

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Josip Klaric :
-vs- :
Peoples Gas Light and Coke Company : 01-0768
:
Complaint as to over-billing, adequate :
equipment in Chicago, Illinois. :

ORDER

By the Commission:

On November 8, 2001, Josip Klaric filed a complaint against Peoples Gas Light and Coke Company, ("Peoples") in which, he claimed that Peoples failed to properly adjust his account to reflect what was actually due and owing and that Peoples installed an incorrect (too large) gas meter in his 3-flat, which, he claimed, resulted in an increase in gas consumption.

Pursuant to notice given in accordance with the law and the rules and regulations of the Commission, this matter came on for a hearing before a duly authorized Administrative Law Judge of the Commission at its offices in Chicago, Illinois, on March 14, 2002. At the conclusion of the hearing, the record was marked "Heard and Taken." The ALJ's proposed order was duly served on the parties on September 18, 2002. The parties did not file Briefs on Exceptions.

Mr. Klaric appeared *pro se* and he testified on his behalf. Also testifying on behalf of Mr. Klaric was his daughter, Vesna Klaric, who helps Mr. Klaric with his responsibilities with the 3-flat in question at 4458 West Gunnison. Peoples was represented by counsel and testifying on Peoples' behalf were Brian Schmoltdt who works in special services at Peoples, and John Doherty, Peoples' Manager of Special Projects.

Entered into evidence were Mr. Klaric's gas bills for December of 1998, June of 2000 through October of 2000, as well as the bills from January 2002 through April of 2002.¹ (Complainant's Ex. A-C). also entered into evidence was a summary of Mr. Klaric's account with Peoples from May, 2000, through December, 2001. (Respondent's Ex. 1).

At the hearing, Mr. Klaric testified that he only had two issues with Peoples: in June of 2000, Peoples failed to credit him for 32 cubic feet of gas he did not use and he

¹ Mr. Klaric's April, 2002, gas bill was late-filed.

did not think that Peoples gave him all of the credits due him as of February, 2002. (Tr. 15).

Vesna Klaric testified that because Mr. Klaric's June, 2000, gas bill was estimated, she phoned in the correct meter reading to Peoples on or about June 14, 2000. The meter reading she phoned in was 41465 cubic feet of gas, which, according to Ms. Klaric, was 13 cubic feet less than what was already paid for. (Tr. 10, 23). Ms. Klaric also stated that in July of 2000, Peoples issued a bill with an estimated meter reading of 41478. (Complainant Ex. A; Tr. 24). Then, in August of 2000, Peoples issued a bill with an actual meter reading of 41510 (Complainant Ex. A; Tr. 23-24).

Ms. Klaric stated that all of the gas used through the meter reading of 41478 was paid for. The usage that was not paid for, according to Ms. Klaric, was the difference between 41478 to 41510 cubic feet, (32 cubic feet of gas) which represents the difference between Peoples' estimate of July 2000, and the actual meter reading Peoples conducted on August 16, 2000. (Tr. 26). According to Ms. Klaric, Peoples refused to issue a corrected bill with a credit for the 32 cubic feet of gas. (Tr. 27).

Mr. Klaric testified that Peoples overestimated his gas bill for the time period from May 12, 2000 through July, 2000. Mr. Klaric acknowledged that Peoples made adjustments for most of what was overestimated. However, he opined that Peoples never gave him a credit for the difference between the estimated bill for June, 2000, and the actual meter reading for that month, for which, there was a discrepancy of 32 cubic feet of gas. Mr. Klaric did not know the dollar amount he was overcharged. On cross-examination, Mr. Klaric admitted that he did not pay his July and August 2000, gas bills. (Tr. 39).

Mr. Klaric's gas bills show that of February 2, 2002, Peoples credited him with a payment received in the amount of \$436.06. (Tr. 27). The following month, Peoples credited Mr. Klaric with payment of \$381.31, leaving a past due amount of \$206.14. (Tr. 69).

Counsel for Peoples moved for a directed verdict on the allegations in the complaint concerning the incorrect size of the meter. The Administrative Law Judge denied that motion. However, Mr. Klaric stated that he did not wish to pursue his claim regarding the oversized gas meter. (Tr. 100).

Mr. Schmoldt testified that he investigated Peoples' billing regarding Mr. Klaric's property at 4458 West Gunnison Street, for the time period in question. (Tr. 47-50). Mr. Schmoldt stated that after Ms. Klaric phoned in the actual meter reading of 41465 in June of 2000, Peoples canceled the bills for July and August of 2000. Peoples then reissued a bill for the period from May 12, 2000 to July 20, 2000. That adjusted bill reflected a meter reading of 41465 and an amount due and owing, after credits for payment for the previous months were applied, in the amount of \$53.38. (Tr. 56, Complainant Ex. A). According to Mr. Schmoldt and the bills that were entered into

evidence, Mr. Klaric never paid this bill. He also never paid the bill for the following month. (Tr. 55 61; Respondent's Ex. 1).

Mr. Schmoldt additionally testified that on December 4, 2001, Mr. Klaric's meter was removed and a new meter was installed with an automatic reading device. The old meter had a reading of 46698. Upon installation, the new meter was set at zero. The old meter was tested and the test revealed that it was working and that it met with ICC standards. (Tr. 63). Mr. Klaric's bill from November 14, 2001 to December 19, 2001 was based on a reading of the old meter. The bill came to \$326 for 263 thermos of gas and Mr. Klaric paid that bill. (Tr. 64). Mr. Klaric was billed from December 19, 2001 to January 17, 2002 for an estimated reading of 0796, for \$434.04 and he paid that bill. (*Id.*).

Peoples then cancelled the January 2002, bill and issued a new bill from December 19, 2001 to February 19, 2002. Peoples did that to correct the monthly service charge for the account. The bills did not reflect the fact that Mr. Klaric had the new meter, which was smaller; customers with smaller meters pay slightly lower rates. (Tr. 64-65).

John Doherty testified that he managed the meter shop for Peoples from 1996 through 2001. The meter shop buys, repairs and maintains Peoples' meters. Mr. Doherty stated that a larger meter does not consume more gas. This is true because meters do not consume any gas. Changes in the gas pressure activate a meter. (Tr. 130-32).

Commission Analysis and Conclusions

Mr. Klaric's allegations of improper billing are not supported by the evidence. Mr. Klaric himself admitted that he did not pay his gas bills during the time period in question and there is nothing to indicate that those bills will not be due and owing. While Mr. Klaric feels that in 2000, he paid for all of the gas he used until his meter read 41478, his gas bills indicate that at that point in time, he still owed Peoples money. In fact, Mr. Klaric owed Peoples \$53.38 when his meter read 41465. The evidence does not support Mr. Klaric's claim that Peoples charged him for 32 cubic feet of gas that he did not use.

Additionally, there is no evidence indicating that the amounts he paid toward the gas bills from May through August 2000 were not credited toward Mr. Klaric's gas bills. While Peoples' record-keeping for the time period in question is fairly complicated, the fact remains that, when Mr. Klaric or his daughter phoned in a meter reading, or, when there was another situation requiring an adjustment, Peoples promptly issued a new bill with the adjustment recalculated over the previous two months. Recalculation over a two-month period helps to ensure that a credit reflects the corresponding price of gas, which can change from month to month. Also, the evidence indicates that the meter in Mr. Klaric's 3-flat was in good working order. Moreover, the evidence establishes that Peoples fully credited Mr. Klaric's account in March and April of 2002, for all of the

payments he made in the previous months. There is no evidence establishing that Mr. Klaric is entitled to any credit other than those he has already received.

As for the claim regarding the gas consumed by the larger meter, at trial, Mr. Klaric stated that he did not wish to pursue that portion of his complaint. Additionally, credible evidence established that meters do not consume gas, thus, the larger meter did not consume any more gas than a smaller meter.

Based on the foregoing, the complaint should be denied.

The Commission, giving due consideration to the entire record and being fully advised in the premises, is of the opinion and finds that:

- (1) Respondent, Peoples Gas Light & Coke Company, an Illinois corporation engaged in the business of the purchase, production, storage, distribution and sale of gas to the general public in Illinois, and it is a public utility within the meaning of The Public Utilities Act;
- (2) the Commission has jurisdiction over the Respondent and of the subject matter of this proceeding;
- (3) the evidence presented at the hearing support a finding that the Respondent's actions with respect to billing Mr. Klaric for the service at the building in question were not improper;
- (4) any amount in dispute is properly due and owing to Respondent from Complainant;
- (4) this complaint may be properly denied.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the Complaint filed by Josip Klaric, against Peoples Gas Light & Coke Company be, and the same is, hereby denied.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code Sec. 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 23rd day of October, 2002.

(SIGNED) KEVIN K. WRIGHT

Chairman