

CAPITOL OFFICE
STATE CAPITOL
ROOM 5080
SACRAMENTO, CA 95814
TEL (916) 651-4027
FAX (916) 651-4927

DISTRICT OFFICE
5016 N. PARKWAY CALABASAS
SUITE 222
CALABASAS, CA 91302
TEL (818) 876-3352
FAX (818) 876-0802

SENATOR.STERN@SENATE.CA.GOV

California State Senate

SENATOR
HENRY STERN

TWENTY-SEVENTH SENATE DISTRICT



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ENVIRONMENTAL QUALITY
JUDICIARY
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BUDGET & FISCAL REVIEW
NO. 2 ON RESOURCES,
ENVIRONMENTAL PROTECTION,
ENERGY & TRANSPORTATION

September 10, 2020

Ms. Marybel Batjer, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

RE: Questionable Southern California Gas Activities

Dear President Batjer:

For more than a decade, the Public Utilities Commission (PUC) has helped to advance the state's renewable and clean energy policies. Thanks to a variety of legislative and regulatory efforts, California is well on its way to meeting 60% of the state's energy demands through renewable resources by 2030. Achieving the goal of using zerocarbon resources to meet 100% of California's all retail electricity sales by 2045 will require the thoughtful implementation of a number of strategic policies.

As you well know, one of the PUC's primary responsibilities is to investigate and enforce rules that protect ratepayers and defend our state's energy goals. For nearly a year now, it has been reported in the media that Southern California Gas Company (SoCalGas) has been using ratepayer dollars to fund an AstroTurf lobbying campaign to fight against those state clean energy goals.

The Sierra Club and others assert SoCalGas has created – financed in part or in whole by ratepayer dollars – Californians for Balanced Energy Solutions (C4BES), an organization claiming to advocate for policies that promote reliable, affordable, and environmentally responsible forms of energy.

According to the Sierra Club and several media reports, C4BES has spent its funds to persuade over 100 city councils to adopt ordinances opposing state legislation and

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policies promoting building efficiency standards, electrification of our transportation sector, and policies to meet or exceed emissions reductions regulations. C4BES even attempted to become a party in the PUC's Building Decarbonization proceeding, but failed to disclose its relationship with SoCalGas, claiming instead to be an independent organization.

Secretly funneling ratepayer dollars to a front organization such as C4BES to fund lobbying and advocacy activities is, at best, wholly inappropriate. My understanding is the PUC's Public Advocates Office has been investigating this issue for some time now, but has been unsuccessful in getting SoCalGas to respond to requests for documents and information.

As such, I am asking the PUC to use the full weight and force of its office to order SoCalGas to provide all the documents requested by the Public Advocates Office as soon as possible so the Public Advocates Office can conclude its investigation into whether SoCalGas has acted inappropriately in this matter.

If you would like to discuss this further, please contact me or your staff can reach Gil Topete in my office at gil.topete@sen.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry Stern", with a stylized "H" and "S".

Henry Stern
Senator, 27th District

cc. Cliff Rechtschaffen, Commissioner
Martha Guzman-Aceves, Commissioner
Liane Randolph, Commissioner
Genevieve Shiroma, Commissioner
Hazel Miranda, Director of Governmental Affairs, PUC