

Copy for:

RESOLUTION NO. E-1927

Orig. and Copy  
to Executive DirectorUTILITIES DIVISION  
BRANCH/SECTION: Electric  
DATE: June 16, 1981R E S O L U T I O N\_\_\_\_\_  
Director  
\_\_\_\_\_  
Numerical File  
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Alphabetical File  
\_\_\_\_\_  
Accounting OfficerRETURN TO ELECTRIC BRANCH  
TARIFF UNIT

**SUBJECT:** Order Authorizing Pacific Gas and Electric Company to Proceed With a Plan to Verify and Correct Lifeline Allowances and Provide Refunds to Customers Who Have Been Billed Incorrectly

Pacific Gas and Electric Company, on June 9, 1981, submitted a letter requesting approval of a plan under which the utility will seek to insure that each gas and electric customer is receiving the proper lifeline allowance and will make adjustments with interest to those customers who have not received the proper allowances. This action is necessary because it has been brought to the attention of the Commission and Pacific Gas and Electric Company (PG&E) through various customer inquiries that a number of its residential customers who may be entitled to additional electric or gas lifeline allowances have not been receiving them.

Under the plan, PG&E will take the following steps to correct this problem:

1. PG&E will attempt to identify by computer analysis all customers who have not received the correct lifeline allowance for water heating, space heating or air conditioning;
2. PG&E will make a diligent effort to directly contact all current customers whose billing records indicate they may not be receiving the correct lifeline allowance in order to verify the accuracy of its billing records;
3. PG&E will correct its records and the lifeline allowance for all future billings for those current customers which are determined to have been assigned an incorrect lifeline allowance;
4. PG&E will make refunds to those current customers identified as having received an incorrect lifeline allowance. The refunds will be based upon the proper allowance covering the entire period of incorrect billing for that customer at that location;
5. To those individuals who received service after August 27, 1976 at an address where they no longer reside, PG&E will make refunds, as justified, if requested. PG&E will investigate lifeline billing and make refunds based upon the customer's appropriate lifeline allowance and period of service at the former address.

The Commission has no objection to treating the amounts involved in refunding in the following manner; however, the utility is placed on notice that recovery of interest payment may be an issue in future rate proceedings:

1. The amount of refunds made that are associated with ECAC charges will be debited to the ECAC balancing account and PG&E's recovery of those amounts will be considered in hearings under the ECAC proceedings; and

PACIFIC GAS AND ELECTRIC COMPANY  
PROPOSED LIFELINE ADJUSTMENT PLAN

1. The Company will attempt to identify by computer analysis all customers who are not receiving the correct lifeline allowance for water heating, space heating, or air conditioning.
2. Those customers so identified will be contacted to determine whether they are on the correct lifeline rate.
3. Billing adjustments for customers who have not received the proper lifeline allowances will be made including interest at 7% back to the date they came on service or the date that the lifeline allowances became effective, whichever is later.
4. Customers who notify the Company that they believe they are being billed incorrectly due to errors in the application of lifeline rates will be handled in the same manner.

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2. The amount of refunds made that are associated with base rate charges and amounts associated with the ongoing effect of lifeline corrections of base rates, if any, together with related administrative costs, will be debited to a deferred account and PG&E's recovery of those amounts will be considered in an appropriate future PG&E proceeding; and
3. Any recovery which may be authorized in either proceeding will be permitted only to extent that PG&E will not benefit from the lifeline allowance problem.

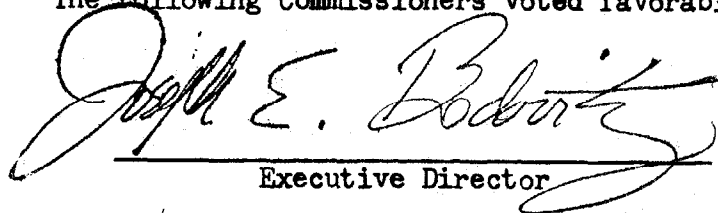
It is found that the refund plan attached hereto is just and reasonable; therefore, good cause appearing:

IT IS ORDERED THAT:

1. PG&E shall proceed with refunds in accordance with the refund plan, Attachment A hereto; and
2. The rate recovery of the refunded amounts and rates therefore will be established in appropriate future PG&E proceedings.
3. PG&E shall file two reports with the Commission at six month intervals covering the number of and amount of refunds made under this plan and other information pertinent to actions taken in carrying out the plan.
4. The effective date of this Resolution is the date hereof.

I certify that this Resolution was introduced, approved and adopted at a regular conference of the Public Utilities Commission of the State of California on June 16, 1981. The following Commissioners voted favorably:

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
PRISCILLA C. GREW  
Commissioners

  
Executive Director