

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**ENERGY DIVISION**

**RESOLUTION G-3360**

**March 16, 2004**

**R E S O L U T I O N**

Resolution G-3360. Southern California Gas Company (SoCalGas) requests authority to increase fees for certain meter tests, charge interest on bills for unauthorized use, and clarify that interest will not be charged for billing errors. SoCalGas's request is approved.

By SoCalGas Advice Letter (AL) 3287, filed August 29, 2003.

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**SUMMARY**

This Resolution approves SoCalGas's proposal to change the language in its Rule No. 15, Meter Tests, and Rule No. 16, Adjustment of Bills. The revisions concern charges for certain meter tests, interest rates to be collected on bills for unauthorized power use, and the lack of interest charges related to billing error.

**BACKGROUND**

Under the revised SoCalGas Rule No. 15, minimal tiered charges for meter tests (applicable when tests are requested by a customer within six months of previous meter tests, or within six months of initial installation) are replaced with a flat rate of \$50.

SoCalGas proposes to amend Rule No. 16, Section B, Adjustment of Bills for Unauthorized Use, to allow SoCalGas to collect an interest rate of 10% per annum on unauthorized use billings, as SDG&E's Gas Rule No. 18 currently provides.

SoCalGas Rule No. 16, Section C, Adjustment of Bills for Billing Error, is also amended to parallel SDG&E's Gas Rule No. 18. The words "without interest" have been added to make it clear that interest will not be calculated into bills reflecting either overcharges or undercharges. Specific procedures and limitations from SDG&E's Gas Rule No. 18 regarding billing errors resulting

from overcharges and undercharges and their applicability to residential and nonresidential customers are also adopted.

SoCalGas Rule No. 16, Section D, Adjustment of Bills for Meter Error, revises language defining meter error, and inserts the “without interest” language here as well.

Other minor changes have also been made to Rules 15 and 16 to provide clarity and consistency with SDG&E’s Gas Rule No. 18.

SoCalGas’s stated intent for AL 3287 is to make its tariffs consistent with those of SDG&E, its affiliate under Sempra Energy. The latest iteration of SDG&E’s Gas Rule No. 18, the provisions of which SoCalGas wishes to implement, was filed with the Commission on August 27, 2003 and became effective October 6, 2003. Nevertheless, the provisions of SDG&E’s Rule No. 18 which SoCalGas wishes to adopt had been substantially incorporated into SDG&E’s Gas Rule No. 18 since at least August 1997.

## **NOTICE**

Notice of SoCalGas AL 3287 was made by publication in the Commission’s Daily Calendar. Southern California Gas Company states that a copy of the Advice Letter was mailed and distributed in accordance with Section III-G of General Order 96-A.

## **PROTESTS**

SoCalGas AL 3287 was not protested.

## **DISCUSSION**

The Commission has reviewed SoCalGas AL 3287, and finds SoCalGas's request to be reasonable.

SoCalGas is proposing a \$50 charge for meter tests requested by customers, when a satisfactory meter test has already been performed within the last six months, or if a meter had been installed within the last six months. The amount of SoCalGas’ proposed fee for certain meter tests at customer request is reasonable, there is no charge for requested meter tests after a 6-month period,

the number of expected requests for such tests is very small, and the fee is the same amount and charged under the same conditions as the fee we have already approved for SDG&E. In response to data requests submitted by Energy Division, SoCalGas provided data on the number of meter tests it routinely conducts, the number of tests conducted either at customer request or in the context of a high bill investigation, and the number of such tests conducted within six months of the previous test. In the last three years, SoCalGas tested over 268,000 meters, but only 3739 were either at customer request or in the context of high bill investigations. Of those 3739 tests, only four were conducted within 6 months of the previous test.

SoCalGas also represents in its responses to the Energy Division data requests that the total cost of a meter test is \$114.87 for a meter test involving a changeout (on smaller meters), and \$335.87 for a field meter test (on larger meters).

In addition, SoCalGas is proposing a 10% interest rate for unpaid bills associated with unauthorized use. "Unauthorized use" is defined by SoCalGas as "the use of energy in noncompliance with the Utility's tariffs or applicable law." Such unauthorized use could include, but is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, and/or intentional or unintentional use of gas for which SoCalGas is not fully compensated. While the proposed interest rate is high compared to current general interest rates, it will provide an incentive to unauthorized users to quickly pay the utility, and this interest rate was previously approved by the Commission for SDG&E. Finally, SoCalGas is clarifying that interest will not be charged on adjusted bills addressing either overcharges or undercharges. This same provision is already specifically in effect for SDG&E and Pacific Gas and Electric Company.

## **COMMENTS**

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

**FINDINGS**

1. With AL 3287, SoCalGas requests authority to revise its Rules 15 and 16. to increase fees for certain meter tests, charge interest on bills for unauthorized use, and clarify that interest will not be charged for billing errors.
2. SoCalGas's proposed revisions bring its Rules 15 and 16 into substantial parallel with SDG&E's Gas Rule 18
3. Charges for frequent meter tests would be revised to provide for a \$50 fee for meter tests requested by customers, when a satisfactory meter test has already been performed within the last six months, or if a meter had been installed within the last six months.
4. A 10% interest rate would be applied to unauthorized use billings.
5. Overcharges or undercharges by SoCalGas resulting from billing error or meter error would not be subject to any interest.
6. SoCalGas's proposals are reasonable and should be approved.

**THEREFORE IT IS ORDERED THAT:**

1. The request of the Southern California Gas Company to make revisions in its Rule 15 and Rule 16 as requested in Advice Letter 3287 is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on March 16, 2004; the following Commissioners voting favorably thereon:

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WILLIAM AHERN  
Executive Director

MICHAEL R. PEEVEY  
President  
CARL W. WOOD  
LORETTA M. LYNCH  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
Commissioners