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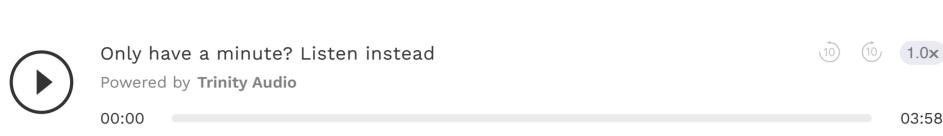


SoCalGas backed case against Berkeley gas ban and asked customers to pay, advocates say

BY ARI PLACHTA APRIL 22, 2023 6:00 AM



A row of natural-gas meters. Robert Linder via Unsplash



The nation's largest gas utility sought to charge ratepayers more than \$1 million for

legal fees to support a challenge to Berkeley's ban on natural gas hookups in most

new buildings, a move environmental advocates called a brazen attempt to block

climate-friendly policies in California cities. SoCalGas told advocates that it requested ratepayers pay \$1.14 million to a law firm representing the California Restaurant Association (CRA) in its challenge to Berkeley's ban, which was overturned by a federal court Wednesday. The utility has

since rescinded the request and denies involvement in the case.

But legal researchers for Earthjustice, the environmental nonprofit that uncovered the payments, believe SoCalGas bankrolled legal research used in the lawsuit. Wednesday's ruling is considered a setback to prospects for similar bans in dozens of <u>cities</u> across California, including Sacramento.

"These utilities are given a monopoly by the state but this one is actively working to undermine climate policy," said Matt Vespa, an attorney at Earthjustice. "Gas bills are at an all time high, yet they tried to get away with putting the cost of climate obstruction onto customers. That's extremely concerning."

As California looks to decarbonize much of its economy, it is exploring a variety of strategies to replace natural gas with electric appliances. Gas burns cleaner than coal and oil but still contributes to climate change and releases damaging air pollution.

Clean energy advocates say that widespread replacement of gas with electric appliances will reduce planet-warming emissions and limit gas leaks that research shows can contribute to health issues.

SoCalGas has emerged as a powerful opponent to the push for electrification, backing lobbying campaigns to convince public officials of the need to preserve gas. The company is a legally sanctioned monopoly subject to oversight from the Public Utilities Commission.

The California Restaurant Association brought a lawsuit in 2019 against the city of Berkeley, the nation's first city to ban gas hookups in most new buildings. Losing flame cooking in kitchens would negatively impact restaurants, the association argued, and local policy bypassed federal energy regulations.

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Food and Drink

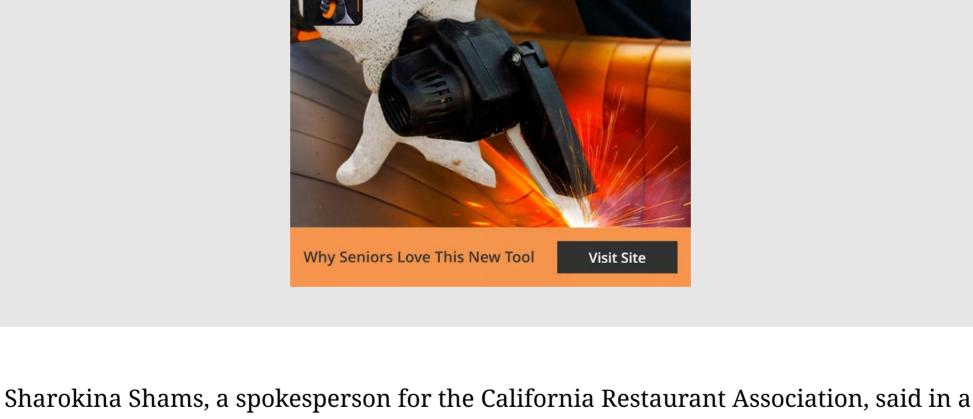
In 2021, researchers with the California Environmental Justice Alliance began questioning SoCalGas payments to Reichman Jorgensen, the law firm representing CRA in the Berkeley suit. A review of expense reports show that the company paid the firm a total of \$4,181,129 over the last three years.

The utility sought approval to charge ratepayers \$1,786,838 in payments to Jorgensen in 2022, researchers say. Earthjustice asked SoCalGas whether the payments were related to the Berkeley lawsuit, and the CPUC recently forced the utility to answer.

In their response Wednesday, the utility said it had "unintentionally categorized" the payments as ratepayer dollars and rescinded the request. Earthjustice researchers say it's clear that the payments were used to help underwrite the legal challenge against Berkeley, but SoCalGas representatives deny a connection to the lawsuit.

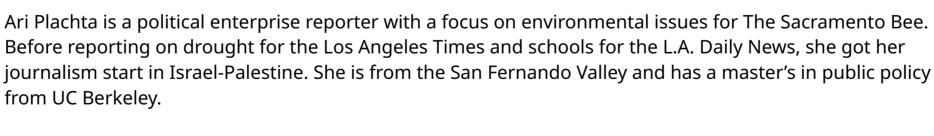
ratepayers and are unrelated to the CRA's legal challenge to the Berkeley ordinance," said Dan Guthrie, a spokesperson for SoCalGas.

"The Reichman Jorgensen costs referenced in your question are not being funded by



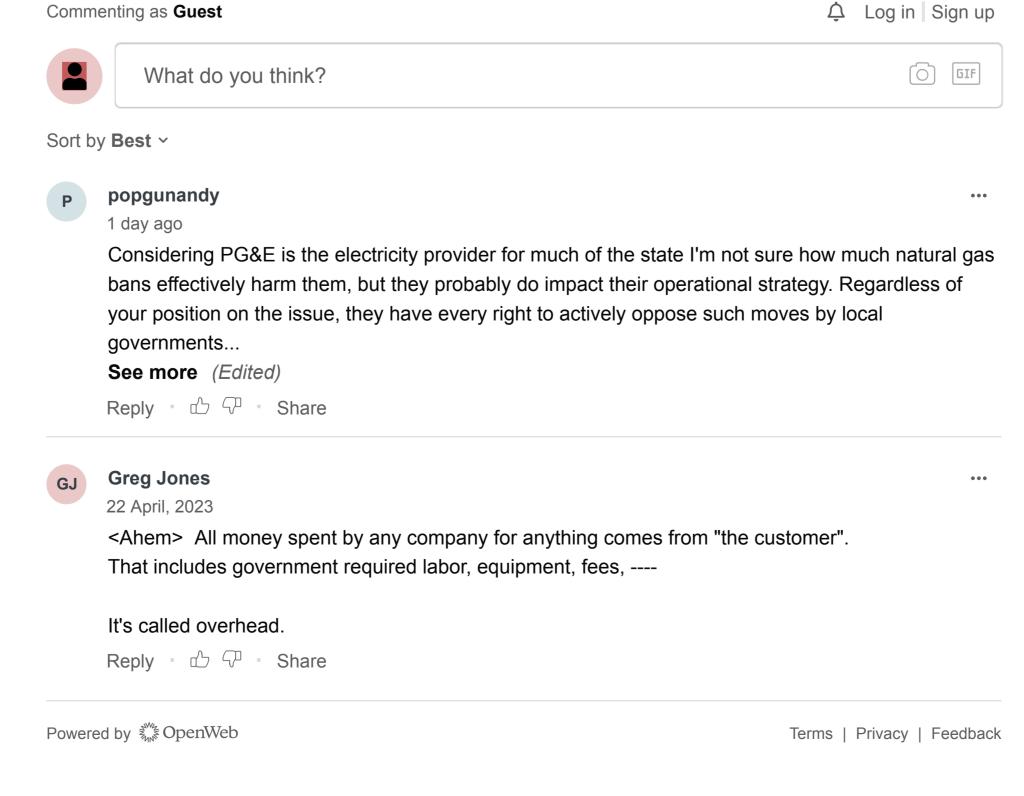
Justice Alliance and are not privy to any work our legal counsel do on behalf of their other clients. Reichman Jorgensen LLP are representing CRA in this matter because they are experts in this area of litigation. We have not and do not coordinate with SoCal Gas on our litigation." **ARI PLACHTA 916-321-1374**

statement: "We are not aware of the reporting of the California Environmental



Conversation 2 Comments





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