

For Immediate Release – [Office of State Senator Jerry Hill](#) – January 16, 2018
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Senator Jerry Hill to CPUC: Utility Tax Savings Must Be Returned to Customers

SACRAMENTO – State Senator Jerry Hill urged the California Public Utilities Commission in a letter today to ensure that utilities reaping a windfall in savings from federal tax cuts to corporations pass those savings along to ratepayers.

“This is the only fair thing to do,” said Senator Hill, D-San Mateo and Santa Clara Counties.

His letter sent this morning said: “With the recent changes to the federal tax structure under House Resolution 1, California’s investor-owned utilities are anticipated to receive untold savings. I urge you to ensure any savings are returned to California’s ratepayers.”

In view of the tax changes, regulators in some states have already asked investor-owned utilities to forgo rate increases, reduce rates or calculate and track savings in order to negotiate lower rates in the future.

In a related move, state Attorney General Xavier Becerra joined Massachusetts Attorney General Maura Healey and 10 other state attorneys general last week in writing the Federal Energy Regulatory Commission to adjust public utilities’ revenue requirements so that they reflect the recent reduction in the federal corporate income tax rate.

The senator’s letter noted that he is encouraged by AG Becerra’s partnering with other states. He also acknowledged that CPUC staff has said it is working on a strategy to return tax savings to ratepayers.

Underscoring the importance of that work, Senator Hill wrote, “I urge you to prioritize this important task.”

Separately, he added, “I’m also prepared to introduce any legislation necessary to ensure that these efforts are carried out in a timely manner.”

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Resources:

Letter to the CPUC:

http://sd13.senate.ca.gov/sites/sd13.senate.ca.gov/files/2018-1-16_hill_cpuc_ltr_reutilitytaxbreaks.pdf

State AGs’ Letter to FERC:

http://sd13.senate.ca.gov/sites/sd13.senate.ca.gov/files/2018-01-09_ags_ferc_ltr.pdf

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[News Release online:](#)

<http://sd13.senate.ca.gov/news/2018-01-16-senator-hill-cpuc-utility-tax-savings-must-be-returned-customers>

Coverage of Others States Efforts:

<http://www.sacbee.com/news/nation-world/national/article193817599.html>

https://www.nytimes.com/2018/01/09/business/economy/tax-cut-power.html?_r=0