

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Formal Complaint of)
Margaret McMain against Questar Gas) DOCKET NO. 08-057-03
Company) REPORT AND ORDER
)

ISSUED: March 30, 2009

By The Commission:

This matter is before the Commission on Margaret McMain's Formal Complaint against Questar Gas Company (Questar), arising out of a dispute related to the transponder back-billing issues. Ms. McMain received a bill from Questar for un-billed amounts for the previous two years. Ms. McMain, like several other Questar customers, had a transponder that had been installed incorrectly, resulting in volume reporting errors. This gave rise to circumstances where Questar underbilled affected customers, like Ms. McMain, for one half of their actual consumption. Ms. McMain filed a Formal Complaint with the Commission, saying that since she was a widow, living on a fixed income, she should not have to pay the additional amounts owing for the previous two years. Additionally, Ms. McMain stated that if she had known that the amount of her bill would have been higher, she would have reduced her usage. She essentially complains that since Questar created the mistake, it should be precluded from billing her any underbilled amounts. Ms. McMain filed a Formal Complaint with the Commission on March 6, 2008.

Along with other complainants similarly situated, Ms. McMain's Formal Complaint was consolidated on April 1, 2008 into Docket No. 08-057-11. That matter was finally resolved pursuant to a stipulation that was partially modified and approved by the

Commission on December 3, 2008. Some key points of the stipulation and resulting Order were:

1) customers that had been underbilled for usage after the transponder installation (pre-divide errors) would be back-billed for no more than 6 months prior to when the error was discovered; 2) those customers would have at least one year to pay the back-billed amount; Questar was ordered to make reasonable accommodation to allow those with hardship to have more than one year to pay; 3) customers that paid back-billed amounts in a timely manner would not be charged interest; 4) customers who felt that their individual customer circumstances warranted individual treatment retained the right to pursue unresolved issues with the Commission; and 5) also other provisions related to back-billing and apportionment of uncollected costs. Despite the relief granted in this Order, Ms. McMMain decided to pursue her own individual complaint.

Ms. McMMain essentially asks the Commission to order Questar not to back-bill her for any unpaid usage during the two years the transponder errors occurred. Ms. McMMain was originally back-billed 24 months (from February 13, 2006 to December 14, 2007) for a total of \$1,348.55. Following the Commission order in the consolidated docket, Questar was ordered to reduce her bill to \$218.00. In addition, Ms. McMMain was given a year in which to pay this amount, and so long as she kept current, she would not be charged interest. She would have to pay about \$18 per month in addition to their normal monthly bill until the outstanding balance was satisfied. If this imposes a hardship, Ms. McMMain may arrange for more time with Questar.

The Division of Public Utilities (Division) filed their recommendation on February 25, 2008. The Division cited many of the facts above in reaching their recommendation. The Division notes that Ms. McMMain argues that had she known the actual

price of her usage, she would have reduced her consumption. While the Division did not doubt the sincerity of her claim, it did doubt whether she could have actually reduced her consumption to levels which would have produced lower cost results than produced here. It stated: “[I]t is difficult to imagine that she would have been able to reduce her usage of gas by a full 50% over the span of two years in order to achieve the amounts of her original bills. Indeed, for her to have realized a cost increase of only the \$218 she has now been backbilled, she would have still had to decrease usage by a full 42%.” The Division found that the six month back-billing period was justified and recommended her Complaint be dismissed.

The Commission, having reviewed her Complaint and also the information presented by the Division, agrees that the Complaint should be dismissed. Ms. McMMain, like several other customers who were back-billed, received significant relief. They had to pay only a small portion of their actual usage for a two year period, whereas other customers who might not have had similar transponder errors paid 100% of their usage for that same time-frame. The back-billing of the \$218.00 to Ms. McMMain is just and reasonable. Therefore, the Commission Orders as follows:

ORDER

1. The Formal Complaint of Ms. McMMain is dismissed with prejudice;
2. Pursuant to Utah Code § 63G-4-301 and 54-7-15, an aggrieved party may request agency review or rehearing of this Order by filing a written request for review or rehearing with the Commission within 30 days after the issuance of the Order. Responses to a request for agency review or rehearing must be filed within 15

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days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of Utah Code §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 30th day of March, 2009.

/s/ Ruben H. Arredondo
Administrative Law Judge

Approved and confirmed this 30th day of March, 2009, as the Report and Order of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#61291