

ALJ/BAR/wav

Decision 98-02-095 February 19, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Gray Panthers of Santa Barbara,

Complainants,

vs.

Southern California Edison Company,

Defendant.

Mailed
FEB 19 1998
ORIGINAL

Case 96-12-028
(Filed December 16, 1996)

O P I N I O N

At the request of Gray Panthers (Panthers or Complainant), this complaint is withdrawn and dismissed without prejudice. However, as a result of our review of the Complaint, the Answer filed by Southern California Edison Company (SCE), and the Office of Ratepayer Advocates' (ORA) response to an Administrative Law Judge (ALJ) ruling, we have identified a potential service quality issue which should be more carefully reviewed in SCE's performance-based ratemaking application (Application (A.) 97-12-047) directed to be filed no later than January 1, 1998 (see Decision (D.) 96-09-045, ordering paragraph 7).

Background

On December 16, 1996, Panthers filed this complaint alleging that the closure by SCE of its customer service centers in Goleta and Santa Barbara reduced to unacceptable levels the service SCE provided its customers without any commensurate reduction in the rates charged these customers. Panthers assert that this reduction in service particularly impacted low-income customers.

In its Answer to Panthers' complaint, SCE asserts, among other things, that the office closures were undertaken only after adequate notice of the closures and the

establishment of comparable bill-payment alternatives, specifically the establishment of Authorized Payment Agencies, Direct Payment, and Pay-by-Phone.

In preparation for hearings, the ALJ set a prehearing conference and directed SCE and Panthers to file prehearing conference statements no later than August 18, 1997. In its prehearing conference statement, SCE stated that it is phasing out 52 of its 64 business offices that handled approximately 11 million customer transactions per year.

On August 14, 1997, Panthers sent a letter to the ALJ, served on SCE, indicating that, due to a lack of resources, it wished to withdraw its complaint. However, having been made aware of the large percentage of customer service centers SCE is phasing out, the ALJ directed the staff to review the pleadings and recommend whether the Commission should consider further action, and if so, whether this docket should remain open for that further action.

By responsive letter dated December 18, 1997, ORA advised the Commission that further review and consideration of SCE customer service issues, including the closure of customer service centers, should be taken up in SCE's soon-to-be filed performance-based ratemaking application. ORA stated that unlike Pacific Gas and Electric Company (PG&E) and Southern California Gas Company (SoCalGas), SCE is not required to notify the Commission in any way of the pending closure of a customer service center. Further, that the Commission has not taken any action toward establishing response standards applicable to SCE, as it has for PG&E, SoCalGas, and San Diego Gas & Electric Company (SDG&E).¹

¹ PG&E is required to notify the Commission by Advice Letter of any office closure and response standards applicable to PG&E were established in D.95-09-073. Before closing a customer service center, SoCalGas must file an application, as required by D.92-08-038. In the Pacific Enterprises/ENOVA merger application (A.96-10-038) involving SoCalGas and SDG&E, office closure requirements and response standards have been proposed by staff, although no decision has yet been issued in that docket.

Discussion

The service quality concerns identified by Panthers may not be unique to Panthers, but may be of concern to the general population served by SCE. The intended closure of 81% of SCE's business offices certainly has the potential to adversely impact SCE customers. These service quality issues have now been brought to our attention. We will not dismiss these issues lightly simply because Complainant lacks the resources to prosecute this complaint. Ensuring high-quality service through our regulatory oversight is part of the job the Commission performs for California's ratepayers, a job that may take on a greater urgency and importance as the Commission is embarking on an ambitious program for allowing competition in 1998 in the market served by SCE.

In D.96-09-045, we discussed customer service issues generally (D.96-09-045, slip. op. pp. 24-30), and identified performance-based ratemaking proceedings as the appropriate venue for ensuring high service quality.² We directed certain utilities, including SCE, to file distribution performance-based ratemaking applications not later than January 1, 1998. This application is the appropriate venue to timely address the service quality issues the pleadings in this docket have revealed.

Therefore, we dismiss this complaint without prejudice, and direct the Commissioner and ALJ assigned to SCE's performance-based ratemaking application to include service quality, especially: 1) issues of business office closures and oversight of the attendant alternatives offered customers and 2) response standards, in the scope of that proceeding. The objective should be to ensure SCE ratepayers have comparable customer service protections relative to customers of, e.g., PG&E, unless SCE demonstrates that such comparable protections are not appropriate.

Judicial Review

Judicial review of Commission decisions is governed by Division 1, Part 1, Chapter 9, Article 3 of the Public Utilities (PU) Code. The appropriate court for judicial

² In fact, in that proceeding, SCE proposed customer service standards be addressed in performance-based ratemaking proceedings. (*Id.* at 25.)

review is dependent on the nature of the proceeding. This is a complaint case *not* challenging the reasonableness of rates or charges, and so this decision is issued in an "adjudicatory proceeding" as defined in PU Code § 1757.1. Therefore, it will be subject to judicial review in the Court of Appeal. (See PU Code § 1756(b).)

Findings of Fact

1. Panthers filed this complaint on December 16, 1996, but, due to lack of resources, asked to withdraw the complaint by letter dated August 18, 1997.

2. In its prehearing conference statement, filed August 25, 1997, SCE states that it intends to close 81% of its business offices.

3. SCE's performance-based ratemaking application is the appropriate venue to timely address the service quality issues the pleadings in this docket have revealed.

Conclusions of Law

1. By D.96-09-045, SCE is required to file a performance-based ratemaking application no later than January 1, 1998.

2. This is a complaint case not challenging the reasonableness of rates or charges, and so this decision is issued in an "adjudicatory proceeding" as defined in PU Code § 1757.1. Therefore, the proper court for filing any petition for writ of review will be the court of appeal.

3. This complaint should be dismissed without prejudice.

4. This decision should be effective immediately.

5. This proceeding should be closed.

O R D E R

IT IS ORDERED that:

1. Service quality issues, especially a) the issues of business office closures, and oversight of the attendant alternatives offered customers, and b) response standards, shall be considered in Southern California Edison Company's performance-based ratemaking application, Application 97-12-047, which was directed to be filed in Decision 96-09-045.

C.96-12-028 ALJ/BAR/vwv

2. This complaint is dismissed without prejudice.
3. This proceeding is closed.

This order is effective today.

Dated February 19, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners