

Elected Officials Can Lower Costs by Getting Involved in Utility Rate Cases

By Lilly Solomon and Jackie Murphy

The average retail price of electricity is up almost 30% since 2020, with states like California and Georgia seeing prices spike by nearly 80% during the summer months compared to 2020 rates.¹ American families, facing higher costs for essentials like food, housing, and utilities, cannot keep up. Almost 25% of Americans were unable to pay their utility bill at least once within the last 12 months as they compromise between keeping the lights on and managing other costly essentials.²

Elected officials are not powerless when it comes to helping their constituents. They have the opportunity to utilize their platform and resources to address rising utility bills and bring transparency to the opaque process of setting customer rates.

Private, investor-owned utilities (IOU), which provide the majority of electric and natural gas services in the United States, need to file rate cases with regulators to request approval to increase the cost of service. Under Supreme Court precedent, rates should be “just and reasonable.”³ Despite these guardrails, in the first half of 2023, IOU returns averaged 9.6%, higher than any Wall Street asset manager’s return forecast.⁴ This shows no sign of slowing down. Utility regulators received or approved \$29 billion in rate hikes in the first two quarters of 2025.⁵

This guide outlines how lawmakers can monitor and intervene in these utility rate cases to try to lower costs for constituents.

How Utility Rates Are Set

Private, investor-owned utilities provide 70% of electricity and 95% of natural gas deliveries in the United States, with the remainder provided by publicly owned utilities.⁶ Utilities are

¹ “Electricity Data Browser,” U.S. Energy Information Administration, accessed August 27, 2025, <https://www.eia.gov/electricity/data/browser/#/topic/7?agg=0,1&geo=g000401g0304&endsec=vg&linechart=ELEC.PRICE.GA-ALL.M~ELEC.PRICE.CA-ALL.M~ELEC.PRICE.US-ALL.M~~~~~&columnchart=ELEC.PRICE.US-ALL.M&map=ELEC.PRICE.US-ALL.M&freq=M&start=201912&end=202505&chartindexed=1&ctype=linechart<ype=pin&rtype=s&pin=&rse=0&maptype=0>.

² “Household Pulse Survey: Unable to Pay Energy Bill,” August 20–September 16, United States Census Bureau, accessed August 27, 2025, [https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&periodSelector=9&periodFilter=9,8,7,6,5,4,3,2,1&s_state=.](https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&periodSelector=9&periodFilter=9,8,7,6,5,4,3,2,1&s_state=)

³ *FPC v. Hope Nat. Gas Co.*, 320 U.S. 591 (1944); see also *Southwestern Bell Tel. Co. v. Public Svc. Comm’n*, 262 U.S. 276, 291 (1923).

⁴ Mark Ellis, “Rate of Return Equals Cost of Capital: A Simple, Fair Formula to Stop Investor-Owned Utilities From Overcharging the Public,” January 17, 2025, <https://www.economicliberties.us/our-work/rate-of-return/#>.

⁵ “‘Utility Bills Are Rising’ Q2 2025 Update,” Powerlines, July 2025, https://powerlines.org/wp-content/uploads/2025/07/0709_PowerLines_Rising-Utility-Bills-Q2-Update-2.pdf.

⁶ See *supra* note 4 at 1.

government-sanctioned monopolies, where one company functioning as the sole provider in a given geographic area is considered the most efficient and sustainable business model.⁷ In exchange for this monopoly privilege, state regulators known as public utility commissions, public service commissions, or utility regulatory commissions⁸ must approve the prices the utility charges consumers, ostensibly overseeing that service is reliable,⁹ prices are just and reasonable,¹⁰ and that investors receive a modest return.¹¹ Commissioners can be elected but are predominantly appointed by governors or, in some cases, other state legislative bodies.¹² They can have varying qualifications, such as being a lawyer in good standing or holding a degree in engineering or finance.¹³

Utilities file rate cases to ask regulators to increase billable prices.¹⁴ To determine customer rates, commissioners evaluate the ongoing costs of running a utility company, such as salaries and the cost of fuel.¹⁵ In addition, commissioners take into account capital costs,¹⁶ including the cost of capital, the cost of infrastructure investments, and the return on capital — the interest investors earn for making capital investments.¹⁷ The public may respond to such requests during public hearings held by the commission. However, interested parties may petition to become an intervenor if they want to become a formal party to the case. Becoming an intervenor allows interested parties to be more involved in the technical proceedings, including by providing testimony and cross-examining utility representatives during administrative hearings.¹⁸

IOUs are motivated to deliver returns to investors, creating an incentive to increase rates whenever possible — which in turn creates a need for public oversight to prevent abuse of that incentive. However, IOU electricity rates have increased on average 49% more than inflation in

⁷ See, e.g., Mark LeBel et al., “Improving Utility Performance Incentives in the United States,” Regulatory Assistance Project, p. 2, October 2023, <https://www.raponline.org/wp-content/uploads/2023/10/rap-improving-utility-performance-incentives-in-the-united-states-2023-october.pdf>.

⁸ “Utility Commissioners: How They’re Selected, What They Do, and How They Impact Daily Life,” DSireinsight, November 22, 2024, <https://www.dsireinsight.com/blog/2024/11/21/utility-commissioners-how-theyre-selected-what-they-do-and-how-they-impact-daily-life>.

⁹ Herman Trabish, “What electric reliability is actually worth and what it means for utilities,” Utility Dive, February 25, 2015, <https://www.utilitydive.com/news/what-electric-reliability-is-actually-worth-and-what-it-means-for-utilities/367506/>.

¹⁰ See *supra*, note 3.

¹¹ “Rate of return (ROR) is the time-value-of-money compensation to investors for assuming the risk of providing capital to the utility.” Ellis, *supra* note 4 at 2.

¹² See *supra* note 8.

¹³ See *supra* note 8.

¹⁴ Russell Ernst and Monica Hlinka, “Demystifying utility rate case process pays dividends for industry stakeholders,” S&P Global Market Intelligence, June 29, 2022, <https://www.spglobal.com/market-intelligence/en/news-insights/research/demystifying-utility-rate-case-process-pays-dividends-for-industry-stakeholders>.

¹⁵ See *supra* note 4 at 4.

¹⁶ Capital costs include infrastructure investments, such as power plants, pipelines, and distribution lines. Investors cover the upfront cost, and the cost is recuperated through billing over the course of the capital’s useful life. Ellis, *supra* note 2.

¹⁷ See *supra* note 4 at 4-5.

¹⁸ Joe Dammel, “What’s up with rate cases?,” Fresh Energy, December 21, 2021, <https://fresh-energy.org/whats-up-with-rate-cases>.

the last three years.¹⁹ Gas and electric companies made 156 rate requests in 2023.²⁰ The highest rate requests came from Southern California Edison, Commonwealth Edison, Appalachian Power, and DTE Electric. Over 20 IOUs sit on the S&P 500, including household names such as Exelon, Duke Energy Corp., Southern Co., and Pacific Gas & Electric Co.²¹ As of 2023, IOUs averaged 9.6% returns for investors.²²

By contrast, publicly owned electric cooperatives (co-ops) and municipally owned utilities (munis) are governed by their members or local governments.²³ They are generally not subject to the same level of regulation because they do not have profit motives and are theoretically more accountable to the communities they serve.

How a Rate Case Works

In theory, rate cases are designed to be open to the public via two processes: 1) filing a public comment, and 2) becoming an intervenor.²⁴ While every state has its own process, most utility rate cases follow a similar path. The application must include a utility company's detailed financial records, projected costs, operational performance, and its justification for charging higher prices.²⁵ The case is then noticed for public comment, and intervenors can request information during a discovery phase.²⁶ Parties to the case, including intervenors advocating on behalf of their constituents or on behalf of the utility company, may submit testimony, and parties may cross-examine expert witnesses in a quasi-judicial hearing.²⁷ Regulators may also conduct independent analysis and propose alternative rates.²⁸

IOUs devote significant resources to securing approvals for higher rates. These companies spend hundreds of thousands of dollars to employ lawyers, economists, accountants, and public relations specialists who specialize in rate cases to become intervenors, expert witnesses, and produce reports on behalf of the IOUs.²⁹ At the same time, utility companies also spent millions on federal lobbying, with Southern Co. spending \$11 million, Edison Electric Institute spending

¹⁹ See *supra* note 4 at 1.

²⁰ Dan Lowrey, "Rate requests by US energy utilities set record in 2023 for 3rd straight year," S&P Global, February 7, 2024, <https://www.spglobal.com/market-intelligence/en/news-insights/research/rate-requests-by-us-energy-utilities-set-record-in-2023-for-3rd-straight-year>.

²¹ Stephen Singer, "Exelon, Duke, Southern, PG&E still the top utilities on Fortune 500; most show revenues up but rankings down," Utility Dive, November 30, 2022, <https://www.utilitydive.com/news/exelon-duke-southern-pge-top-utilities-fortune-500-revenue-up-rankings-down/635986/>.

²² See *supra* note 4 at 7.

²³ See *supra* note 4 at 1.

²⁴ "Amp Up the People – A Guide for Energy Justice Advocates in Utility Regulation," Initiative for Energy Justice, accessed September 9, 2025, <https://iejusa.org/amp-up-the-people-a-practical-guide-for-energy-justice-advocates-in-utility-regulation/>.

²⁵ See *supra* note 14.

²⁶ See *supra* note 14.

²⁷ Charlie Harak, John Howat, and Olivia Wein, "A Consumer's Guide to Intervening in State Public Utility Proceedings," National Consumer Law Center, March 2004, https://filearchive.nclc.org/energy_utility_telecom/additional_resources/consumers_guide.pdf.

²⁸ See *supra* note 14.

²⁹ See *supra* note 27 at 10.

\$10 million, and PG&E Co. spending \$5 million in 2024.³⁰ On the state side, four California IOUs spent over \$21 million lobbying for various provisions, including against state bills that addressed rising prices.³¹

By contrast, consumers often lack the resources and knowledge to oppose these price hikes, even as most states offer a public comment process via written comment or public hearings.³² While public comments have shown some efficacy, comments with “sophisticated” legal knowledge were more likely to make a significant impact on rate cases.³³ In addition, the process for public comment requires the public to navigate outdated and difficult utility commission websites, and instructions are often written in legal jargon. As a result, commissioners have received dozens of rate requests and approved billions in rate hikes in 2025.³⁴

Becoming an intervenor is the only way to formally influence utility rate cases.³⁵ However, most members of the public are unable to participate as intervenors. Petitioning to intervene is often fraught with strict procedural rules and deadlines that may require the hiring of outside legal counsel and utility experts.³⁶ In addition, some commissioners may require that intervenors be substantially affected by the outcome of the rate case.³⁷ If approved, intervenors are expected to analyze the utility’s filings, gather their own evidence to support their position, and source legal and expert witnesses.³⁸ The intervenors must abide by the strict standards of the commission’s rules of evidence for their testimony and cross-examination of utility witnesses.³⁹

Some states have intervenor support funds, though programs vary widely and are not always accessible.⁴⁰ Intervention is expected to take hundreds of hours of work, and hearings are scheduled during working hours, limiting who can attend.⁴¹ Translation services, accommodations for disabilities, or remote participation options are frequently unavailable.

³⁰ “Industry Profile: Electric Utilities,” Open Secrets, accessed September 2, 2025, <https://www.opensecrets.org/federal-lobbying/industries/summary?cycle=2024&id=E08>.

³¹ “The Big Four California Investor Owned Utilities Spent Over \$21.8 Million on Lobbying in 2024,” The Utility Reform Network, February 3, 2025, <https://www.turn.org/press-releases/the-big-four-california-investor-owned-utilities-spent-over-218-million-on-lobbying-in-2024>.

³² Shelley Welton et al., “Public Utilities Commissions & Energy Efficiency: A Handbook of Legal and Regulatory Tools for Commissioners & Advocates,” Sabin Center for Climate Change Law, Columbia Law School, August 2012, <https://perma.cc/3NV8-42WC>.

³³ “Putting the Public in Public Utilities Commission,” Christopher Tonnu Jackson, Issues in Science and Technology, Fall 2021, <https://issues.org/wp-content/uploads/2021/11/23-25-Jackson-Putting-the-Public-in-Public-Utilities-Commissions-Fall-2021.pdf>.

³⁴ See *supra* note 5.

³⁵ “What is a Utility Rate Case?,” Community Voices in Energy, September 11, 2023, <https://blogs.edf.org/community-voices-energy/wp-content/blogs.dir/121/files/2023/09/Community-Voices-in-Energy-Training-What-is-a-Utility-Rate-Case.pdf>.

³⁶ Noha Haggag, Romany M. Webb, and Michael Panfil, “Advancing Climate Resilience Planning Through Rate Case Proceedings,” Sabin Center for Climate Change Law and Environmental Defense Fund, June 2022, <https://www.icrrl.org/wp-content/blogs.dir/102/files/2022/06/Advancing-Climate-Resilience-Planning-through-Rate-Case-Proceedings-Supplement.pdf>.

³⁷ *Id.*

³⁸ See *supra* note 27 at 10.

³⁹ See *supra* note 35 at 2-3.

⁴⁰ “State Approaches to Intervenor Compensation,” National Association of Regulatory Utility Commissioners, December 2021, <https://pubs.naruc.org/pub/B0D6B1D8-1866-DAAC-99FB-0923FA35ED1E>.

⁴¹ See *supra* note 27 at 10.

Given the structural barriers to attending, it is essential for members of Congress to use their resources to intervene on behalf of their constituents.

Case Study: Congressman Riley Intervenes

On August 1, 2024, upstate New York's utility provider, Central Hudson Gas & Electric Company, filed a rate case with New York's Public Utility Commission, requesting a rate hike to provide investors with 10% returns.⁴² Newly elected Congressman Josh Riley (D-NY-19) filed to become an intervenor after hearing from families struggling to afford their utility bills.⁴³ Riley sought to provide a comprehensive picture of the impact of rate hikes. He launched a survey for constituents to express the challenges they faced with utility costs.⁴⁴ In addition to higher prices, constituents reported suffering from erratic billing and negligible customer support.⁴⁵ At the same time, he pointed out that one day prior to filing the rate case, Central Hudson's Canadian parent company, Fortis Inc., announced quarterly profits topping \$331 million.⁴⁶

The rate case turned into a Joint Proposal, in which the New York Public Service Utilities Commission and Central Hudson would jointly negotiate new rates, opening the case for public comment and an evidentiary hearing in front of administrative law judges (ALJ). This is where, on June 16, 2025, Rep. Riley cross-examined Central Hudson's counsel, witnesses, and parties.⁴⁷

New York's Public Utilities Commission consists of seven bipartisan commissioners appointed by the governor and who serve six-year terms.⁴⁸ During cross-examination, Rep. Riley asked the Central Hudson witnesses questions such as whether Fortis' profits should be evaluated under the public interest standard, and how it is that Central Hudson can claim it needs to increase rates to maintain its financial integrity after telling Wall Street investors it had sufficient long- and short-term cash. He also asked them to detail and explain the financial models Central Hudson used to calculate its requested profits.⁴⁹ He argued that the increased rates were not in the best interest of consumers and instead would pad excessive corporate profits.⁵⁰ Throughout the hearing, ALJs fought against the relevance of Fortis' profits and whether they should be considered under a public interest standard, and sustained endless objections from Central Hudson.⁵¹

⁴² "Central Hudson Gas & Electric Corp. Electric Rate Case Summary," New York State Department of Public Service, accessed September 4, 2025, <https://dps.ny.gov/system/files/documents/2025/08/central-hudson-electric-rate-case-24-e-0461-web-post-rate-order-revised.pdf>.

⁴³ "Request for Party Status," Case 24-01580, New York State Department of Public Service, December 13, 2024, <https://documents.dps.ny.gov/public/ServiceList/ViewConsentRequest.aspx?MatterSeq=74071&MemberSeq=56543&ConsentType=PARTY&FullName=Riley,%20Josh>.

⁴⁴ "Josh Riley Launches Investigation into Soaring Utility Costs," U.S. Congressman Josh Riley, April 16, 2025, <https://riley.house.gov/media/press-releases/josh-riley-launches-investigation-soaring-utility-costs>.

⁴⁵ Jackie Murphy, "When Utility Regulators Despise Their Constituents," Economic Populist, August 13, 2025, <https://economicpopulist.substack.com/p/when-utility-regulators-despise-their>.

⁴⁶ *Id.*

⁴⁷ "Evidentiary Hearing Transcript - Monday, June 16, 2025 - Meeting Room 2, Albany NY," Case 24-E-0461, Item Number 83, New York State Department of Public Service, June 16, 2025, <https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=24-E-0461>.

⁴⁸ "State Public Service Law, Chapter 48, Article 1, Section 4," New York State Senate, March 3, 2022, <https://www.nysenate.gov/legislation/laws/PBS/4>.

⁴⁹ See *supra* note 47 at 19-41.

⁵⁰ See *supra* note 47 at 20-40.

⁵¹ See *supra* note 47 at 19-41.

On August 14, 2025, the Public Utilities Commission granted a 9.5% return to investors, equating to an additional \$10 million in annual profit increases.⁵² But Rep. Riley’s intervention brought meaningful transparency to the cause of rising utility rates in a system that remains relatively opaque and unchallenged. In addition, Rep. Riley has the right to appeal the decision in state courts as do intervenors in most states.⁵³

How to Monitor Pending Rate Cases

Across the country, more than 100 rate cases are pending across 39 states and D.C.⁵⁴ Ongoing rate cases include proposals from utilities in Texas and California that would raise the monthly bills of customers by hundreds of dollars per year. To find a lawmaker’s state utility commission website, visit the Community Voices in Energy Public Utility Commission Directory.⁵⁵ For monitoring rate cases, reference the following resources.

| Information Source | Tool | What to Do |
|----------------------------|--|--|
| State PUC | Visit PUC docket page | Look for categories like “pending rate cases,” “base rate filings,” or “general rate proceedings.” Bookmark it and check monthly. |
| Email alerts | Subscribe via PUC site or direct request | Ask the state commission to notify your office when new rate cases are filed. |
| Statewide advocates | Engage advocacy organizations | For additional resources, engage state utility advocacy organizations. Organizations may include environmental, low-income defense, or labor advocacy organizations. |
| Local media and coalitions | Monitor news and civic groups | They often highlight pending cases that hike bills and may offer insight into public sentiment. |

Engaging with Utility Rate Cases

Engaging in a rate case does not require technical expertise. It requires political courage. Lawmakers can:

1. Submit a formal public comment (in writing or at a hearing).
2. Send a letter to the commission raising specific constituent concerns.
3. Petition to intervene as a formal party to the case, as Rep. Riley did in New York.
4. Launch a public inquiry into utility prices.

⁵² See *supra* note 42.

⁵³ “Electricity Regulation in the US: A Guide,” The Regulatory Assistance Project, March 2011, <https://perma.cc/V82A-7S2F>.

⁵⁴ Russell Ernst, “Pending utility rate cases signal an active July for regulators,” S&P Global, June 30, 2025, <https://www.spglobal.com/market-intelligence/en/news-insights/research/2025/07/pending-utility-rate-cases-signal-an-active-july-for-regulators>.

⁵⁵ “Public Utility Commission (PUC) Directory,” Community Voices in Energy, August 21, 2025, <https://communityvoicesinenergy.org/resources/public-utility-commission-puc-directory/>.

5. Hold a field hearing on the proposed rate increases.
6. Amplify public comment opportunities on rate case proceedings.
7. Support accessibility to intervenor support funds.

How to Become an Intervenor

The process to become an intervenor varies by state. In some states, such as New York, any person or elected official can petition to intervene in a utility rate case.⁵⁶ Others, including Texas, require intervenors to show a direct and personal impact before participating.⁵⁷ Lawmakers should check their state's public utility commission rules to see who qualifies and what is required to participate.

Lawmakers who are interested in becoming intervenors can monitor utility rate filings for anything that looks unfair, out of the ordinary, or predatory, and submit a petition to intervene.

The state public service commission or its administrative law judges (ALJs) will review the petition and either grant or deny the request to become an intervenor. If the lawmaker is denied, state rules likely allow them to appeal the decision back to the public service commission. In limited scenarios, the lawmaker may be able to appeal the decision directly to the relevant state court.

⁵⁶ "Utility Intervention Unit, Overview," New York State Department of State, accessed September 9, 2025, <https://dos.ny.gov/utility-intervention-unit>.

⁵⁷ "Participating in a PUCT Proceeding," Public Utility Commission of Texas, accessed September 5, 2025, <https://www.puc.texas.gov/agency/rulesnlaws/participate/>.