

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Energy Branch

RESOLUTION NO. G-2778  
March 23, 1988

RESOLUTION

ORDER AUTHORIZING SOUTHWEST GAS CORPORATION TO IMPLEMENT CHANGES IN ITS FILED TARIFFS TO; CHANGE THE RULE FOR INDIVIDUAL LIABILITY FOR JOINT ACCOUNTS, PERMIT SOME DISCRETION IN DENYING SERVICE TO PREMISES, AND CLARIFY ITS RULE ON THE USE OF CREDIT DEPOSITS AT TERMINATION OF SERVICE

Advice letter No. 396, filed February 8, 1988

SUMMARY

By Advice Letter No. 396, Southwest Gas Corporation (SWG) requests CPUC approval of the following changes in its filed tariffs:

1. Change its Rule 3 - "Application for Service", Section A, "Customer Application", - to add a part b. to Paragraph 4 - "Refusal of Service", that SWG may deny or discontinue service to premises when it is determined that a prior customer, who owes an outstanding charge for service rendered, is still at the premises or when the new applicant was in residence when the charges were incurred.
2. Change its Rule 3 - "Application for Service", Section B, "Individual Liability for Joint Service", - to add a provision that if an adult was living at a residence where there are unpaid charges still due to the utility SWG may collect the balance due from the adult even if the adult did not sign the original application for service.
3. Change is Rule 7 - "Deposits", Section C "Applicability to Unpaid Accounts", to include statement that deposits will NOT be applied as payment on overdue bills to avoid discontinuance of service to a customer.

4. Change Rule 11 - "Discontinuance of Service" by inserting as Paragraph 6 language incorporating into this rule the changes itemized in 1 and 2 above.
5. Change Rule 11 - "Discontinuance of Service" by inserting a new paragraph (No. 9) which states that upon discontinuance of service for nonpayment of charges, SWG will apply any funds deposited to guarantee payment of charges to the unpaid balance and refund the balance, if any, to the customer.

#### DISCUSSION

1. The changes in Rule 3. "Application for Service", Section A "Customer Application" and Section B "Individual Liability for Joint Service" proposed by SWG is appropriate to assist in having users of natural gas energy, whether customers of record or not, be the ones who pay for such consumption of energy.
2. The change in Rule 7. "Deposits" Section C "Applicability to Unpaid Accounts" is appropriate to clarify that SWG will NOT apply a customer's deposit, depleting the security deposit before appropriate, as payment of unpaid charges to avoid discontinuing service to a customer.
3. The proposed change in Rule 11 "Discontinuance and Restoration of Service", Section A "Nonpayment of Bills" is appropriate to prevent individuals from receiving energy at no cost by permitting SWG to deny service to or to disconnect service from residences where a former customer, who has had service terminated for non-payment of charges, continues to reside.
4. Copies of this Advice Letter were mailed, by SWG, on February 4, 1988 to its standard mailing list.
5. No protests to this Advice Letter have been received.

#### FINDINGS

1. When customers of a utility receive service without paying, in full, for such service it increases the costs of service to other customers who are paying for their utility service.
2. Utility programs and proposals which have the purpose of discovering or discouraging the use of utility service at no cost, or reduced cost, by some customers of a utility are to be encouraged.

3. SWG's proposed rule change, to clearly state that the utility will NOT apply customer deposits to unpaid service charges, to avoid discontinuance of service, is reasonable and proper.

THEREFORE IT IS ORDERED that:

1. Southwest Gas Corporation is authorized to file the new tariff rules as submitted.
2. This resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 23, 1988. The following Commissioners approved it:

STANLEY W. HULETT  
President  
DONALD VIAL  
FREDERICK R. DUDA  
G. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

  
Executive Director