



# CITY OF CARSON

## Legislation Text

File #: 2020-465, Version: 1

### Report to Mayor and City Council

Tuesday, June 23, 2020

Consent

#### **SUBJECT:**

**CONSIDERATION OF RESOLUTION NO. 20-101, OPPOSING SOUTHERN CALIFORNIA EDISON'S RATE INCREASES FOR 2020 (CITY COUNCIL)**

#### **I. SUMMARY**

This item is on the agenda at the request of Councilwoman Lula Davis-Holmes.

Southern California Edison (SCE), one of California's big three investor-owned utilities (IOU), has implemented a significant rate increase despite the COVID-19 pandemic. SCE raised rates by an average of roughly 7% across the board affecting all categories of ratepayers that went into effect Monday, April 13, 2020.

#### **II. RECOMMENDATION**

ADOPT Resolution No. 20-101, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, OPPOSING SOUTHERN CALIFORNIA EDISON'S RATE INCREASES FOR 2020."

#### **III. ALTERNATIVES**

TAKE another action that Council deems appropriate.

#### **IV. BACKGROUND**

In 2018, SCE approved rate increases as part of their General Rate Case (GRC) settlement agreement, so the changes were previously known to be coming.

On March 19<sup>th</sup>, State of California Governor Gavin Newsom, issued the entire state to be

under a shelter-in-place order. Despite the United States and the entire world experiencing the COVID-19 global pandemic, SCE still went forward with its 2018 rate increases effective April 13, 2020. The timing for implementation of these rate increases were not considered and remained imposed upon its customers. Many businesses and other utility providers, executed delayed rate increases, removed late payment penalties and other fee induced opportunities.

Residential customers, a typical non-California Alternate Rates for Energy (CARE) are experiencing an averaged increase of \$7.11 a month (approximately 6.2%) from a current monthly bill of \$114.20 to \$121.31. For Commercial customers, a notable increase of \$15.35 a month (approximately 13%) from a current monthly bill of \$117.96 to \$133.31. For low-income customers who qualify for CARE, they typically receive a 30-35 percent discount on their electric bills. With SCE's rate increase, low-income rate customers will continue to receive the discounted rate as a qualifying CARE program customer, but it does not shield them from seeing increases to their monthly bill.

## **V. FISCAL IMPACT**

Residential users of non-CARE tiers can anticipate about a 6.2% increase or approximately \$7.11 for every \$121 dollars expended. Commercial users can anticipate a fixed rate of 13% which results in approximately \$15.35 per every \$130 expended.

## **VI. EXHIBITS**

1. Resolution No. 20-101 (TO BE PROVIDED TO COUNCIL DAY OF MEETING)\*

1.

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