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Decision 96-10-029 October 9, 1996  
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Lee Keating,

Complainant,

ORIGINAL

vs.  
Pacific Gas & Electric Company,

(ECP)  
Case 96-04-006

Defendant.

Lee Keating, for himself, complainant.  
Mary M. Camby, for Pacific Gas and Electric Company, defendant.

O P I N I O N

Complainant, Lee Keating, contends he was denied access to a cheaper seasonal residential rate, billed three times each month for one year, unlawfully charged a deposit and, on three occasions, harassed by employees of defendant, Pacific Gas and Electric Company (PG&E).  
PG&E denies all allegations.

On May 2, 1996, complainant was substantially delayed in arriving at the initial hearing due to traffic congestion. The hearing was rescheduled and held on May 9, 1996. As requested, the hearing was held on May 16, 1996.

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Based upon the evidence presented during the hearing, we herein conclude that the complaint should be granted in part and denied in part.

Optional Rates

In June 1994 complainant, a general contractor, began restoring a home he had purchased. While the house was in escrow he learned of a cheaper electric rate, the residential seasonal rate (Schedule E-8). When he opened his utility account, he asked the PG&E representative twice about a cheaper rate and was told that all residential customers pay the same rate.

Shortly after he began service Keating began to complain about high bills. In June 1994, he complained that his meter was running when no power was being used. He had not yet moved into his house. PG&E's serviceman said the movement of the meter was the residual movement due to use of power tools at the home site. The meter was not tested.

Keating stopped using his electric floor heaters because of the high cost in December 1994. After he discontinued using the heaters, there was no change in his bill. Keating complained to PG&E about high bills thereafter on numerous occasions. The first telephone call was in January 1995. Keating requested a meter test. He called again in mid-March.

Schedule E-8 is described as follows:

"E-8 Seasonal service. For households that use more electricity in winter than in summer. Best for customers who use little or no air conditioning, and who average more than 1,000 kwh per month (1,250 kwh if you use electric heat). The cost per kwh is higher in summer."

1995 again asking for a meter test and to make payment arrangements. In June 1995, after a service termination, he discussed his rates with a PG&E representative and PG&E offered to provide a rate analysis.

Keating is unsure of the date; however, he recalled one telephone conversation when he followed up on a Schedule E-8 notice inserted in his bill. PG&E mailed these notices in the customer's bills in October 1994, January, March, and April 1995. When Keating called PG&E and inquired about the rate, PG&E's unidentified representative told him there was no such rate. In some of Keating's telephone calls he asked for the name of the employee and the employee refused to provide this information. On one occasion when Keating asked for a supervisor, the employee hung up.

Keating testified that on one occasion he visited PG&E's local office to make inquiries about Schedule E-8 rates and was told that all customers pay the same rates. At the hearing, his description of this employee was recognized by PG&E's witness, Susan Piper, as an employee with 25 years experience in customer service at PG&E. Piper did not believe this employee could possibly have provided such inaccurate information.

On November 14, 1995 the meter was tested, found to operate accurately, but was replaced because it was too large for Keating's use. At that time a PG&E representative told Keating about the Schedule E-8 rates. Keating actually switched his usage to the hours of 12 noon to 6 p.m. because he learned these were limited.

the hours for the cheaper rates. When he called to inquire why his rate had not been changed on his bill, an unidentified PG&E representative told him he needed a special meter and, therefore, did not qualify for Schedule E-8.

On December 14 and 18, 1995 and January 1, 1996, Keating delivered complaint letters to the local PG&E office in the Concord/Mount Diablo district. He requested that an employee sign for the letters. However, this request was denied. The signature space on his letter intended to indicate receipt of the letter by PG&E is blank. Keating recalls that on two occasions he handed the letters to a clerk whose name he believed was Loretta. In addition to telephone complaints of his high bill and inquiries about a cheaper rate, Keating alleges that on two occasions PG&E prepared a rate analysis after his service was terminated. He testified under cross-examination by PG&E that he returned the required response to each of the two rate analyses which were prepared on June 27 and August 21, 1995. These responses requested a rate schedule change to Schedule E-8. The June analysis calculated a savings under Schedule E-7 of \$382.

2 Schedule E-7 is described as follows:

"E-7 Time-of-Use service. For households that use little or no electricity between noon and 6 p.m. Monday through Friday (especially in summer) or that could shift most of their usage away from those hours. Usually best for customers who average more than 750 kwh per month. PG&E must have access to your meter at all times. The number of new E-7 participants each year is limited."

and under Schedule B-8 of \$369; the August analysis calculated \$387 under Schedule B-7 and \$373 under Schedule B-8.

PG&E contends Keating never requested a change to these schedules. No copies of these responses were produced by Keating at the hearing. Keating's rate was not changed in June or August 1995. PG&E indicated that one such request was received prior to Keating's informal complaint, but since the complaint was in progress, it was not processed.

PG&E has no record of the numerous telephone calls regarding high bills and requests to test the meter. PG&E denies that an employee would misread the prepared statement regarding rates to imply that residential customers have only one rate. PG&E alleges it was unable to investigate Keating's accusations against numerous PG&E employees because the employees were not identified.

PG&E's witness, Susan Piper, indicated a representative discussed Schedule B-7 rates with Keating twice after October 1995; however, she did not request a rate change. Another representative advised Keating of Schedule B-8 rates after his November 1995 service termination. However, these representatives were not aware of his prior complaints. She alleges Keating's December 18 letter was not received in the Concord office.

PG&E requested and was granted official notice of Decision (D.) 96-03-003, Northern California Presbyterian Homes, Inc. vs. PG&E, a prior decision denying a retroactive rate adjustment based upon lack of knowledge of E-8 rates. Effective 8/1/95, the Affairs Branch was renamed the Consumer Services Division.

**Discussion**

PG&E implies that complainant's testimony is contradictory. At the hearing, defendant produced a copy of complainant's December 14 letter. The fact that Keating requested a signature to verify receipt of the letter is an indication that his prior negative experiences with PG&E representatives in this office did occur. The space for the signature is blank, indicating that the PG&E employee receiving the letter refused to acknowledge its receipt in writing. The existence of this letter corroborates Keating's recollection of writing and personally delivering this letter to PG&E. It also corroborates his five prior complaints.

Based upon Keating's credibility and the existence of the December 14 letter, we are inclined to believe the statements in it. The letter indicates that complainant had made five previous complaints about his high bill and had discussed his complaints with the Commission's Consumer Affairs Branch. Accordingly, we must conclude that Keating was denied the opportunity to be placed on Schedule E-7 or E-8 rates from the day he opened his account until October 1995. Therefore, he is entitled to an adjustment of the difference in the rate paid per (Schedule E-1) and the cheaper Schedule E-8 rate during this period. According to PG&E's late-filed Exhibit 21, page 11, this credit adjustment is \$358.65.

Decision (D.) 96-03-003, Northern California Presbyterian Hospital

In re: LGEE, a prior decision denying a retroactive rate

3 Effective September 10, 1996, the Commission's Consumer Affairs Branch was renamed the Consumer Services Division.

In addition, it is highly probable that it would not have been necessary to terminate Keating's service if he had been on the requested, cheaper rate. Therefore, any reconnection fees should not have occurred and should be refunded.

In order to minimize employee misconduct during telephone calls and to aid the ability to conduct an investigation into such alleged misconduct in the future, PG&E should assure that each employee identifies himself or herself when talking to a customer both on the telephone or in person.

Deposits and Duplicate Bills

Lee Keating opened an electric account with PG&E on June 10, 1994 for his residence. The account was in his name. The first bill was sent on or about June 30, 1994. PG&E requested in a separate notice a \$200 deposit for the account. In July 1994, PG&E closed the initial account effective retroactively to the same day it was opened and cancelled the \$200 security deposit. On August 18, 1994, PG&E opened a second account effective retroactively to June 10, 1994 in order to add the name of Jana Keating. PG&E billed the new account for the period June 10 to August 31, 1994. No security deposit was requested. PG&E believes the second name was added pursuant to complainant's request. PG&E believes that opening a second account generated numerous bills and notices regarding the deposit and may have caused complainant's confusion during the first three months of service. However, complainant's statement of account does not indicate any double billing, duplicate payments, or payment of the cancelled \$200 deposit. Therefore, there appears to be no billing error.

Later, after termination for nonpayment, PG&E requested a \$300 deposit based upon prior usage as authorized by its tariff Rule 6. Therefore, the request for a \$300 deposit was not lawful. However, given that we conclude that complainant was not timely placed on the Schedule E-8 rate at the beginning of establishing his account, Keating's subsequent terminations, which caused the demand for a \$300 deposit, probably would not have occurred. Therefore, this deposit should be credited back to complainant.

Gas Leak

Complainant contends that his gas leaked during a period after PG&E terminated service for nonpayment. He believes there must have been a leak because the gas meter was malfunctioning. He also contends his pilots were not lit on two occasions when PG&E terminated service for nonpayment.

PG&E contends a repair request and termination for nonpayment crossed paths. Complainant's gas meter valve was replaced on January 11, 1996 to avoid the need to relight pilots when service was interrupted. The serviceman replacing the valve was not aware that service had been terminated and therefore did not know to relight pilots. Once complainant complained, the pilots were promptly relit.

We find no evidence that there was a gas leak from either the faulty valve or unlit pilots. Complainant's allegations are speculation. However, we find no evidence of service interruption for three months of service.

Employee Misconduct

Keating alleges three incidents of PG&E employee misconduct during the course of the period of overdue balances.



1. Undue Harassment. Complainant alleges that an unidentified PG&E serviceman visited his home on May 21, 1995. The serviceman, who was dressed in street clothes, indicated he was there to turn the power off. The serviceman called complainant a "Marion" in complainant's front yard and accused complainant of fraudulently placing his name on the utility account for the prior owner. Apparently, complainant forced the unidentified man to leave. Complainant reported this incident to PG&E but there was no PG&E follow-up of this incident.

PG&E contends no investigation can be done since the serviceman was not in uniform and unidentified. PG&E also contends that its serviceman was scheduled to and did provide service to Keating on May 15, six days prior to this incident. Therefore, there was no legitimate reason for a serviceman to visit the premises.

We cannot conclude that the unidentified man was, in fact, a PG&E employee. However, we find PG&E's response to this bizarre incident inadequate. We understand the difficulty of conducting an investigation when an employee is not identified by name. However, PG&E should be concerned that someone is impersonating its servicemen, or an employee is behaving in a totally irrational manner toward customers when off duty. At a minimum, PG&E should obtain a description of this unidentified person from complainant and any neighbors who witnessed the incident, and make some attempt to investigate. We will order such follow-up and require PG&E to report the results to the Commission's Consumer Services Division (CSD). Should PG&E find

that this incident occurred and an employee was involved, it will propose measures to admonish this employee and assure that such incidents do not occur in the future.

2. Missing Account Information

Keating complains that prior to his termination on March 31, 1995, he negotiated a payment of \$100 to avoid service termination on a Friday. When he tendered the payment on Monday, the service representative who negotiated the agreement, was on vacation and no one could find a record of the agreement. Keating's service was terminated. After the representative returned from vacation, notes regarding the agreement were found in the computer record. The notes indicated that \$100 was to have been received on the same day as the agreement, Friday. Keating disputes this was the agreement. He contends there was no service deadline of Friday and believes these notes were added afterward to justify the termination.

PG&E denies that this occurred. However, PG&E appears not to have taken this accusation of employee misconduct seriously. We will order an investigation of this accusation with a report to CSD. We will also order that PG&E submit to CSD its internal procedures concerning the proper response when a customer requests an investigation of an employee's misconduct, the content of any such investigation and the corrective action to be taken for proven employee misconduct. If PG&E finds Keating's allegation to be true, it will include in its report proposed corrective action to admonish the offending employee and assure that such incidents do not occur in the future.

Commissioner's Consumer Services Division (CSD) should find

PG&E submit a copy of this hearing transcript to Child Protective Services

Mrs. Keating testified that in one conversation she had with a PG&E customer service representative regarding overdue balances and termination of service, she indicated that she had two children in the home. The representative responded that if service was terminated, it would endanger the children and PG&E would report the termination to Child Protective Services who would remove the children from the home. On cross-examination, Mrs. Keating stated that this dialogue was not rendered as information on required regulations, but was a definite threat for nonpayment of her bill. She was shocked and felt threatened and afraid of the consequences if the utility bill was not paid.

Mr. Keating testified that he reported this conduct to the Commission's Consumer Affairs Branch, but received no follow-up.

PG&E has not conducted an investigation into this allegation prior to the hearing. At the hearing, PG&E apologized for this conduct and provided a late-filed exhibit to show that this dialogue is not included in the approved procedures for terminating service with unusual circumstances. PG&E requested and was granted official notice of D.92-06-063, Jama vs. PG&E, a prior Commission decision prohibiting such conduct.

Obviously, this employee conduct was unlawful and in violation of prior Commission admonition. PG&E should attempt to identify this employee and investigate this incident with a report of the investigation to CSD. In addition, all customer service employees should be reminded in writing that this conduct

is expressly forbidden by the Commission. We will require that

Keating against PG&E is denied.

PG&E submit a copy of this memorandum to CSD for its approval prior to its release to PG&E employees.

IT IS ORDERED that:

1. Within 60 days from the date of this order, Pacific Gas and Electric Company (PG&E) is ordered to credit Lee Keating's account \$358.65, the difference between Schedule E-1 and E-8 rates from June 1994 to October 1995, plus \$300 for his paid deposit plus any reconnection charges paid during the same disputed period.

2. Within 60 days from the effective date of this order, PG&E is ordered to submit to the Commission's Consumer Services Division (CSD) for review a memorandum to customer service representatives prohibiting the use of threats to report service terminations to Child Protective Services.

3. Within 60 days from the effective date of this order, PG&E is ordered to submit to CSD all written procedures whereby a customer may report and request an investigation of the conduct of a PG&E employee. CSD will advise the Commission if revisions of these procedures are needed and recommend the appropriate method to do so.

4. Within 90 days from the date of this order, PG&E is ordered to investigate and submit a written investigation report of the three incidents of alleged employee misconduct described in this order to CSD.

5. Except as granted in this order, the complaint of Lee Keating against PG&E is denied.

6. This proceeding is closed.

This order is effective today.

Dated October 9, 1996, at San Francisco, California.

P. GREGORY CONLON

President

DANIEL Wm. FESSLER

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

Commissioners