

# Discover How Small Businesses Can Fight Against High Utility Costs

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By James Birkelund, President  
Small Business Utility Advocates (SBUA)

Small businesses are the lifeline of our economy. Utilities should be a tool to help the small business community prosper and thrive. Utilities matter to small business for a number of reasons:

- Utilities—electricity, water, gas, etc.—cost money.
- Small businesses need dependable utilities.
- Utility companies are required to set fair prices.
- Utility companies can employ small businesses.
- Large corporations exert strong influence on utility regulators while small businesses, typically, do not.
- The California Public Utilities Commission sets and approves utility rates for small businesses as a class.



Right now, a utility dynamic is occurring with California-American Water Service Company’s application to the California Public Utilities Commission to request an increase in rates for water service by \$92,765,000, or 19.4%, in 2014. Small and diverse businesses will bear some of this increase, which means the small business community must fight to keep its rates down.

Yes, utility companies request rate changes and hikes but, ultimately, the California Public Utility Commission must approve or reject a private utilities company’s rate request. This is a recurring process; every several years utility companies ask for higher rates.

Utilities are among the largest costs for many

small and diverse businesses. Every day our organization, Small Business Utility Advocates (SBUA), sees small businesses struggling to keep utility costs low. The SBUA fights for:

**Fair Rates.** Utility costs often disproportionately impact small businesses. These costs must be equitable. For certain businesses with high energy or water usage—think of a car wash or laundromat using water all day, or a printing shop or tanning salon using nonstop electricity—utility costs can mean the difference between success or failure.

**Small Business Opportunities and Programs.** Utilities should help small businesses



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understand and manage utility bills and costs, and engage in new contracting opportunities with utilities.

Did you know that large companies advocate before the Commission to keep their utility rates low? What's not fair is that small commercial customers, as a class, often pay more for utilities than any other group—more than large companies and more than residential users.

Small businesses, often, don't have a voice at the Commission. So, how do small and diverse businesses fight to keep down utility costs? Often, it's a battle bill-by-bill, month-by-month as business owners strive to reduce energy consumption or contest bill charges from the utility companies. But, did you know there are other ways to fight against high rates that involve efforts of the entire small business community?

At Small Business Utility Advocates (SBUA)

we focus exclusively on small commercial customers and advocate for their interests at the Public Utility Commission. Individually, these businesses, usually, cannot afford their own representation. We believe small businesses are subject to disproportionate rate increases and their interests are not adequately represented at rate hike proceedings.

Last time Cal-Am raised water rates, in the period from 2011-2013, I heard from small business owners whose costs for water increased almost threefold. Let's ensure this trend is stopped.

Become informed! Take action! Join the small and diverse business community in telling the Commission (and right now Cal-Am) that our rates need to be kept fair and reasonable.

To learn more about the Small Business Utility Advocates (SBUA), please visit their website at <http://www.utilityadvocates.org>.

