

# ***SB 457 Consumer Utility Counsel, reestablish: Q&A***

## **What is a Consumer Utility Counsel (CUC)?**

A CUC is a state agency or department designated to represent ratepayer interests in utility regulatory proceedings. Georgia is one of only four states without a CUC.

Business and utility interests invest heavily at rate proceedings to achieve their desired outcomes because lobbying works. Consumers have no lobbyists. Georgia's cost of living is among the lowest in the nation, yet rates are at the national average and rising.

## **What is Georgia's CUC history?**

Georgia's CUC was a department that existed in the state Consumer Protection Division from the 1970s until it was defunded in 2008. The CUC was staffed with approximately four to six utility financing and regulatory experts who work independently from the PSC. It was a \$400,000 line item on the state budget.

## **Why have a CUC – doesn't the Public Service Commission protect ratepayers?**

Commissions are supposed to balance the financial needs of the utility with state mandates to keep rates just and reasonable. Business interests and utilities spend large amounts of money to influence rate hearings because lobbying works. CUCs are needed to advocate for ratepayer interests and help prevent regulatory capture (when a regulatory agency becomes beholden to the very entity it is in charge of regulating).

The CUC has statutory standing in all utility proceedings that can affect rates to consumers, and that power continues from applications for changes to rates or financing or planning from initial requests all the way through final adjudication of the matters in question in court.

## **How does a CUC advocate for ratepayers?**

1. *A CUC would provide knowledgeable and professional pushback to GA Power's growth projections.* For example, between 2007 and 2022 GA Power had zero sales growth, including peak demand, which is counterintuitive for a growing state. Energy sales are flat nationwide due to better efficiency, building codes and lighting.
2. *A CUC would have been a voice for consumers against cost overruns for Plant Vogtle.* Despite common knowledge that nuclear plants always go far over budget, the PSC failed to limit financial risk for residential consumers. Meanwhile, lobbying interests exempted GA Power's industrial customers from on-bill construction financing since 2009, which has cost residential customers billions of dollars.
3. *A CUC would work to keep all components of bills low.* Georgia's cost of living is among the lowest in the nation, yet rates are at the national average and rising. GA Power bills are among the top 10 highest in the nation and are likely to become the highest once Vogtle, the most expensive electricity in the world, is added.

GA Power pushes for building new generation because they are compensated for building power plants, a 20<sup>th</sup> century utility business model. Until the state adopts a modern utility business model, a CUC is a critical voice in the process.

**Further reading** <https://www.ajc.com/news/local/consumers-lack-voice-psc-big-utility-cases-loom-advocates-say/oHklWe6eQXk4r8BtwGMwPJ/>