



DAMON CONNOLLY
Assemblymember, District 12

NEWSLETTER

DEAR FRIENDS,

I want to extend my gratitude for your continued support and engagement with my office in both Marin and Sonoma County.

This March newsletter, the 27th issue, covers the past month serving as the North Bay's State Assemblymember. This opportunity is the privilege of a lifetime, and I look forward to the work we will accomplish together.

For this issue, I am excited to share bill updates, Capitol news, our AD12 Woman of the Year, my first hearing as ESTM Committee chair, and new district updates. I hope you enjoy and stay tuned!



AD 12 UPDATES

Bill Updates

Woman of the Year

**Statement on the
Department of Education**

Transgender Day of Visibility

Ag Day 2025

First ESTM Hearing

Letter to the CPUC

Local Resources

District Updates

Capitol Updates

BILL UPDATES



AB 937 helps farmers transition to organic farming.

PASSED out of the Assembly Agriculture Committee



AB 947 enhances the Healthy Soils Program, which incentivizes farming practices that improve soil health.

PASSED out of the Assembly Agriculture Committee



AB 599 improves local notification of hazardous waste changes.

PASSED out of the Assembly Environmental Safety and Toxic Materials Committee



AB 491 codifies nature-based solutions into law, harnessing natural and working lands for climate action.

PASSED out of the Assembly Natural Resources Committee



AB 393 protects civil service physicians and psychiatrists working in prisons.

PASSED out of the Assembly Public Employment and Retirement Committee



AB 419 expands awareness of educational and civil rights for immigrant students.

PASSED out of the Assembly Education Committee



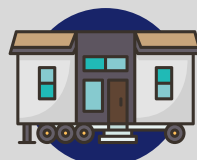
AB 754 updates the California Pharmaceutical and Sharps Program, which provides safe disposal options for sharps waste.



AB 1177 improves CalFire staffing, so they can better respond to disasters.

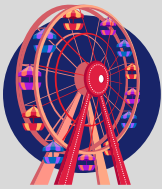


AB 1 strengthens the Safer from Wildfires program to offer insurance relief to those hardening their homes against wildfire.

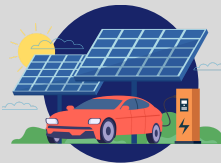


AB 456 protects mobilehome owners when looking to sell their property.

BILL UPDATES



AB 258 increases future funding for fairs to improve operation and emergency response.



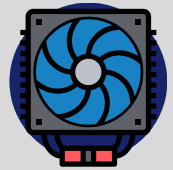
AB 674 improves the Clean Cars 4 All program, which helps lower-income consumers replace older, high-polluting vehicles with cleaner transportation.



AB 384 removes delays to patient care during mental health and substance abuse emergencies.



AB 540 clarifies and reforms civil procedure to make civil courts more efficient.



AB 806 requires mobilehome park owners to allow cooling devices.



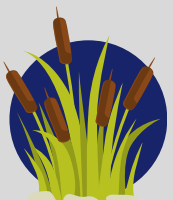
AB 1096 streamlines lead testing in schools.



AB 846 streamlines wildfire preparedness permitting.



AB 1140 authorizes a pilot program for safety improvements in prisons by utilizing single-occupancy cells.



AB 929 protects wetlands and small community water systems.



AB 1151 ensures seniors receive a replacement photo ID when they give up their driver's license.



WOMAN OF THE YEAR

In honor of Women's History Month, I had the pleasure of recognizing Samantha Rodriguez on the Assembly floor as Assembly District 12's Woman of the Year for 2025. Samantha has served on the Rohnert Park City Council since 2022, serving the people of Rohnert Park by promoting community, education, and advocacy.

Samantha has dedicated her career to bettering our community through civic engagement, and I was proud to recognize her as Assembly District 12's Woman of the Year. Her impact on the City of Rohnert Park can not be overstated, and I am thankful for the opportunity to honor her service.

The Woman of the Year event, in celebration of Women's History Month, allows each member of the California State Legislature to recognize an individual from their district for their contributions and accomplishments. The annual event is sponsored by the Women's Caucus, and is a fantastic opportunity to formally recognize the remarkable women up and down the state.

Samantha Rodriguez is the youngest member ever to serve on the Rohnert Park City Council, and in 2023, she was elected to serve as Mayor of Rohnert Park for a one-year term. She was the first Latina to serve as Rohnert Park's mayor, and the youngest person to ever hold the position. Samantha has tirelessly stood for our community's values throughout her career, advocating for affordable housing, climate action, civic engagement, and strengthening the local economy. It was great to have the opportunity to host Samantha and her family in Sacramento, and honor her with a resolution on the Assembly floor.



STATEMENT ON THE DEPARTMENT OF EDUCATION

President Trump's executive order to close the United States Department of Education is an attack on our American students, families, and children living with disabilities. In California, we must bolster our commitment to supporting quality education. This is part of a troubling trend by this administration to gut vital programs that affect people's lives. I will stand with my legislative colleagues to protect our California students. This decision will impact the funds and resources available to support low-income students and students with disabilities. The California Attorney General is already pushing back on this decision with a lawsuit, arguing that the President does not have the authority to dismantle the Department. The Department of Education plays a crucial role in ensuring equal access to education, funding public schools, and supporting vulnerable students, and dismantling this department is undermining the future of every child in our nation.

LETTER CARRIERS

I appreciated standing with Letter Carriers Local 183 in Santa Rosa to rally in support of our postal workers and reject the privatization of our letter carriers. We stand with our postal workers!



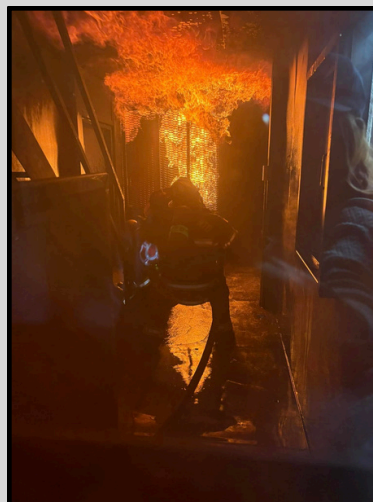
TRANSGENDER DAY OF VISIBILITY

TRANSGENDER DAY OF VISIBILITY

I was proud to coauthor and support [HR 21](#) on the Assembly floor, designating March 24, 2025 as Transgender Day of Visibility. In California, we affirm the inherent value of each and every one of the diverse communities, individuals, and families in our state. At this time in history, it is critical that we continue to uplift and support our transgender Californians and reaffirm their right to live visibly, openly, authentically, and unapologetically.

FIRE DEMO

I had the incredible experience of joining California Professional Firefighters for Fire Ops 101, a demonstration on what it's really like to be a firefighter! I had the opportunity to try firefighting and EMT skills, climb the engine ladder, enter a simulated burn environment with a rescue team, and extinguish an artificial flame. It was great to spend the afternoon learning more about what our first responders do!





AG DAY 2025

March 19th was Ag Day at the State Capitol, the annual celebration of our California agriculture! It was fantastic to celebrate our state's diverse agriculture and food systems, as well as our local farmers, ranchers, and farm workers. It was also great to catch up with some of our local agricultural and farming leaders from AD12!





FIRST ESTM HEARING

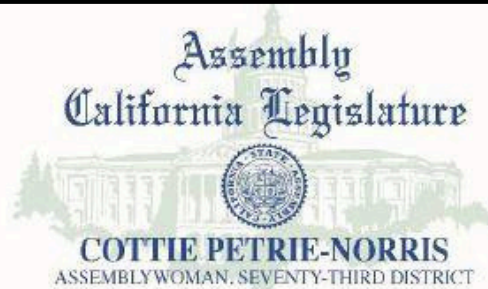
I was gratified to chair my first Environmental Safety and Toxic Materials hearing on March 25th! The Environmental Safety and Toxic Materials Committee presides over legislation related to toxic substances and hazardous materials, hazardous waste regulation, drinking water safety, and pesticides. It is an honor to serve as chair of this important committee, and it was great to kick off the legislative session by hearing our first round of bills this afternoon. To watch the hearing, click [here](#).



LETTER TO THE CPUC

My legislative colleagues and I are urging the CPUC to reject PG&E and other monopoly utilities' proposed rate hikes, which would result in higher electricity rates throughout the state. Affordable energy is a necessity, not a luxury, and I stand with Californians everywhere in urging the CPUC to reject this proposal.

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0073
(916) 319-2073
FAX (916) 319-2173



March 25, 2025

The Honorable Alice Reynolds
President, California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Urge Rejection of Utility Cost of Capital Applications

Dear President Reynolds,

We urge you to reject the March 20, 2025, applications of Pacific Gas and Electric (PG&E), Southern California Edison (SCE), Southern California Gas (SoCalGas), and San Diego Gas and Electric (SDG&E) as they relate to requested increases to their cost of capital, and specifically by approximately 1% in 2026 to the return on equity (ROE) portion.¹ As academic literature has shown, an increase by one percentage point of the ROE leads to a 3-4% increase in capital assets.² These capital assets have a larger cumulative impact on rates, as capital costs are recovered over a longer time horizon during which the higher ROE may be collected. The impact of approving such utility rate requests will be an increase to customer bills throughout the state. Nationwide, these excess costs have resulted in approximately \$7 billion per year to the U.S. consumer.³

Californians are facing enormous strain at the kitchen table, and specifically with their electric and natural gas bills. The CPUC has long recognized this in its annual *SB 695 Report*, noting electricity rates have increased faster than inflation for customers of California's electric investor-owned utilities (IOUs).⁴ Nearly 1 in 5 electric IOU customers are behind on their bills, with the average amount owed approximately \$821.⁵ This trend is unsustainable. Yet little action has occurred to date. Continuing a business-as-usual approach, and approving these IOU requests to increase their profit structure, will inflict harm on an already pained system.

¹ PG&E ROE = 10.28% in Jan 1, 2025 (D.24-10-008) requesting 11.3%; SCE ROE = 10.33% requesting 11.75%; SoCalGas ROE = 10.08% requesting 11%; and SDG&E ROE = 10.23% requesting 11.25%

² Werner, K. D. and Jarvis, S.; "Rate of Return Regulation Revisited;" *Energy Institute* WP 329R; Energy Institute at Haas, University California at Berkeley; Revised September 2024.

³ *Ibid.*

⁴ CPUC; 2024 *Senate Bill 695 Report*; July 2024; <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2024/2024-sb-695-report.pdf>

⁵ California Public Advocates Office Q3 2024 Report; December 2024; <https://www.publicadvocates.cpuc.ca.gov/-/media/cal-advocates-website/files/press-room/reports-and-analyses/241205-public-advocates-office-q3-2024-rates->

LETTER TO THE CPUC

The utility sector is a capital-intensive industry, and utilities need investors to pay for the significant new investment needed to modernize the grid and decarbonize our economy. It is in all our interests that California's utilities are healthy – any increase to their cost of borrowing or decrease to their credit rating results in higher costs to ratepayers, who shoulder the cost of utility financing.⁶ However the need for utilities to bring forward significant new capital investments must be balanced with our clear mandate to keep costs low. The IOUs' proposals to increase their ROE does not strike an appropriate balance, and the CPUC should push back firmly.

In striking the right balance, we instead propose a *pivot*; in other words, a change in strategy without a change in vision. We have observed the CPUC traditionally employs a mix of analytical models and subjective judgement to set the ROE, seeking an ROE value that “is necessary to attract capital.” However such subjectivity has been found to introduce bias.⁷ And the traditional approach of benchmarking against other U.S. utilities, while sometimes advantageous, can cause rates to update very slowly when market conditions change.⁸ We urge a change in strategy:

- 1) **The CPUC should conduct its own independent analysis of ROE.** The CPUC should then center that analysis – which should optimize for customer affordability – as the starting point of the discussion, not the IOUs' applications. In rate cases, the utilities are most knowledgeable about the future needs of their systems, workforce, and equipment. However, is the IOU insight into wider market forces or general investor sentiment (all necessary considerations for ROE) unique? The CPUC should lead the discussion of IOU cost of capital, not be a passive recipient of the IOUs' wishes.
- 2) **The CPUC should pursue alternative financing options in its evaluation of future capital needs.** The IOUs cite increased wildfire risk, and the potential depletion of the state's Wildfire Fund, as justification for their request for increased ROE.⁹ As PG&E notes, “investors have choices where to put their money, and customers will be adversely impacted if PG&E has to curtail its infrastructure...because we cannot obtain the funding...”¹⁰ It is in this atmosphere that the CPUC should more actively partner with the Legislature to explore alternative financing options to attract investment, outside of increases to IOU ROE. These can include securitized financing orders, partnerships with nonprofits, or even state revenue bonds to offset utility cost of borrowing. Both the Legislature and the CPUC should explore these additional tools, and bear them in mind when considering IOU ROE, rather than solely viewing IOU cost of capital as the only tool available to attract investment.

Californians are suffering at the increasing cost of their goods and services, including electric and natural gas bills. It is imperative we bear this reality in mind when evaluating any policy that may impact rates. Achieving a reasonable ROE is a critical regulatory task, one that must balance attracting new investment while keeping consumer costs down. We propose the CPUC adopt the two strategies above in order to strike this balance.

⁶ Pg. 8, John Quackenbush, USAID, *Cost of Capital and Capital Markets: A Primer for Utility Regulators*; December 2019.

⁷ Rode, D. C., and Paul Fischbeck; “Regulated equity returns: A puzzle,” *Energy Policy* 133 (October): 110891; 2019. <https://doi.org/10.1016/j.enpol.2019.110891>.

⁸ Pg. 10 Werner, K. D. and Jarvis, S.; “Rate of Return Regulation Revisited,” *Energy Institute* WP 329R; Energy Institute at Haas, University California at Berkeley; Revised September 2024.

⁹ See applications of PG&E, SCE, and SDG&E

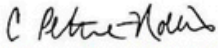
¹⁰ Pg. 1-4; *Pacific Gas and Electric Company Cost of Capital 2026 Prepared Testimony*; March 20, 2025.

LETTER TO THE CPUC

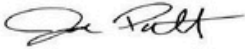
Our energy sector is in a period of transformational change; our regulatory structures must transform alongside it. The Legislature stands ready to partner with you in this effort. And we urge you, as a first step, to reject the current IOU applications.

We look forward to receiving a response to our request.

Sincerely,



Cottie Petrie-Norris, 73rd Assembly District
Chair, Assembly Committee on Utilities & Energy



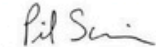
Joe Patterson, 5th Assembly District
Vice-Chair, Assembly Committee on Utilities & Energy



Tri Ta, 70th Assembly District



Greg Wallis, 47th Assembly District



Pilar Schiavo, 40th Assembly District



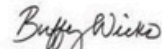
Damon Connolly, 12th Assembly District



Jacqui Irwin, 42nd Assembly District



Rebecca Bauer-Kahan, 16th Assembly District



Buffy Wicks, 14th Assembly District



John Harabedian, 41st Assembly District



Catherine Stefani, 19th Assembly District



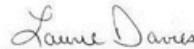
Darshana Patel, 76th Assembly District



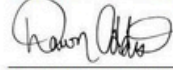
Chris Rogers, 2nd Assembly District



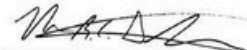
Marc Berman, 23rd Assembly District



Laurie Davies, 74th Assembly District



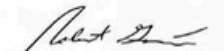
Dawn Addis, 30th Assembly District



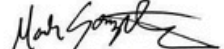
Nick Shultz, 44th Assembly District



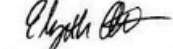
Phillip Chen, 59th Assembly District



Robert Garcia, 50th Assembly District



Mark Gonzalez, 54th Assembly District



Liz Ortega, 20th Assembly District



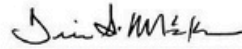
Alex Lee, 24th Assembly District



Ash Kalra, 25th Assembly District



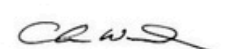
Sharon Quirk-Silva, 67th Assembly District



Tina McKinnor, 61st Assembly District



Gail Pellerin, 28th Assembly District



Chris Ward, 78th Assembly District



Celeste Rodriguez, 43rd Assembly District



Matt Haney, 17th Assembly District



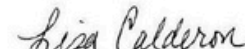
Diane Papan, 21st Assembly District



Steve Bennett, 38th Assembly District



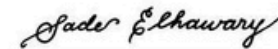
Tisha Boerner, 77th Assembly District



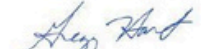
Lisa Calderon, 56th Assembly District



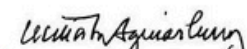
Esmeralda Soria, 27th Assembly District



Sade Elhawary, 57th Assembly District



Gregg Hart, 37th Assembly District



Cecilia Aguilar-Curry, 4th Assembly District
Assembly Majority Leader



Rhodesia Ransom, 13th Assembly District

Cc: Commissioner Darcie Houck, California Public Utilities Commission
Commissioner John Reynolds, California Public Utilities Commission
Commissioner Karen Douglas, California Public Utilities Commission
Commissioner Matthew Baker, California Public Utilities Commission

LOCAL RESOURCES



NAMI Marin County & NAMI Sonoma County provide resources and advocacy for those struggling with their mental health

Crisis Line: 988

(415) 444-0480

(800) 950-6264



Legal Aid of Marin & Legal Aid of Sonoma provide low income and vulnerable residents with access to high quality, effective legal services.

(628) 253-575

(707) 542-1290



Canal Alliance provides affordable and comprehensive immigration legal services in Marin County.

(415) 306-0437



The Multicultural Center of Marin provides resources to prepare community members to assert their rights.

(415) 526-2486



Marin Housing Authority & Marin Health and Human Services assist residents in finding affordable housing.

(415) 491-2525



Latino Service Providers provides a variety of resources to Latinx residents in Sonoma County.

(707) 837-9577



Center for Domestic Peace provides refuge, resources, and support for those experiencing domestic violence.

(415) 924-6616



Community Action Marin provides services to help residents meet basic needs.

(415) 526-7500



Community Action Partnership Sonoma County provides multi-generational support for families.

(707) 544-6911



Marin Center for Independent Living provides peer-led, person-centered, one-to-one care navigation and other social services.

(415) 459-6245



Enterprise Resource Center is a mental health drop-in center providing immediate assistance to individuals facing mental health challenges.

(415) 457-4554

MENTAL HEALTH ADVOCATES
of MARIN

DISTRICT UPDATES:

SNAPSHOTS

Even though I'm staying busy up in Sacramento during the week, I greatly value my time at home connecting with constituents in AD12. I have had many great opportunities to attend events, tours, and productive meetings with constituents throughout the North Bay in both Marin and Sonoma Counties. Here are some snapshots of some of the meetings and events my office participated in over the past month. As always, our door is open, if you want to schedule a meeting or send an event invite, please reach out through our website by clicking [here](#).



TOURED THE MARIN COUNTY COURTHOUSE WITH PRESIDING JUDGE MARK TALAMANTES



SPOKE AT THE WAKE UP SONOMA TOWN HALL AND AFFIRM OUR COMMITMENT TO DEMOCRACY AND CALIFORNIA VALUES



JOINED 4C SONOMA FOR THE RIBBON CUTTING OF THE PETALUMA CHILD DEVELOPMENT CENTER



JOINED THE PETALUMA MOBILE RESIDENTS UNITED AT THEIR SUPER CHAPTER MEETING TO DISCUSS AB 456 AND AB 806

DISTRICT UPDATES:

CONTINUED



**TOURED THE SUTTER NOVATO
COMMUNITY HOSPITAL**



**SPOKE AT THE NORTHERN CALIFORNIA
CHAPTER OF THE AMERICAN COLLEGE OF
SURGEONS MEETING**



**THE NORTH BAY LABOR COUNCIL
HOSTED A RALLY IN SUPPORT OF
FEDERAL WORKERS' RIGHTS**



**SPOKE AT THE CALIFORNIA WILDFIRE
AND FOREST RESILIENCE TASK FORCE
REGIONAL MEETING IN SAN RAFAEL**

CAPITOL UPDATES:

SNAPSHOTS

It's especially exciting when I have the opportunity to meet with constituents from AD12 lobbying out in Sacramento! Here are some snapshots of some of the meetings and events my Capitol office participated in over the past month. As always, our door is open, if you want to schedule a meeting or send an event invite, please reach out through our website by clicking [here](#).



DISCUSSED LOCAL EDUCATION POLICY GOALS WITH SUPERINTENDENTS FROM MARIN, SONOMA, AND SHASTA COUNTIES



MET WITH ALZHEIMER'S ASSOCIATION REPRESENTATIVES FROM MARIN AND SONOMA ON THEIR ADVOCACY DAY



DISCUSSED HIGHER EDUCATION WITH ASSOCIATED STUDENTS OF SONOMA STATE UNIVERSITY



DISCUSSED PUBLIC SAFETY AND GUN VIOLENCE WITH MOMS DEMAND ACTION



JOINED COMMUNITY ACTION MARIN ON THEIR ADVOCACY DAY



HONORED WISE CHOICES FOR GIRLS ON THE ASSEMBLY FLOOR

As always, my door is open and my staff are available to assist you. Feel free to contact me through my website, or by calling one of my offices.

With gratitude,

Damon

Damon Connolly
Assemblymember, 12th District



Capitol Office

State Capitol
P.O. Box 942849
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Fax: (916) 319-2112

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Tel: (415) 479-4920
Fax: (415) 479-2123

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11 English Street
Petaluma, CA 94952
Tel: (707) 576-2631
Fax: (707) 576-2735

Santa Rosa

Rattigan State Building
50 D Street, Suite 301
Santa Rosa, CA 95404
Tel: (707) 576-2631
Fax: (707) 576-2735