

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO SUPPORTING CALIFORNIA SENATE AND
ASSEMBLY BILLS RELATING TO UTILITY
AFFORDABILITY AND ACCOUNTABILITY FOR THE
2025-2026 CALIFORNIA LEGISLATURE REGULAR
SESSION.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. Rising utility rates in California continue to increase the cost of living for millions of residents. Bundled residential rates have increased since 2013 at an average annual rate greater than the assumed rate of inflation. During that period, Pacific Gas and Electric Company's (PG&E) rates increased 12 percent with Southern California Edison (SCE) and San Diego Gas & Electric Company's (SDG&E) rates increasing seven percent. Residents in San Diego County pay approximately \$328 per month for electricity, totaling nearly \$3,936 annually. This is about 62% higher than the national average. According to a 2023 California State Audit, SDG&E has the highest electricity rate of the large investor-owned-utilities in California, and, as of March 2023, more than 25 percent of SDG&E customers were more than 30 days behind on paying their utility bills.

B. Proposed legislation currently in the California Senate and Assembly during the 2025-2026 session aim to lower utility costs and hold investor-owned utility companies accountable. The following are the pending state bills:

1. Senate Bill 330 (Padilla) authorizes the governor to establish pilot programs to explore more affordable ways to build out the additional electrical transmission needed to meet California's climate goals;

2. Senate Bill 332 (Wahab) seeks to cap residential rate increases to align with the Consumer Price Index, prohibit utility shutoffs for vulnerable populations, mandate regular audits and timely replacement of aging infrastructure in high fire-risk areas, ties executive compensation to safety performance metrics, and commission a study to evaluate the feasibility of transitioning investor-owned utilities to public or nonprofit ownership models;

3. Senate Bill 500 (Stern) aims to enhance the alignment of electrical corporations' operations with public policy goals by authorizing the California Public Utilities Commission (PUC) to evaluate and implement performance metrics and financial incentives that promote cost-effective, safe, and reliable electric service, while minimizing costs for ratepayers;

4. Senate Bill 24 (McNerney) prohibits investor-owned utilities, except as provided, from using rate payer funds for political influence activities, promotional advertising, or opposing the municipalization of electrical or gas service;

5. Senate Bill 636 (Menjivar) grants three-month hardship deferments to utility customers facing serious hardships like job loss, family death, or wildfires, which transition to manageable payment plans on any outstanding balances;

6. Senate Bill 254 (Becker) proposes various policies related to utilities, including changes to wildfire mitigation, the allocation to customers of the Climate Credit, electrical transmission infrastructure permitting and deployment, permitting of clean energy infrastructure, and electricity utility bills;

7. Assembly Bill 1167 (Berman and Addis) prohibits investor-owned utilities, except as provided, from using rate payer funds for lobbying, advertising, and other activities and other non-energy related expenses;

8. Assembly Bill 1020 (Schiavo) requires investor-owned utilities to report to the PUC any taxpayer funding that the utility has applied for or received, and requires each utility to promptly deliver the financial benefits of taxpayer funding to ratepayers;

9. Assembly Bill 1017 (Boerner) mandates that investor-owned utilities provide detailed historical data on distribution costs and returns as part of their general rate case filings; and

10. Assembly Bill 825 (Petrie-Norris) proposes a range of policies to address rising electric utility bills, including establishing a public financing mechanism to reduce costs associated with the development of eligible transmission projects, prohibiting investor-owned utilities from including \$15 billion in undergrounding capital investments in their rate base for purposes of earning equity returns, creating a task force to evaluate energy efficiency and demand-side programs for customers, creating a new program to help local governments permit clean energy projects, and revising wildfire mitigation planning.

C. Collectively, passage of these legislative bills will help lower costs, ensure fair electricity pricing, and advance equitable and affordable energy for residents across the state.

D. The City's support for these legislative bills is consistent with previous actions by the Council to ensure accountability by investor-owned utilities and reduce rates for San Diegans. For example, in November 2023, the Council adopted Resolution R-315214 (Nov. 14, 2023) calling on the PUC and its Public Advocates Office to implement improvements to oversight of gas and electric rates of public utilities to better protect customers from excessive utility rates.

E. The Office of the City Attorney prepared this Resolution based on the information provided by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The Council declares its full support for Senate Bills 24, 254, 330, 500, and 636, and Assembly Bills 825, 1017, 1020, and 1167, pending before the California Legislature for the 2025-2026 regular session.

2. The Council requests the City’s Government Affairs Department staff transmit this Resolution to the City’s state lobbyists and other appropriate individuals to ensure this Resolution is received by state representatives and made part of the official record of support for Senate Bills 24, 254, 330, 500, and 636, and Assembly Bills 825, 1017, 1020, and 1167.

APPROVED: HEATHER FERBERT, City Attorney

By _____
David J. Karlin
Senior Deputy City Attorney

DJK:cm
July 18, 2025
Or.Dept: Council District 1
Doc. No. 4107674_2

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on _____.

DIANA J.S. FUENTES
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor