Many of the zip codes share commonalities including high non-white population, low educational achievement, low income, and high levels of linguistic isolation. The city of Stockton has the most zip codes in the Top Ten followed by Bakersfield, Fresno, and Oakland.

Table 13: Top-10 Normalized Zip Codes for CTAs Where “Abusive Marketing” is Subcategory 1

ZIP	Location	ESJ Percentile	Normalized Abusive Marketing	Case Count	Population	Median HH Income	Avg. Hispanic (%)	Avg. White (%)	Avg. Education Pctl	Avg. Linguistic Isolation Pctl
95210	Stockton	76	0.23850	99	41,509	40,182	36	14	57	66
93304	Bakersfield	94	0.18292	84	45,921	35,059	64	20	63	65
93701	Fresno	97	0.16694	6	3,594	20,201	73	14	47	71
94605	Oakland	62	0.16347	75	45,881	56,944	28	15	88	29
93307	Bakersfield	96	0.15765	153	97,053	33,711	80	11	67	75
94621	Oakland	91	0.12944	45	34,764	31,082	57	4	89	70
95206	Stockton	96	0.11533	66	57,225	43,559	63	9	84	75
93308	Oildale	85	0.10647	54	50,718	42,543	23	70	74	14
93727	Fresno	80	0.10342	78	75,423	45,760	46	23	52	53
95207	Stockton	78	0.09538	48	50,324	39,301	39	28	69	49

Table 14 below examines the relationship between ESJ percentiles, their corresponding geographic footprint and the number of contacts received in each ESJ Percentile Quartile. The 75<sup>th</sup>-100<sup>th</sup> Percentile group has the greatest number of abusive marketing contacts and the most represented zip codes.



**Table 14: CTA Abusive Marketing Contact and Zip Code Counts by ESJ Quartile**

ESJ Percentile Range/Quartile	Contact Count	ZIP Count
75-100	1,516	63
50-74	1165	48
25-49	803	40
0-24	453	30
0-100	3,937	181

**Table 15** below shows case disposition statistics for Informal Complaints closed over 12 months from Q2-2023 through Q1-2024. *In Consumer Favor* is the dominant disposition indicating that the CTAs are engaging in abusive marketing practices.

**Table 15: Closed Informal Complaints for CTA Abusive Marketing by Disposition**

Closed Date (Quarter)	Disposition				Grand Total
	Compromise	Discretion Utility	In Consumer Favor	In Favor of Utility	
2023 Q2	1	1	32	47	81
2023 Q3	-	-	21	7	28
2023 Q4	3	3	36	28	70
2024 Q1	1	1	68	25	95
<b>Grand Total</b>	<b>5</b>	<b>5</b>	<b>157</b>	<b>107</b>	<b>274</b>

## TEAM AND CHANGES

In addition to the consumer 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.

TEAM and CHANGES support LEP utility consumers statewide through **24** Community-based Organizations (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). In Q4-2023, CBOs provided case assistance to consumers for financial and other needs (e.g., CARE/LifeLine or other financial assistance programs) or with utility disputes. CBOs also provide education on a range of topics to assist them in managing their utility services. The TEAM program helped consumers resolve disputes with their telecommunications provider.

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, 2024. TEAM is authorized for an annual budget up to **\$1.6 million**, and CHANGES is authorized up to **\$1.68 million** per year.

A Request for Proposals was issued for a new TEAM and CHANGES contract, as the current contract term ends on June 30, 2024. CAB expects to have a new contractor in place for both programs by July 1, 2024.