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March 27, 2017

The Honorable Ben Hueso Chair, Senate Energy, Utilities & Communications Committee State Capitol Room 4035 Sacramento, CA 95814

> RE: SB 598 (Hueso) Shutoffs Reduction Act—SUPPORT Senate Energy, Utilities & Communications Committee – April 4, 2017

Dear Senator Hueso:

On behalf of the Consumer Federation of California, I am writing to express my strong support of your "Shutoff Reduction Act," SB 598. This bill would help put an end to the increase of households in California that are disconnected from their utilities.

Utility disconnections—or shutoffs—have skyrocketed in recent years, jumping 40% between 2010 and 2015. In 2015, over two million Californians were shutoff—most of whom were children. When shutoffs for non-payment are used as a debt collection strategy by utility companies, the results can often lead to the worsening of medical conditions, a threat to household safety, housing displacement and homelessness.

Specifically, SB 598 will prohibit shutoffs for residents with life-threatening medical conditions. This is a common sense protection to the most medically vulnerable families. SB 598 will task the California Public Utilities Commission (CPUC) with adopting rules to reduce shutoffs, setting a reduction goal of 50% by 2021. Lastly, this bill requires the CPUC to assess the impact of any proposed rate increase on disconnections for nonpayment and to include, in a report to the legislature, information regarding residential and household disconnections.

SB 598 moves California closer to providing universal utility service for all Californians. Thank you for authoring this important protection for our state's most vulnerable families.

Sincerely,

Richard Holober Executive Director

Richard Holober

CC: Members, Senate Energy, Utilities & Communications Committee