ALJ/MLQ/jds **PROPOSED DECISION** **Agenda ID #24629**
Adjudicatory

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Larry Word, Complainant, vs. Southwest Gas Corporation (U-905G), Defendant.	(ECP) Case 26-06-031

DECISION DENYING RELIEF

Summary

The decision denies the Complainant's request for relief because the Complainant failed to provide sufficient evidence that Southwest Gas Corporation violated any applicable Commission rule, law, mandated tariff, or terms of service. The decision also rejects the Complainant's request for an investigation into Southwest's rebate programs because that request falls outside the scope of an Expedited Complaint Procedure case.

This proceeding, Case 26-06-031, is closed.

1. Parties

Larry Word is a residential customer of Southwest Gas Corporation (Southwest).

Southwest is a regulated public utility that distributes natural gas in San Bernardino, Placer, and El Dorado Counties. Southwest is an investor-owned public utility under the jurisdiction of the California Public Utilities Commission (Commission).

2. Procedural Background

The Complainant filed the initial Complaint in this matter, Case (C.) 26-06-031 on June 22, 2026.[1] The Complainant alleges that Southwest engages in fraudulent residential rebate programs. The Complainant states that he purchased a tankless water heater pursuant to a Southwest residential rebate program, submitted the proper paperwork and never received the $225.00 rebate check from Southwest.[2]

On August 13, 2026, Southwest filed its Answer.[3] In its Answer, Southwest stated that on July 14, 2026, it issued a rebate check for $225.00 to the Complainant after it received the necessary funding.[4] Southwest denies any legal wrongdoing, administrative violations, or other wrongful conduct.

On August 17, 2026, the assigned Administrative Law Judge (ALJ) issued a ruling requiring the Complainant and Southwest comment on whether an

[1] Complaint at 1.

[2] Id.

[3] Answer at 1.

[4] Id.

evidentiary hearing was necessary, given that the Complainant received the $225.00 rebate check from Southwest. On August 17, 2026, the Complainant filed a response stating that he did not agree to dismiss the Complaint (Response).[5] He stated that receipt of the $225.00 rebate check does not extinguish his Complaint.[6] He requested the Commission examine Southwest's residential rebate programs and provide customers transparency, notice, and accountability.[7]

3. Complainant's Contentions

The Complainant testified at the hearing that he installed a tankless water heater in his home on February 4, 2026. He stated that he submitted a completed application for Southwest's $225.00 Residential Equipment Rebate (RER) on February 28, 2026. He explained that he checked Southwest's online website on March 4, 2026, for the status of his RER application, and the website indicated that his application was "in progress-pending." He further stated that he called and emailed Southwest on March 15 and March 30, 2026, to inquire about the status of his RER application but did not receive a response.

The Complainant stated that Southwest first responded to his inquiries on April 7, 2026, by email and told him he could expect a Residential Equipment Rebate (RER) in six to eight weeks. He explained that he emailed Southwest again on May 30, 2026, requesting an update on his RER. On the same day, he

[5] Complainant's Response at 5.

[6] Id.

[7] Id.

filed an informal complaint with the Commission's Consumer Affairs Branch (CAB).

The Complainant testified that on June 1, 2026, CAB informed him that his informal complaint was closed because it did not have jurisdiction over this matter. On the same day, Southwest informed the Complainant that he was placed on a waitlist due to a pending decision by the Commission.

The Complainant confirmed that he filed a formal complaint with the Commission on June 19, 2026, and received a $225.00 Residential Equipment Rebate (RER) from Southwest on July 14, 2026. He stated that he believes Southwest issued the rebate only because he filed the formal complaint. He asserted that Southwest lacks transparency in its rebate programs and provides no guideline or dispute-resolution mechanism for customers. He requests that the Commission conduct an investigation into Southwest's rebate programs and require Southwest to implement transparent procedures and provide customers a guideline for disputing claims.

4. SoCal Edison's Contentions

4.1. Laurie Brown Testimony

Ms. Brown is a representative for Southwest. She testified that Southwest does not dispute the chronology of events from the Complainant's complaint. She stated that the RER is a part of Southwest's Conservation and Energy Efficiency program (CEC). She stated that Southwest's charges a surcharge to its customers and that the surcharge is placed into the Conservation and Energy Efficiency Balancing Account which is then used to fund the RER.

Ms. Brown testified that on September 6, 2024, Southwest filed its application to increase rates and charges for natural gas service in California, effective January 1, 2026.[8] According to Ms. Brown, the CEC program is a part of this application and Southwest needed the Commission's approval for the RER program to be active for the period of 2026 to 2030. Ms. Brown stated that Southwest did not have approval to continue the CEC program until May 18, 2026, when the Commission approved the settlement agreement between Southwest and its intervenors. Ms. Brown stated that it took a few months to process RER applications and Mr. Word's RER check was sent out as quickly as possible.

4.2. Valeria Annibali Testimony

Ms. Annibali testified that she manages Southwest's customer programs. She stated that Southwest has no obligation to resolve any rebate application within a defined period. She explained that the RER application informs customers that RER funds are not guaranteed and that the 6-to-8-week processing window is only an estimate. She further testified that Southwest contracts with Resources Innovation (RI), a third-party vendor, to administer its rebate programs.

According to Ms. Annibali, RI processes rebate applications either by paper or through its online portal. RI emails a notification to the customer and determines whether the rebate application is complete. If the application is complete, RI reviews it and issues a check.

[8] D.26-05-031 at 4.

Ms. Annibali stated that Southwest knew it could not process Mr. Word's RER application until the Commission approved its settlement agreement. She explained that Southwest placed Mr. Word's application on a waiting list until the Commission approved the settlement agreement.

Ms. Annibali testified that Southwest continually works to improve its customer service. She stated that Southwest reviews call logs and customer feedback to identify areas for improvement. She further explained that Southwest is updating several customer-service procedures, including its rebate programs. According to her testimony, Southwest will clarify its rebate programs and increase transparency in its process.

5. Discussion

5.1. Southwest's Tankless Rebate Program

Southwest's Conservation and Energy Efficiency programs include the Residential Equipment Rebates which offers $225.00 for the installation of a tankless water heater. Southwest offers the tankless water heater rebate via paper application or through an online portal.

The record shows that D.26-06-031 approved Southwest's Conservation and Energy Efficiency programs for the 2026–2030 General Rate Case period. The record contains no evidence establishing any deadline for Southwest to process rebate applications or issue rebate checks. We therefore find that Southwest must process rebate applications and issue rebate checks within a reasonable period of time.

Here, the Complainant filed his RER application on February 28, 2026. On July 14, 2026, Southwest issued the Complainant an RER rebate check. The

Complainant confirmed receipt of the RER rebate check and acknowledged that he deposited the RER rebate check on July 21, 2026.

The Complainant argues that Southwest unreasonably delayed processing his RER application. He contends that Southwest provided little transparency during the rebate application process and failed to post guidelines that would have enabled him to obtain additional information.

Southwest explains that its pending GRC application before the Commission caused the delay. According to Southwest, it could not provide an RER rebate until the Commission approved its CEC programs which include the RER program. The record shows that the Commission approved the settlement agreement in Southwest's GRC proceeding on May 18, 2026. After the Commission issued its decision, Southwest processed the Complainant's application and issued an RER rebate check on July 14, 2026, approximately eight weeks later.

Southwest should have informed customers on its website or within the application materials that it had suspended the CEC programs pending Commission approval. Such notice would have allowed customers to make informed decisions before purchasing equipment eligible for an RER rebate.

Nevertheless, we find that the delay in processing the Complainant's RER application is reasonable because Southwest did not have authority to approve the Complainant's application until the Commission approved Southwest's GRC application. We further note that Southwest processed the application and issued the rebate check within eight weeks after receiving the necessary approval. Consequently, we accept Southwest's explanation for the delay and

note that the Complainant ultimately received a $225.00 RER rebate check. Therefore, we find that the Complainant has failed to present sufficient evidence demonstrating that Southwest violated any applicable Commission rule, law, tariff requirement, or term of service.

5.2. Complainant's Request for an Investigation

The Complainant requests that the Commission investigate Southwest's rebate programs. The Commission Rules of Practice and Procedure (Rules) 4.6 limits the Expedited Complaint Procedure (ECP) to complaints against electric, gas, water, heat, or telephone utilities when the amount in controversy does not exceed the jurisdictional limit of small claims court. The ECP provides a forum to adjudicate customer complaints against regulated utilities. Therefore, we find that the Complainant's request for an investigation into Southwest's rebate programs falls outside the scope of an ECP proceeding.

Nevertheless, the assigned Administrative Law Judge reviewed the issues raised by the Complainant and examined the cause of the delay in processing his RER application. As discussed above, we find that Southwest reasonably delayed processing the application because it awaited a Commission decision approving its CEC programs.

6. Conclusion

For the foregoing reasons, we find that the Complainant has failed to provide sufficient evidence that Southwest violated any applicable rule of the Commission, law, mandated tariff, and or terms of service.

In addition, we find that the Complainant's request for an investigation into Southwest's rebate programs to be outside the scope of an ECP case.

The Complainant's request for relief is denied, the case is dismissed and the proceeding is closed.

7. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Minh LeQuang is the assigned Administrative Law Judge in this proceeding.

8. Waiver of Comment Period

Pursuant to Rule 14.7(b), the 30-day public review and comment period required by Pub. Util. Code § 311 and the opportunity to file comments on the proposed decision is not applicable in Expedited Complaint Proceedings. Accordingly, this decision was placed on the Commission's agenda directly.

O R D E R

IT IS ORDERED that:

1. Complainant's request for relief is denied.
2. Case 26-06-031 is dismissed.
3. Case 26-06-031 is closed.

This order is effective today.

Dated November __, 2026, at Sacramento, California.