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PRESS RELEASE

Docket #: I.17-04-021

**CPUC FINES SOCALGAS \$8 MILLION FOR VIOLATING RULES
RELATED TO BILLING PRACTICES**

SAN FRANCISCO, April 30, 2019 - The California Public Utilities Commission (CPUC) has fined Southern California Gas Company (SoCalGas) \$8,058,200 million for failing to issue and prorate timely monthly customer bills, resulting in higher than normal bills, and extending the billing period for a significant number of customers. Of the total penalty amount, \$4.7 million will be allocated to the 47,000 customers that received delayed bills during the winter of 2015 and 2016 as a one-time \$100 bill credit.

On May 4, 2017, the CPUC opened a formal investigation to determine whether SoCalGas violated any rules pertaining to billing practices from 2014 to 2016, following an informal investigation conducted by CPUC staff in response to approximately 700 billing-related complaints received by the CPUC.

The CPUC determined that SoCalGas violated state regulations by:

1. Failing to issue more than 13.57 million bills to customers between 2014 and 2016, and extending the billing period of approximately 140,000 customers in November and December 2015, resulting in higher than normal customer bills (Gas Tariff Rule 14.A violation);
2. Failing to prorate 153,358 of the extended 13.57 million bills where proration was required (Gas Tariff Rule 14.D violation); and,
3. Failing to issue timely monthly bills to approximately 47,000 customers during the winter of 2015-2016 because of delays in its bill validation process, despite its mitigation efforts (Gas Tariff Rule 12.A violation).



Of the total fine amount, \$3,365,000 (\$3,000,000 for Tariff Rule 14.A and 14.D violations and \$365,000 for Tariff Rule 12.A violation) will go to the State's General Fund, and \$4,693,200 will go to the 47,000 customers that received delayed bills during the winter of 2015 and 2016 as a one-time \$100 bill credit.

Furthermore, SoCalGas will not be allowed to recover from consumer rates the \$542,152 cost of incremental meter readers, and the \$150,000 cost of the temporary workforce related to bill validation issues.

“This fine sends a clear message that we expect utilities to comply with the billing provisions in their tariffs, and that if they do not, we will take appropriate enforcement action,” said Commissioner Clifford Rechtschaffen.

The proposal voted on last Thursday by the CPUC's Commissioners is available at:
<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M257/K711/257711445.PDF>.

Documents related to this proceeding are at:
https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:11704021.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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