



December 3, 2020

The Honorable Marybel Batjer
President, California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94105

Re: The California Office of Public Advocates and the Sierra Club's "Common Interest Agreement"

Dear President Batjer,

I am writing this letter as a former CPUC Commissioner and Chairman of the Gas Committee for the National Association of Regulatory Utility Commissioners. As a Commissioner I understood the role of the independent ratepayer advocate was a narrow and defined function of advocating on behalf of just and reasonable rates. In this regard, the recent discovery surrounding Item # 10 on the December 3, 2020 Business Meeting Agenda (due to a hold moved to the December 17, 2020 Meeting) and the "common interest agreement", between the Office of California Public Advocate and the Sierra Club, puts in jeopardy the revered role of ratepayer advocacy and protection in CPUC proceedings.

Further, I have grave concerns about the conduct of the California Public Advocate surrounding Southern California Gas Company's efforts to advance balanced energy policies for California by decarbonizing natural gas fuels and infrastructure. The revelation of this "common interest agreement" between Cal PA and the Sierra Club is a clear breach of the Cal PA's mission. This "agreement" places the ratepayers of California's investor-owned utilities at the severe risk of lacking the focused attention needed to apply their resources towards policies that urge the CPUC to monitor and limit California's energy, water, and telecommunications cost to consumers. Historically, the mandate of the Office of the California Public Advocate, once known as the Division of Rate Payer Advocates and The California Office of Consumer Advocates, is protecting rate payers by advocating on behalf of consumers that utility rates decided by the CPUC are just and reasonable. From its own website, the Public Advocates Office's Mission Statement provides:

*The Public Advocates Office is an independent organization within the CPUC that advocates solely on behalf of utility ratepayers. Our Director is appointed by the Governor and has its own independent operating budget. **Our statutory mission is to obtain the lowest possible rate for service consistent with reliable and safe service levels.** As the only State entity charged with this responsibility, we have a critical role in ensuring that consumers are represented at the CPUC on matters that affect how much consumers pay for utility services and the quality of those services.*

I understand that you do not have jurisdiction or oversight power over Cal PA. Its independence I applaud and encouraged during my tenure as a Commissioner. However, I do not know when the Cal PA's mission changed from ratepayer advocate to environmental stewardship. This includes its recent activities over this reckless subpoena order is well outside its purview.

As you are now aware, California has the third-highest electricity rates in the United States, the highest poverty rate and wealth disparity gap, all existing before the pandemic. Now, our wealthy state is witnessing its worst economic downturn of a generation. Hardworking families availing themselves of long food lines, rent relief, moratoriums on rents, mortgages and, yes, utility service shut offs. I expect the Governor and Legislature will address the malfeasance of Cal PA, but you and your fellow Commissioners have an important voice in the subpoena approval powers of the CPUC's Executive Director. The access of records of utilities and party participants should be fair, relevant, reasonable, and at minimum clearly distanced from the political matrix of city council mandated gas bans and reach codes. The efforts of local elected officials should not be confused with the advocacy for lower cost of utility rates.

With all our well-reasoned concerns of global warming and climate change, we cannot allow this fervor to overstep the rights of all parties who are regulated by and appear before the CPUC. I, like you, am proud to be an alumnus of the administration that advanced AB32. Through it all, including the growth of California's renewable resources, natural gas remains the most affordable and reliable source of energy. Its role in supplying on-demand core services and fueling reliable electric generation in California remains essential to our economy, decarbonization and net zero goals. Despite natural gas's demonstrated environmental and cost benefits, Public Advocates has allied itself with the Sierra Club to advance its elimination by migrating its focus to the political arena of local governments goal to forfeit the property rights of local gas distribution companies to include rate funded gas infrastructure and emerging renewable fuels in net zero policy determinations. The Sierra Club does not bear the CPUC's burden of safe and cost-efficient energy on demand, better known as default obligation of delivery. Yet, they partner with the independent government entity entrusted to protect ratepayers with no historical concern of energy cost. This pact is not only irresponsible but violates the very notion of the utility regulatory framework.

California has a myriad of environmental agencies and non-profit organizations who have successfully made this state the most complex environmental regulatory structure in the country, if not the world. This is their defined mission. But it is **not** the mission of Cal PA. The CPUC and others involved in securing California's sustainable energy future need to remind Public Advocates that its core responsibilities - working on behalf of ratepayers – should not take a back seat to political adventurism.

I appreciate you taking the time to read this. Thank you for your dedicated service to California.

Respectfully,



Timothy Alan Simon, Esq.
Commissioner Emeritus, CPUC

Cc/ The Honorable Liane Randolph
The Honorable Clifford Rechtschaffen
The Honorable Martha Guzman Aceves
The Honorable Genevieve Shiroma
Elizabeth Echols, Executive Director, California Office of Public Advocates
The Honorable Chris Holden, California Assembly
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