

**OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION**

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

ORIGINAL

Mr. Ming Zhang)
)
vs)
)
North Shore Gas Company)
)
Complaint as to billing/charges in)
Riverwoods, Illinois)
)
)

Docket No. 13-0468

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ILLINOIS COMMERCE
COMMISSION

BRIEF ON EXCEPTION

Now comes Complainant, Ming Zhang, who files this Brief on Exception in reply to the Proposed Order of April 30, 2015 to the subject complaint. The complainant disagrees with the conclusion of the proposed order to deny the subject complaint, and respectfully request the ALJ to reconsider the decision for the reasons and facts below.

1. On Customer Charge Overbilling Issue:

1) Background:

The Complainant suffers from customer charge overbilling ever since he moved into his current address in 2005, more often in the earlier years as shown in Complainant Exhibit 2, when North Shore Gas (NSG) issued bills based on gas usage estimation with significant inaccuracy and subsequently corrected them based on customer meter readings. Starting on March 2007, the Complainant provided meter readings every month, hoping to help build up an accurate usage history (the lack of which was complained by NSG as the cause of its gas usage estimation inaccuracy) till the issue caused the filling of Docket 09-0128 occurred in March 2008. Since then, the complainant is generally providing meter readings every other month till now.

Although providing meter readings reduced the possibility of getting estimated bills, it could not avoid them completely. This is because in any particular month, NSG may still issue an estimated bill before the Complainant enters a meter reading. On December 2012, after the correction of another estimated bill, the Complainant contacted NSG for a concern on customer charge. The complainant then learned different version of Customer Charge Proration Rule from NSG, and was confused on what the real rule should be. The complainant then filled the subject

complainant with one of the requests as for NSG to provide a written explanation on its Customer Charge Proration Rule.

This document was obtained latter on as shown in Complainant Exhibit 1. The complainant then checked his record of previous bills and found that at least in two previous occasions, NSG did not follow this rule to correct bills, once in May 2006 (Complainant Exhibit 3) and the other time in March 2012 (Complainant Exhibit 4).

2) The Issue and the Complainant's Request:

Here is the issue of Customer Charge Overbilling. When NSG issued an estimated bill for a month, and then the Complainant entered a meter reading and requested billing based on the actual meter reading, sometimes an additional bill was issued for a few more days that includes a prorated customer charge, even though the period covered by both the estimated bill and the additional bill have only the days of a single billing cycle. Thus the Complainant is overbilled in customer charge in the amount of prorated customer charge:

- i) On May 17, 2006, NSG issued an estimated bill for 28 days from April 17 to May 15, including a customer charge at then monthly rate of \$8.95;
- ii) On May 19, 2006, NSG issued an additional bill based on customer meter reading for 4 days from May 15 to May 19, including a prorated customer charge in the amount of \$1.19;
- iii) So for the period of 32 days from April 17, 2006, to May 19, 2006, the Complainant was billed a total of \$10.14 as customer charge, \$1.19 more than the then Customer Charge Rate of \$8.95 per month.
- iv) On March 16, 2012, NSG issued an estimated bill for 29 days from February 14 to March 14, including a customer charge at then monthly rate of \$22.37;
- v) On April 2, 2012, NSG issued an additional bill based on customer meter reading for 2 days from March 14 to March 16, including a prorated customer charge in the amount of \$1.49;
- vi) So for the period of 31 days from February 14, 2012, to March 16, 2012, the Complainant was billed a total of \$23.86 as customer charge, \$1.49 more than the then Customer Charge Rate of \$22.37 per month.

However:

- i) The written statement provided by NSG (Complainant Exhibit 1) states that "*North Shore Gas Company's (NSG's) billing cycle is based on a 26 to 35 day billing period for bills that are billed on a monthly basis. ...*"
- ii) NSG's witness Ms. Diane Harris testified at the evidentiary hearing on March 9, 2015, that the Customer Charge is a monthly charge and the number of days in a month can vary for a monthly charge between 26 and 35 days (Tr. 130).

- iii) Ms. Harris also testified that in the situation of an estimated bill is followed by a customer meter reading and the request of billing based on this reading, the normal policy is to cancel the bill and issue a corrected bill for the entire billing period (Tr. 155-156).
- iv) Ms. Harris could not identify the reason why an additional bill was issued in the above mentioned occasions (Tr. 155).
- v) The Complainant testified that he did not request an additional bill for just a few days that could resulting in customer charge proration, and why this is to the disadvantage of the Complainant (Tr. 156-157).
- vi) Although in 2012 NSG cancelled the estimated bill of 29 days and the additional bill of 2-days, Ms. Harris testified that if the Complainant had not called and complained about the additional 2-day bill in 2012, he would have been charged \$23.86 for those 31 days covered by the estimated bill and the additional bill of 2-days (Tr. 154).

Thus it is obvious that in the situation that NSG first issued an estimated bill, but then received a customer meter reading, if NSG follows its own normal policy to cancel the estimated bill and reissue a new bill for the entire period based on the entered meter reading (suppose this meter reading is taken within the timeframe of monthly billing period), then no customer charge overbilling should occur. On the other hand, if NSG does not cancel the estimated bill, rather to issue a new bill for the additional days till the date of meter reading, customer charge overbilling will occur due to the prorated customer charge in the new bill.

Hence, the complainant requests that NSG is ordered to apply its normal policy under such circumstances.

3) Further Analysis:

The Complainant's request here not only conforms to NSG's policy (because it asks for the application of the policy itself), but also puts no further burden on NSG (because it does not ask for any changes to the current company policy). Furthermore, this request is fair to both parties since it results in the charge and payment of one monthly customer charge for a period between 26 to 35 days inclusive, which is one billing period of NSG. Therefore, there should be no reason to deny this request.

In the Proposed Order, it is mentioned that the 2006 customer charge overbilling is beyond the two year statute of limitations for billing issues; and the 2012 customer charge overbilling is refunded. This seems to have described a strategy of taking advantage of customer charge overbilling. Namely, if such an overbilling is found out, then refund it; but if it is not found out or not found out quick enough, then keep it. The Complainant does not believe this is fair to consumers, and it would only encourage the practice of overbilling. In addition, it is mentioned

in the Proposed Order that the amount of customer charge overbilling is small, the Complainant noticed that. But still, overbilling is overbilling, and unfairness is unfairness.

4) Customer Charge Overbilling versus Gas Charge Overbilling:

It is stated in the Proposed Order that:

“Moreover, the prorated customer charge was precipitated by his decision to call in meter readings; it is not indicative of a problem with the Company’s billing procedures. His choice to constantly call in his own meter readings is his own decision and not one that requires a change in practice on the Company’s part.”

This blames the overbilling due to prorated customer charge on the Complainant for entering meter readings. This is not correct at all. First of all, as it is testified by Ms. Harris, NSG’s normal policy under this circumstance is to cancel the estimated bill and issue a new bill which does not prorate customer charge as long as the days of the billing period is between 26 and 35 days; rather than issue an additional bill and prorate customer charge for the additional days.

More importantly, entering meter readings every other month to avoid estimated bill is not a decision made by the Complainant, rather it is the offer of NSG in Docket 09-0128 in response to the complaint of Gas Charge Overbilling. In the Order of Docket 09-0128, it is stated at the end of the “Testimony of Parities” section that:

“North Shore says it extended an offer to perform actual readings every other month and accept Complainant’s meter reading on each month in between.”

It is further stated again in the middle of the fourth paragraph of the “Commission Analysis and Conclusions” section that:

“The Company extended an offer to Complainant in which it would alternate months in performing meter readings. It was made clear that all of Complainant’s called – in readings would be accepted.”

In Docket 09-0128, the Complainant complained on a Gas Charge Overbilling in March 2008 in the amount of \$3.14 (gas charge only, not including any applicable taxes or other fees) due to an estimated bill. So far, this overcharge has not been refunded yet. To avoid the recurrence of this situation, the Complainant has been reluctantly providing meter readings every other month, while requesting for monthly meter reading, as he testified as such (Tr. 157). Now this is blamed on the Complainant.

So looking at both Docket 09-0128 and this docket together, whether the complainant should or should not entering meter readings every other month? If the Complainant does not enter meter readings every other month, he may suffer from Gas Charge Overbilling; but if he enters meter reading every other month, he may suffer from Customer Charge Overbilling. As the Complainant specifically, and a customer in general, what should he do?

NSG also mentioned that the Complainant could call it for the date to take the meter reading. This happened before. In March 2008, the Complainant entered a meter reading on March 13 at the advice of an NSG representative. But later, NSG added four more days of estimation, causing a gas charge overbilling of \$3.14 as mentioned above, and the filing of Docket 09-0128.

5) On Billing Correctness:

At this point, the Complainant is very interested to learn:

- i) Under the current laws, rules, administrative codes, tariffs, etc., are customers including the Complainant entitled correct billing service from utilities?
- ii) If so, what are the requirements they should meet first to get this correct billing service from utilities, such as entering meter reading every other month, calling utilities for their meter reading date before taking the meter reading, etc.?

2. On Monthly Meter Reading Issue:

1) On the Ground of Denial:

On September 30, 2014, NSG filed a Motion to Dismiss, requesting the dismissal of the Complainant's request of Monthly Meter Reading. On November 7, 2014, the Complainant filed Response to Motion to Dismiss. On November 21, 2014, NSG filed Reply to Response to Motion to Dismiss. And on December 4, 2014, the ALJ granted the Motion to Dismiss.

The ground on which the Complainant's request of Monthly Meter Reading was dismissed is that NSG met the minimal requirement of meter reading frequency, which is not the issue complained by the Complainant. As discussed in his Response to Motion to Dismiss, the Complainant requests for monthly meter reading to ensure billing correctness, to avoid both the Gas Charge Overbilling and Customer Charge Overbilling. But this is not mentioned at all. Therefore, it does not seem that the very complained issue is properly addressed.

The Complainant requests the reconsideration of the Monthly Meter Reading issue on the ground of billing correctness, either granting this request or explicitly indicating the reasons why it should be denied under such consideration (of billing correctness).

2) On Monthly Meter Reading Request Based on Meter Reading Frequency Requirements:

In NSG's Reply to Response to Motion to Dismiss, it is mentioned that Administrative Code Part 280 was newly revised and became effective on November 1, 2014. Regarding to "Utility Meter Reading" in Administrative Code Part 280.90 (b), it is stated that:

- (1) A utility shall perform an actual reading of a customer's meter at least every second billing period unless the utility's attempt to do so is prevented.*

(2) A utility shall perform an actual reading of a customer's meter every billing period if that meter is equipped with a remote reading device, unless the utility effort to do so is prevented.

On December 16, 2014, NSG installed a remote reading device on Complainant's meter. Nevertheless, so far NSG is still taking meter readings on a bimonthly basis. Therefore, on the basis of the currently effective meter reading frequency requirements, the Complainant requests once again the service of monthly meter reading by NSG.

If the application of the newly revised version of the Administrative Code is beyond the scope of this docket, please indicate so explicitly so that the Complainant could follow the appropriate procedure to get this issue addressed (The Complainant tried to get the information on the appropriate procedures he should follow to address this issue, but he could not get his questions answered (Tr. 86-92)).

With all the reasons and facts discussed above, the Complainant respectfully requests the ALJ to reconsider the decision of the proposed order to deny the subject complaint, rather to grant the Complainant's request to order NSG to:

- 1) Apply its normal policy to cancel estimated bills and issue new bills based on the customer meter reading once such meter readings are entered; and
- 2) Conduct monthly meter reading especially according to Administrative Code Part 280.90(b)(2).

Dated : May 14, 2015

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ming Zhang".

Ming Zhang, the Complainant

CERTIFICATE OF SERVICE

I hereby certify that on May 14th, 2015, I served an originally signed copy of my Brief on Exception to the following party through U.S. mail:

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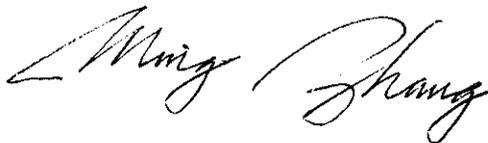
I hereby certify that on May 14th, 2015, I served an electronic copy of my Brief on Exception to the following parties through electronic mail:

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