

92-07-001

(ECP) C. 91-12-001

DECISION NO. _____ CASE NO. _____ APP. NO. _____

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Decision 92-07-001 July 1, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Fred R. Schneider,)
)
 Complainant,)
)
 vs.)
)
 Pacific Gas and Electric Company,)
)
 Defendant.)

(ECP)
 Case 91-12-001
 (Filed December 13, 1991)

O P I N I O N

Complainant Fred R. Schneider disputes two charges of defendant Pacific Gas and Electric Company (PG&E):

1. Gas charges Schneider characterizes as "non-use fees" for active gas service at his business office in Los Gatos.
2. The non-use fees or standby charges for electric service at his Wilcox Ranch Road property in Sonora (ranch).

Schneider explains that he turned the gas off inside his office in Los Gatos since gas is used only for space heating. Other services such as hot water are provided by the landlord. In a location such as Los Gatos, space heating is not needed during the warm summer months. Schneider was not aware that he could have avoided all charges by having PG&E turn off his gas service during this period. He requests that PG&E be required to provide extensive notice to customers that they can save money by asking PG&E to turn off the meter each summer when space heating is not needed. PG&E offered a refund of \$25.36 on the customer charges which Schneider deemed to be totally inadequate.

Similarly, Schneider believes that PG&E unfairly told him that turning off electric service to his ranch would involve costly pole replacements if at a later time he requested electric service

to resume. Here too, Schneider believes PG&E is misleading the public.

PG&E responds that there are no non-use fees, rather the charges Schneider refers to are customer charges which are designed to recover some of the costs to serve a customer. These costs consist of meter and service facilities, meter readings, bill preparation, and similar expenses that are incurred whether or not a customer is using gas or electricity during a particular month. The customer charges are in compliance with Commission approved tariffs.

At the hearing on February 19, 1992, Schneider testified that he was most concerned with the fact that PG&E does not adequately inform customers about the option of having PG&E turn off gas or electricity, which would stop the customer charges. When Schneider asked PG&E how he could save money on his electric bill at the ranch, he was told that the most prudent way was to leave the service connected and pay the \$7.50 per month customer charge, in order to avoid large reconnection charges if he wanted to restore service later. He did not expect to need to restore service since the service is to a pump that had gone dry and had been replaced, yet he felt it possible that at a future date he would want to reuse the old pump.

PG&E witness Mike Weaver testified that its general service customers have customer charges, while residential customers do not. PG&E based its gas refund of \$25.36 on a review of Schneider's gas usage at his office; the zero usage started with the July 1990 bill. The refund amount is the customer charge amount for July and August 1990. At Schneider's request, PG&E turned the gas service off on August 30, 1990.

Regarding electric service at the ranch, Weaver explained that if service was disconnected and not likely to resume for some time, PG&E would remove the meter. If service restoration were

requested later, inspection of the customer-owned meter panel by the County would be required if either of two conditions existed:

1. Damage to the panel occurred during the period of no service.
2. If the customer had a very old meter panel, an upgrade could be required, at customer expense, to meet current standards before service could be restored.

The inspection by the County could result in charges to Schneider. There is no charge by PG&E to either disconnect or reconnect gas or electric service. Weaver believes that most customers prefer to leave their service on and turn off their usage, rather than ask PG&E to remove or block the meter. In the latter case, service cannot resume until the customer calls and arranges for PG&E to come out and reestablish the service.

It is not PG&E's policy to contact customers who have no energy usage regarding whether they want service disconnected. PG&E assumes that the customers would know they have no usage from the bills.

We believe PG&E is reasonable in not contacting customers who have no usage. The customer should be aware of that fact through the usage shown on the bills, and from the constant amount of the bill from month to month. Additional notification by PG&E would certainly increase its operating expenses, which are ultimately borne by its ratepayers.

On the other hand, it appears that the local PG&E office misled Schneider by telling him that disconnection of the electric service at the ranch would result in substantial charges if the service were resumed later. The only charges that could result would be for County inspection or upgrade of the meter panel. County inspection would only be required if the panel were damaged or required upgrading. Apparently nobody from PG&E even looked at the panel to determine if upgrading would be required. The information PG&E provided was totally misleading, and prevented

Schneider from making a reasonable decision on whether to have the electric service disconnected.

We conclude that Schneider is entitled to a refund of some of the past service charges paid. On the gas service, the only billing periods of zero usage were July and August 1990. Even though he may have had the gas service turned off earlier and had it turned on later if he had known of his options, Schneider benefited from having gas service available, except for the approximate two months of no usage. The \$25.36 amount offered by PG&E refunds the total service charges for those periods up to the time the meter was turned off on August 30, 1990. Schneider did not cash the check for that amount, and has agreed to return it to PG&E. We will order PG&E to refund that amount to cover the gas service charges for that period.

The more significant issue is the electric service charges, the proper period for refund of service charges, and the corresponding amounts. PG&E determined that Schneider has paid \$355 in service charges since April 1987, when the new pump was installed and the old pump retired. We especially note that Schneider took action to find out about having the service disconnected. He did not anticipate a need for the old pump, yet thought he might at some future time. However, even though he asked the correct questions, he was totally misled. As a result, he has incurred and paid substantial service charges that he could have avoided if PG&E had given him accurate information on disconnecting and reconnecting. We don't know if Schneider would have immediately disconnected the electric service at his ranch if he had the correct information on which to make a decision, but since he did not have that opportunity we will assume that he would have done so since that was the least-cost option. He thereby would not have incurred any of the \$355 in service charges. We will order PG&E to refund that amount to Schneider.

Both refunds should include interest.

Since this complaint was filed under our expedited complaint procedure, no separately stated findings of fact or conclusions of law will be made.

ORDER

IT IS ORDERED that:

1. Pacific Gas and Electric Company shall refund to Fred R. Schneider the following:

- a. The amount of \$25.36 for gas service on account VVJ-20-92305 in Los Gatos.
- b. The amount of \$355.00 for electric service at his Wilcox Ranch Road property in Sonora.
- c. Interest from the date of filing of the complaint to the effective date of this order shall be added to both amounts. The interest amount shall be determined based on the rate for prime, three-month commercial paper, as reported in the Federal Reserve Statistical Release G.13.

2. Except to the extent granted, the complaint in Case 91-12-001 is denied.

This order becomes effective 30 days from today.

Dated July 1, 1992, at San Francisco, California.

DANIEL Wm. FESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

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


NEAL J. SHULMAN, Executive Director