

Decision 90 10 014 OCT 12 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

LIBRADO F. CANO  
(Go Getters Market),

Complainant,

vs.

PACIFIC GAS AND ELECTRIC COMPANY,

Defendant.

ORIGINAL

Case 89-04-050  
(Filed April 21, 1989)

Librado F. Cano, for himself, complainant.  
Barbara S. Benson, Attorney at Law, for  
Pacific Gas and Electric Company,  
defendant.

O P I N I O N

I. Summary of the Complaint

Librado F. Cano is the owner of Go Getters Market at 404 Dwyer Boulevard in San Francisco. Cano alleges that Pacific Gas and Electric Company (PG&E) has overbilled him for electric service provided to the market during the period June 1986 to August 1988.

Cano alleges that PG&E's bills for this period do not reflect actual meter readings, and that they indicate consumption in excess of "the maximum probable or expected amount of electricity to be consumed on three meters". (Service to the market is provided through three meters.) Based on the difference between the billed consumption and the "probable" or "expected" amount which he asserts was actually consumed, Cano claims he is entitled to reductions in charges of \$1,964.80 for 1986, \$1,870.00 for 1987, and \$260.87 for 1988. The total amount at issue is

\$4,096.00. Cano has deposited \$1,500.00 with the Commission in connection with the complaint.

## II. Answer to the Complaint

PG&E denies the material allegations in the complaint, averring that the billing statements sent to complainant reflect actual meter readings observed and recorded by its meter reader, and that it charged complainant only for electric service that was recorded on complainant's meters. PG&E further denies that complainant's estimate of maximum probable or expected usage represents a correct statement of the actual usage.

## III. Hearing

A public hearing was held in San Francisco on July 19, 1989. Cano represented himself and testified on his own behalf. PG&E, represented by its attorney, presented evidence and testimony through its witness Robert Allan, a senior customer service representative employed by PG&E.

### A. Complainant's Evidence

When he took over the market on June 13, 1986, Cano expected his electricity bills to be lower than the previous owner's bills due to measures he took to reduce electricity usage. One such measure was turning off a refrigerated cooler at night. When expected savings were not realized, he began a series of contacts with PG&E representatives in August 1986. He was told that his usage was 300 to 500 kilowatt hours (kWh) per month below that of the previous owner, but that rate increases had also occurred, in effect offsetting the consumption reductions.

In late 1987 PG&E requested that a deposit be made by Cano. Since Cano could not afford to make the requested deposit,

he arranged a payment timetable with PG&E. The market's sales continued to decline, and in June 1988 Cano advised Mrs. Villa of PG&E's Credit Department and Jackie Berton of PG&E's Customer Service Department that the store's ice cream freezer and its walk-in cooler would be shut down effective July 1, 1988 to reduce consumption and thereby allow the store to meet its payment obligations. Cano also requested a check on the accuracy of the store's meters.

In August 1988 Cano advised PG&E's Jackie Berton that he believed that something was wrong with the meters. He had expected significant consumption reductions after July 1, 1988 because the freezer and the walk-in cooler were shut down. However, the average daily consumption in June 1988 was calculated by Cano to be 503.03 kWh, and the average for July 1988 was 503.20 kWh. In August the average declined to 461.74 kWh, and in September it declined further to 415.61 kWh. According to Cano, the meters were checked on two dates with "no positive results".

On September 7, 1988 a Senior Customer Service Representative of PG&E checked the store's meters. Cano was advised that one of the meters (for Account No. ZRG 4720021) would be replaced. The meter was subsequently removed and tested on September 16, 1988. It was found to be registering within prescribed accuracy limits. In October or November of 1988 Cano discovered a discrepancy in the readings for the meter which was replaced on September 16. A bill issued for the period August 29 through October 28 reflects a reading of 012625 kWh as of September 16. Cano testified that the two PG&E technicians who removed the meter had told him the reading as of that date was 011751 kWh, a difference of 874 kWh. On cross-examination Cano acknowledged that PG&E had already corrected the error by a credit to his account.

In support of the requested relief, Cano presented a month-by-month comparison of billed and "maximum expected"

consumption. For example, for 14 days of service in June 1986 he was billed for 9,968 kWh, while the "maximum expected" usage was 6,860 kWh. On examination by the Administrative Law Judge, Cano testified that he based his monthly estimates of expected consumption on the amount consumed in September 1988, a period for which he believes the consumption figures are "reasonable or justifiable".

**B. Defendant's Evidence**

Robert Allan described the procedures that PG&E follows when it receives an inquiry related to a high billing dispute. The first step is to verify meter readings to determine whether reading errors have occurred. Since meters register cumulative usage, an error can be determined by re-reading the meter. If the total registration on the verification date is lower than the amount reported on the customer's bill, an overbilling is quite apparent. If the total registration exceeds the reading reported on the bill and is consistent with daily average consumption, it indicates the meter was read accurately. In cases where the verification reading does not confirm the billed reading, the meter will be tested for accuracy. Under Rule 9 A of PG&E's electric tariff, bills for electric service are based on the meter registration. Thus, when it determines that the meter was read correctly and the meter tests out to be accurate, PG&E determines that the disputed bill was accurate in accordance with its tariff rules.

PG&E's records show that Cano contacted the utility on September 4, 1987 to inquire about high bills. In accordance with its procedures, readings for all three of the market's accounts (ZRG 4720208, ZRG 4720106, and ZRG 4720021) were verified on September 9, 1987. The verification confirmed that readings had been taken accurately.

Cano again contacted PG&E on July 5, 1988 to inquire about a high billing for Account No. ZRG 4720021. The meter was re-read and the billed readings were confirmed as accurate.

However, the meter reader noticed that a hand on the one of the dials was slightly misplaced, and a replacement meter was ordered. The meter was subsequently replaced on September 16, 1988. It was also tested and found to be registering within prescribed accuracy limits. On examination by the Administrative Law Judge, Allan testified that the misplaced hand would not have caused a professional meter reader to misread the registered amount.

Cano next contacted PG&E on September 6, 1988. This inquiry concerned discrepancies between meter readings shown on Cano's latest bills and readings which were either made by Cano himself or conveyed to Cano by one of PG&E's representatives. PG&E again sent a representative to verify the readings. Allan noted that the readings at issue involve minor differences which could possibly be explained by having been taken at different times of the same day.<sup>1</sup> The representative also reviewed the energy requirements of the electrical equipment installed on the premises to determine that the energy requirements of the equipment bore a reasonable relationship to the amounts Cano was being billed for.

On December 5, 1988 Cano contacted PG&E concerning the billed reading for Account No. ZRG 4720021 as of September 16, the date the old meter was replaced. PG&E investigated and found that it had incorrectly based its bill on a prorated estimate and not the actual reading on the old meter as of the date it was replaced. PG&E corrected this error by applying the actual September 16 reading of 011561 kWh which was recorded by the test representative. (This is slightly lower than the September 16

---

1 Exhibit 1 shows that the discrepancies noted by Cano involve a total of 280 kWh for all three accounts as of August 29, 1988. This is considerably less than the average daily consumption of 461.7 kWh for that billing period as shown on the three disputed bills (with individual averages of 246.6, 155.7, and 59.4 kWh, respectively).

reading of 011751 kWh that Cano testified to.) Cano was given a credit of \$110.70 to correct this error.

On May 18, 1989 all three meters were tested for accuracy and found to be within the prescribed accuracy limits. According to Allan, if a meter tests accurately, it was recording accurately up to the time of the test.

Allan testified that on several occasions he and other PG&E representatives explained to Cano that the amounts of electricity for which he has been billed are well within the range of potential consumption of the equipment. In July 1989 PG&E updated its list of electrical equipment installed on the premises at 404 Dewey Boulevard. By counting only the equipment for which a manufacturer's nameplate rating could be readily found, PG&E estimated that the potential capacity of the equipment to be more than 29 kW. According to Allan, this equipment can account for the electric consumption for which Cano has been billed on all three accounts at 404 Dewey Boulevard.

#### IV. Discussion

The issue to be determined in deciding whether complainant is entitled to relief is whether PG&E has billed him for more electricity than was actually consumed through the three meters during the period June 13, 1986 through August 1988. This determination rests in turn on whether the meters were read accurately by PG&E's meter readers, whether the readings were accurately reflected in the bills that were rendered by PG&E, and whether the meters accurately registered actual consumption. If these questions are answered in the affirmative, we must conclude that PG&E has charged for service in accordance with its tariff rules, and that complainant is not entitled to any relief.

We address first the possibility that Cano's three meters were not read accurately by PG&E's meter readers and that the

readings were not accurately reflected on the bills. The evidence shows that on every occasion but one that PG&E investigated a high billing inquiry by Cano, it found that the meters had been read accurately and that the bills had reflected these readings (and that PG&E made the necessary correction in the one instance where the bill did not reflect the actual reading).

Although the disputed bills addressed by the complaint span a period of approximately 26 months and involve a total of more than 90 different meter readings for the three meters, complainant has identified only four readings that he feels were erroneous. One of these involves the September 16, 1988 reading for Account No. ZRG 4720021 for which PG&E has already made a correction. The other three pertain to the August 29, 1988 readings involving all three accounts. We are persuaded that the differences between the as-billed readings for August 29 and the readings cited by Cano are minor discrepancies that could easily be explained by differences in the time of the day they were taken. The total amount at issue is substantially less than one day's consumption at the market during that period. The August 29 readings cited by Cano provide us with no basis for concluding that the meters were read inaccurately by PG&E's meter readers.

Moreover, meter readings show cumulative consumption on the meter. Each monthly bill is based on consumption which is computed by subtracting the "prior" reading from the "current" reading. Assuming for argument's sake that the August 29 "current" readings reflected on Cano's August bills were overstated by 280 kWh, the September bills would use the same August 29 readings as the "prior" readings, and would therefore be understated by 280 kWh.

We also reject the possibility that any of the meters installed on Cano's premises inaccurately recorded the amount of electricity being consumed. The meter serving Account No. ZRG 4720021 was tested and found to be accurate on

September 16, 1988. All three meters were tested on May 18, 1989 and found to be accurate. As witness Allan testified, a meter which tests as accurate will have accurately recorded consumption prior to the time of the test. Based on the nameplate capacity of the installed electrical equipment of at least 29 kW, we find there is no inconsistency between the consumption recorded on the meters and the amounts that the equipment is capable of consuming.

The only other matter requiring discussion is complainant's allegation that his estimate of the "maximum expected" consumption represents actual consumption during the 26-month period covered by the complaint. Cano testified that he based his calculations of expected consumption on the consumption in September 1988, although it is apparent from reviewing Cano's calculations set forth in Exhibit 1 that a somewhat higher estimate of 490 kWh per day was used. In any case, there is no basis for projecting consumption estimates for a period of more than two years from either a sample of just one month, or constant daily usage estimate and concluding that such projected estimates are more reliable than consumption figures computed from meters that have been tested as accurate.

We conclude that the bills rendered by PG&E during the period at issue were based on accurate meter readings in all but one case which has been corrected, and that the meters accurately recorded actual consumption at Cano's premises. A customer is responsible for consumption which is measured by the meters. The relief sought must therefore be denied.

Findings of Fact

1. On every occasion but one that PG&E investigated a high billing inquiry by Cano, it found that the meters had been read accurately and that the disputed bills reflected the readings.

2. PG&E corrected an error in a bill involving the September 16, 1988 reading for Account No. ZRG 4720021 by issuing a credit to Cano for \$110.70.



3. The differences between the as-billed readings for August 29 and the readings cited by Cano are minor discrepancies amounting to 280 kWh for all three accounts that could have been caused by differences in the time of the day they were taken.

4. Meter readings show cumulative consumption, and bills are based on consumption which is computed by subtracting the previous reading from the current reading.

5. The meter serving Account No. ZRG 4720021 was tested and found to be accurate on September 16, 1988.

6. All three meters were tested on May 18, 1989 and found to be accurate.

7. A meter which tests as accurate will have accurately recorded consumption prior to the time of the test.

8. Based on the nameplate capacity of the installed electrical equipment of more than 29 kW, there is no inconsistency between the consumption recorded on the meters and the amounts that equipment is capable of consuming.

9. Projected consumption estimates for a period of more than two years based either on a sample of one month or a daily estimate of 490 kWh are not as reliable as consumption figures computed from meters that have been tested as accurate.

10. The bills issued by PG&E for electric service provided during the period June 13, 1986 through August 1988 were based on accurate meter readings in all but one case which has been corrected, and the meters accurately recorded actual consumption at Cano's premises.

11. Complainant has deposited \$1,500.00 with the Commission in connection with this complaint.

Conclusions of Law

1. Since PG&E has complied with its tariff by billing on the basis of meter registration readings, the complainant is not entitled to the relief sought, and the complaint should be denied.

2. Complainant's deposit of \$1,500.00 should be disbursed to PG&E.

O R D E R

IT IS ORDERED that:

1. The relief sought by Librado F. Cano in Case 89-04-050 is denied.

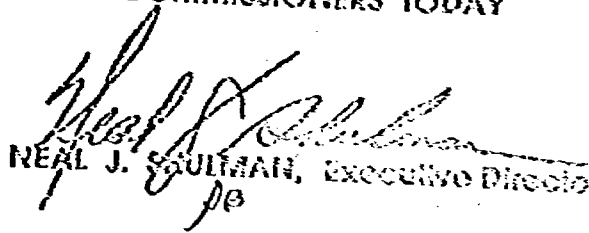
2. Complainant's deposit of \$1,500.00 shall be disbursed to Pacific Gas and Electric Company on the effective date of this order.

This order becomes effective 30 days from today.

Dated OCT 12 1990., at San Francisco, California.

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
STANLEY W. HULETT  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY

  
NEAL J. SULLIVAN, Executive Director