Igor Tregub, Councilmember District 4

CONSENT CALENDAR

September 15, 2026

To: Honorable Mayor and Members of the City Council

From: Councilmember Igor Tregub

Subject: Resolution in Support of AB 1761 (Rogers) — Electricity: Calculation Methodology: Data Disclosure

RECOMMENDATION

Adopt a resolution in strong support of Assembly Bill (AB) 1761 (Rogers), which would improve transparency in the calculation of the Power Charge Indifference Adjustment (PCIA) and other nonbypassable charges, and distribute copies to Governor Gavin Newsom; Senate President pro Tempore Monique Limón, Senate Utilities, Energy, and Communications Committee Chair Benjamin Allen and Senator Jesse Arreguín; Assembly Speaker Robert Rivas, Assembly Utilities and Energy Committee Chair Cottie Petrie-Norris and Assemblymembers Chris Rogers and Buffy Wicks; and Senator Steven Bradford, Chair of the Senate Energy, Utilities and Communications Committee to support its passage.

BACKGROUND

The City of Berkeley is a member agency of Ava Community Energy, a Community Choice Aggregator (CCA) serving customers throughout Alameda and San Joaquin Counties. CCAs provide an alternative to electricity generation service to an investor-owned utility (the investor-owned utility is still responsible for the transmission and distribution side of the electrical grid).[1]

Under California law, customers who leave investor-owned utility generation service for a CCA or Energy Service Provider remain responsible for their fair share of certain

[1] https://avaenergy.org

legacy power costs. These costs are recovered in part through the Power Charge Indifference Adjustment (PCIA).[2]

The PCIA is a nonbypassable charge associated with the costs of power and other resources procured by investor-owned utilities for customers who subsequently receive generation service from a CCA or other eligible provider.

The PCIA is intended to ensure that customers who depart investor-owned utility generation service do not leave remaining utility customers responsible for costs associated with power contracts and other resources that were procured on their behalf. The charge is therefore an important component of California's community choice energy framework.

However, there has not been a consistent statutory standard governing the disclosure of all underlying data used in CPUC proceedings to calculate or modify the PCIA. Without timely access to the data underlying PCIA calculations and proposals, CCAs and other load-serving entities may face difficulty independently evaluating calculations, forecasting future costs, and determining the potential effects of proposed changes on their customers.

This lack of transparency can also contribute to repeated disputes over access to information and increase the time and resources required to resolve regulatory questions before the California Public Utilities Commission (CPUC).

California's CCA framework is intended to provide customers with local control and additional choices regarding electricity generation while ensuring that customers who remain with investor-owned utilities are not disadvantaged by customers departing bundled generation service.

For that framework to function effectively, affected parties must be able to understand and evaluate the costs being allocated through the PCIA. Transparent and timely access to the underlying data can help CCAs forecast future obligations, evaluate proposed changes, participate meaningfully in CPUC proceedings, and provide customers with more reliable information about future electricity costs.[3]

CURRENT SITUATION AND ITS EFFECTS

California electricity customers continue to face significant affordability challenges. Rising electricity costs affect households, local businesses, nonprofit organizations, and

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[2] https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1761
[3] *Ibid.*

public agencies, making enhancements to transparency and predictability in utility rates increasingly important.

Electricity affordability depends not only on the level of rates but also on the ability of public agencies and energy providers to understand, forecast, and effectively participate in the processes that determine those rates.

AB 1761 does not change the PCIA itself or establish a new rate. Rather, it establishes transparency around the information used to calculate and evaluate these charges.

Greater transparency regarding the PCIA would allow CCAs and other affected entities to independently evaluate the assumptions and data underlying proposed charges. This can improve accountability, reduce unnecessary disputes over information, and help identify errors or inconsistencies before they affect customers.

AB 1761 does not eliminate protections for confidential or market-sensitive information. Instead, the bill provides for disclosure of protected information to a nonmarket-participant reviewing representative under a CPUC-approved nondisclosure agreement.

For Berkeley residential and commercial energy customers, greater certainty regarding PCIA costs can also support more reliable financial planning and reduce the risk of unexpected changes in electricity costs.[4]

FINANCIAL IMPLICATIONS

Minimal staff time is associated with outreach to the recipients.

ENVIRONMENTAL SUSTAINABILITY

The proposed action supports Berkeley's energy and climate goals by promoting a more transparent and predictable regulatory framework for community choice energy and electricity costs. Improved transparency can help public energy providers better plan for procurement costs and continue providing clean electricity while protecting customers from unnecessary or unexpected cost increases.

AB 1761 is supported by the California Community Choice Association, Ava Community Energy Board of Directors, and other community choice energy agencies.

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[4] *Ibid.*

CONTACT PERSON

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Amy Rodas, Legislative Aide, amrodas@berkeleyca.gov

ATTACHMENTS

1. Resolution
2. Letter

RESOLUTION NO. ##,###N.S.

RESOLUTION IN SUPPORT OF ASSEMBLY BILL 1761 (ROGERS) TO STRENGTHEN POWER CHARGE INDIFFERENCE ADJUSTMENT TRANSPARENCY AND CONSUMER PROTECTION

WHEREAS, electricity bills in California continue to rise, in part due to challenging market conditions and outdated regulatory policies, placing a growing burden on families and businesses in our community; and

WHEREAS, Ava Community Energy serves as the Community Choice Aggregator for Alameda and San Joaquin Counties, providing clean, affordable power to more than two million Californians, including residents and businesses within Berkeley; and

WHEREAS, the Power Charge Indifference Adjustment (PCIA) is a fee on nearly all energy bills designed to ensure customers who leave investor-owned utility generation service, such as those served by Community Choice Aggregators (CCAs) or Energy Service Providers (ESPs), pay their portion of legacy power costs; and

WHEREAS, since the PCIA was implemented, there has been no consistent standard for what data must be made available in California Public Utilities Commission (CPUC) processes or proceedings regarding the PCIA, creating significant transparency and verification challenges; and

WHEREAS, without adequate transparency and consistent data standards, CCAs and ESPs are unable to verify the accuracy of PCIA charges that their customers must pay and cannot confidently forecast rates – both essential tools for protecting customers from unexpected rate increases; and

WHEREAS, this lack of consistent data has created costly disputes and inefficiencies in CPUC proceedings, diverting resources from consumer protection and energy affordability initiatives; and

WHEREAS, Assembly Bill 1761 (Rogers) addresses these fundamental problems by requiring the CPUC and investor-owned utilities (IOUs) to disclose all data used to calculate PCIA costs, and ensuring that when parties or the CPUC make proposals to change the PCIA, they provide all underlying data informing those proposals; and

WHEREAS, greater transparency through AB 1761 will enable CCAs and ESPs to better advocate for their customers, assess proposals to change the PCIA, reduce repeated disputes over information, improve regulatory efficiency, encourage utilities to verify calculations, and shield customers from sudden rate swings; and

WHEREAS, AB 1761 maintains appropriate protections for sensitive information through Commission-approved nondisclosure agreements, a practice already successfully used in other regulatory compliance areas; and

WHEREAS, this legislation represents an important energy affordability tool that will strengthen consumer confidence that customers pay their fair share for their service.

NOW, THEREFORE, BE IT RESOLVED by the Berkeley City Council hereby supports Assembly Bill 1761 (Rogers) relating to Power Charge Indifference Adjustment transparency and consumer protection.

BE IT FURTHER RESOLVED that a copy of this resolution will be sent to Governor Gavin Newsom; Senate President pro Tempore Monique Limón, Senate Utilities, Energy, and Communications Committee Chair Benjamin Allen and Senator Jesse Arreguín; Assembly Speaker Robert Rivas, Assembly Utilities and Energy Committee Chair Cottie Petrie-Norris, and Assemblymembers Chris Rogers and Buffy Wicks; and Senator Steven Bradford, Chair of the Senate Energy, Utilities and Communications Committee to support its passage.

Date: September 15, 2026

The Honorable Gavin Newsom
Governor of California
The Honorable Monique Limón
California Senate President pro Tempore
The Honorable Benjamin Allen
Chair, California State Senate Utilities, Energy, and Communications Committee
The Honorable Jesse Arreguín
California State Senator, District 7
The Honorable Robert Rivas
California State Assembly Speaker
The Honorable Cottie Petrie-Norris
Chair, California State Assembly Utilities and Energy Committee
The Honorable Chris Rogers
California State Assemblymember, District 2
The Honorable Buffy Wicks
California State Assemblymember, District 14

RE: Support for AB 1761 (Rogers) — Electricity: Calculation, Methodology: Data Disclosure

Dear Governor Newsom, Senate President pro Tempore Monique Limón, Assembly Speaker Robert Rivas, Senators Allen and Arreguín, and Assemblymembers Petrie-Norris, Rogers, and Wicks,

On behalf of the City of Berkeley, a member agency of Ava Community Energy, I write to support AB 1761 and ask for your signature. AB 1761 supports energy affordability by improving transparency and certainty in how the Power Charge Indifference Adjustment (PCIA), a charge on nearly all energy bills, is calculated. Ava Community Energy is the Community Choice Aggregator (CCA) for Alameda and San Joaquin Counties, providing clean, affordable power to more than two million Californians.

Electricity bills in California are on the rise, in part due to challenging market conditions and outdated and inefficient regulatory policies. Families and businesses in our community are feeling the impact. Affordability is a key priority for the City of Berkeley, and lawmakers and regulators need practical, consumer-focused solutions that ensure customers do not pay more than their fair share.

The PCIA is a fee designed to ensure customers who leave utility generation service, like customers of a CCA or Energy Service Provider (ESP), pay their portion of legacy power costs. But since the PCIA was implemented, there has been no consistent standard for what data must be made available in any California Public Utilities Commission (CPUC) process or proceeding on the PCIA. Without adequate transparency, CCAs and ESPs are unable to verify the accuracy of the PCIA charges that their customers must pay and cannot confidently forecast rates – both of which are affordability tools needed to protect customers from unexpected rate increases. Additionally, the lack of consistent data creates costly disputes and inefficiencies in CPUC proceedings.

To address these problems, AB 1761 requires the CPUC and investor-owned utilities (IOUs) to disclose all data used to calculate PCIA costs. It will also ensure that when parties or the CPUC make proposals in a proceeding to change the PCIA, they provide all the underlying data informing that proposal. Sensitive information will remain protected through Commission-approved nondisclosure agreements, a practice already used to protect sensitive information in other compliance areas.

Greater transparency allows CCAs and ESPs to better advocate for their customers and assess proposals to change the PCIA. It reduces repeated fights over information, improves regulatory efficiency, and encourages utilities to verify calculations. It can also inform cost forecasts and shield customers from sudden rate swings, an important issue for the residents and local businesses we serve.

The City of Berkeley strongly supports AB 1761 and asks for your signature, an important energy affordability tool which will strengthen confidence that customers pay their fair share.

Sincerely,

Berkeley City Council

cc: Governor Gavin Newsom
Senate President pro Tempore Monique Limón
Assembly Speaker Robert Rivas
Senator Benjamin Allen
Senator Jesse Arreguín
Assemblymember Cottie Petrie-Norris
Assemblymember Chris Rogers
Assemblymember Buffy Wicks