

Agenda Date: 9/13/12 Agenda Item: 7A

### STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> Floor Post Office Box 350 Trenton, New Jersey08625-0350 www.nj.gov/bpu/

### **CUSTOMER ASSISTANCE**

| Joshua Crandall,<br>Petitioner                         | <ul><li>) ORDER ADOPTING INITIAL</li><li>) DECISION FOR DISMISSAL</li></ul> |
|--|---|
|  | )   |
| V.   | )   |
| Public Service Electric and Gas Company,<br>Respondent | )<br>BPU Docket No. EC11110789U<br>OAL Docket No. PUC 15080-11              |

### Parties of Record:

Joshua Crandall, Petitioner, appearing pro se Alexander C. Stern, Esq., on behalf of Respondent, Public Service Electric and Gas Company

#### BY THE BOARD:

By Petition filed with the Board of Public Utilities ("Board") on November 4, 2011, Joshua Crandall ("Petitioner"), disputed billing charges associated with gas service provided by Public Service Electric and Gas ("PSE&G" or "Respondent"). After receiving Respondent's Answer, the Board transmitted the matter to the Office of Administrative Law ("OAL") for a hearing as a contested matter pursuant to N.J.S.A. 52:14B-1 to 15 and N.J.S.A. 52:14F-1 to 13. This case was assigned to Administrative Law Judge ("ALJ") Mumtaz Bari-Brown. An evidentiary hearing was held on July 18, 2012, and, on July 26, 2012, ALJ Bari-Brown issued an Initial Decision ordering the petition to be dismissed. Having reviewed the record, the Board, for the reasons stated below, now adopts the Initial Decision in its entirety and incorporates it into this final decision and dismisses the petition.

#### BACKGROUND

Petitioner opened an account with PSE&G on June 1, 2010 for electric and gas service for his apartment located at 92 Watchung Avenue, #2, Upper Montclair, New Jersey 07043. Petitioner elected to participate in Respondent's "equal monthly payment plan" for billing purposes. Under the equal monthly payment plan, Petitioner agreed to make equal monthly payments for his electric and gas usage based on an estimated annual usage. The monthly payment would be adjusted for actual usage ("true-ups") every six months based on actual readings taken from Petitioner's gas and electric meters.

In June 2010, PSE&G notified Petitioner that his monthly payment would be \$217.00. PSE&G conducted an actual reading of the gas meter on October 8, 2010 and subsequently lowered Petitioner's monthly payment to \$177.00 in March 2011. This was based on estimated usage from October 2010 to March 2011 in Petitioner's apartment. On July 11, 2011, PSE&G obtained an actual gas meter reading for the prior eight months of Petitioner's gas usage and found that Petitioner's actual usage exceeded his estimated usage. Accordingly, PSE&G adjusted Petitioner's monthly payment to \$285.00 and billed him for the \$1,172.71 he owed for actual gas usage from October 2010 to July 2011. Petitioner, however, failed to pay Respondent the outstanding \$1,172.71 and paid less than the adjusted monthly estimate of \$285.00. Therefore, PSE&G issued Petitioner a shut off notice and, on November 28, 2011, disrupted Petitioner's service for non-payment. PSE&G restored Petitioner's service later that day. As of July 17, 2012, Petitioner's balance for gas usage was \$1,890.47. Petitioner never disputed his electric charges.

On July 18, 2012, an evidentiary hearing was held before ALJ Mumtaz Bari-Brown. During the hearing, Petitioner sought to prove that PSE&G violated its tariff by billing Petitioner for estimated gas usage followed by true-ups and adjustments to reflect Petitioner's actual usage. On July 26, 2012, the ALJ concluded that Petitioner did not prove, by a preponderance of the evidence, that PSE&G was in violation of its tariff by billing for estimate usage followed by true-ups and adjustments.

### **DISCUSSION AND FINDINGS**

Petitioners bear the burden of proof by a preponderance of the believable evidence. Atkinson v. Parsekian, 37 N.J. 143, 149 (1962). The focus of the OAL proceeding was to determine whether PSE&G violated its tariff by using estimated usage followed by true-ups and adjustments to reflect actual usage. Based on the competent evidence in the record, ALJ Bari-Brown correctly concluded that Petitioner failed to meet his burden in showing any violations on behalf of PSE&G. The Board HEREBY FINDS that the findings and conclusions of the ALJ are reasonable.

During the hearing, Petitioner acknowledged entering into the equal payment plan with PSE&G in June 2010. He did not dispute the outstanding balance he owed to Respondent but took issue with the process of conducting estimated readings followed by true-ups and adjustments. Edward Sullivan, a PSE&G customer relations employee with over 45 years of experience, testified on behalf of Respondent. He noted that the estimated readings followed by true-ups and adjustments are part of Respondent's approved tariff. He further testified that PSE&G regularly sends meter readers to customers' homes to obtain actual gas readings and that the customer receives notice of the meter reader's schedule. It is the customer's responsibility to permit access to the meter when the meter reader is available.

The record reflects that PSE&G was able to successfully read Petitioner's gas meter in October 2010 and July 2011. Petitioner had eight months of estimated bills for which he acknowledges receiving gas service and owing Respondent the outstanding balance for the excess gas usage. Petitioner presented no evidence and fails to meet the requisite burden of proof that Respondent's tariff restricts PSE&G from using estimated readings followed by true-ups and adjustments as a proper billing method. Accordingly, the Board HEREBY ADOPTS the Initial

Decision in its entirety. The Board <u>ORDERS</u> that the petition of Joshua Crandall be <u>HEREBY DISMISSED</u>.

DATED: 9/13/12

BOARD OF PUBLIC UTILITIES

BY:

ROBERT M. HANNA

**PRESIDENT** 

MANNE M. FOX COMMISSIONER

NICHOLAS ASSELTA

COMMISSIONER

JOSEPH L. FIORDALISO COMMISSIONER

MARY-ANNA HOLDEN COMMISSIONER

ATTEST:

KRISTI IZZO O SECRETARY

HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

in the files of the Board Utilities

### JOSHUA CRANDALL

V.

### PUBLIC SERVICE ELECTRIC AND GAS CO.

BPU DOCKET NO. EC11110789U OAL DOCKET NO. PUC 15080-11

### **SERVICE LIST**

Joshua Crandall P.O. Box 10188, Suite 18580 Newark, New Jersey 07101

Alexander C. Stern, Esq. PSEG Services Corp. 80 Park Plaza Newark, New Jersey 07102-4194

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State of New Jersey HAILROOM OFFICE OF ADMINISTRATIVE LAW

### **INITIAL DECISION**

OAL DKT. NO. PUC 15080-11 AGENCY DKT NO. EC11110789U

JOSHUA CRANDALL,

Petitioner,

٧.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY,

Respondent.

Joshua Crandall, pro se

Alexander C. Stern, Esq., for respondent

Record Closed: July 25, 2012

Decided: July 26, 2012

BEFORE MUMTAZ BARI-BROWN, ALJ:

### STATEMENT OF THE CASE AND PROCEDURAL HISTORY

Petitioner Joshua Candall filed a complaint before the Board of Public Utilities (BPU) disputing the billing charges of Public Service Electric and Gas (PSE&G) for gas service provided to 92 Watchung Avenue, Apt #2, Upper Montclair, New Jersey, 07043. On December 23, 2011, the matter was transmitted to the Office of Administrative Law (OAL) for hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and

N.J.S.A. 52:14F-1 to-13. A hearing was held on July 18, 2012, after which the record remained open for written posthearing statements. None were filed and the record closed on July 25, 2012.

### FINDING OF FACT

Based on the relevant and undisputed evidence, I FIND as FACTS:

Petitioner, a customer of PSE&G, opened his account on June 1, 2010. Petitioner elected the "equal payment plan" PSE&G set his monthly payment at \$217.00. In March 2011, PSE&G lowered petitioner's monthly payment to \$177.00 based on the review of estimated meter readings. Petitioner does not dispute the billing for electric services. However, on July 11, 2011, PSE&G obtained an actual gas meter reading for the prior eight months actual usage. (R-1.) Based on actual usage, PSE&G adjusted petitioner's equal payment plan to \$285.00 per month.

### **DISCUSSION AND CONCLUSIONS**

Joshua Crandall acknowledged opening an account in June 2010 and the initial monthly payment of \$217.00 under the equal payment plan. In March 2011, PSE&G adjusted the monthly bill to \$177.00. However, In June 2011, the company claimed his actual usage was more than the estimated usage, for which he was paying \$177.00. Therefore, PSE&G claimed he owed \$1,172.71. Petitioner further testified that his service was disrupted for non-payment. After several telephone calls to PSE&G, service was restored later that day. Petitioner believed PSE&G runs its operations under a broken process with regard to billing customers on an estimated usage.

Edward Sullivan has worked for PSE&G for forty-five years in customer relations, which include billing disputes. He testified that PSE&G bills customers on estimated and actual usage. The company performs monthly meter readings. If the meter reading cannot obtain access to the meter, the customer will be billed on an estimated usage.

<sup>&</sup>lt;sup>1</sup> The equal payment plan sets an equal monthly payment amount for the customer based on an estimated annual usage and adjusted for actual usage ("true-up") approximately every six months.

When access to the meter is obtained, the company will "true up" and adjust the customer's balance up or down based on the actual usage during the months billed on estimated usage. Customers electing the equal payment plan are subject to the same true up during a six-month review usage. Meter readings are the joint obligation of PSE&G and the customer. The customer must allow the meter reader entry. Moreover, to assist the customer, the monthly statement notifies the customer of the date for meter reading.

Sullivan further testified that PSE&G is replacing all of customers' meters with "ERT" meters, which will allow for remote actual meter reading from outside the customer's property. Thus, the meter reader can obtain the actual usage if the customer is not home or access to the meter is otherwise unavailable. Sullivan recommends that petitioner permit the company to install the ERT meter, which would eliminate all further estimated billing on Crandall's account.

In this case a summary of all charges on petitioner's account reveals actual readings of the gas meter on October 8, 2010, and July 1, 2011. During the interim months estimated readings were used. However, petitioner continued to pay less than the budgeted amount of \$285.00, which was implemented in July 2011.<sup>2</sup> PSE&G issued a shut off notice on November 28, 2011. As of July 17, 2012, Crandall's balance totaled \$1,890.47. (R-1.)

The credible and undisputed evidence reveals Petitioner had at least eight months of estimated bills before an actual meter reading in July 2011. Crandall did not dispute the balance owed. However, he continues to challenge the method of PSE&G billing practices. I CONCLUDE that petitioner did not prove by a preponderance of the evidence that PSE&G's was in violation of its tariff in using estimated usage followed by true ups and adjustments to reflect actual usage.

<sup>&</sup>lt;sup>2</sup> Petitioner's monthly payments from June 2010 to June 2012 are reflected in R-1.

### <u>ORDER</u>

It is therefore ORDERED that the petition in this matter be and is hereby DISMISSED.

I hereby FILE my initial decision with the BOARD OF PUBLIC UTILITIES for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with <u>N.J.S.A.</u> 52:14B-10.

Within thirteen days from the date on which this recommended decision was mailed to the parties, any party may file written exceptions with the SECRETARY OF THE BOARD OF PUBLIC UTILITIES, 44 South Clinton Avenue, P.O. Box 350, Trenton, NJ 08625-0350, marked "Attention: Exceptions." A copy of any exceptions must be sent to the judge and to the other parties.

July 26, 3012

MUMTAZ BARI-BROWN, ALJ

Date Received at Agency:

Date Mailed to Parties: JUL 2 7 2012

CHIEF ADMINISTRATIVE LAW JUDGE

dr

# **APPENDIX**

## Witnesses

Presented by Petitioner:

Joshua Crandall

Presented by Respondent:

Edward Sullivan

## **Exhibits**

## Present by Respondent:

R-1 Statement of electric and/or gas billing or payment of Joshua Crandall