

Consumer group urges Questar investigation

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The Utah Committee of Consumer Services on Monday called for a full-scale investigation into Questar Gas Co.'s request to have customers pay hundreds of thousands of dollars that the company mistakenly did not bill due to faulty equipment.

The request came in the wake of Questar's recent revelation that the utility had underbilled about 500 Utah customers and is now asking those residents to pay back approximately \$500,000.

The committee, which is a division of the state Department of Commerce, filed its request for response with the Public Service Commission regarding Questar's transponder mistake and asked the PSC to launch a full investigation into Questar's claims.

Four years ago, the company began putting radio transmitters on all its meters. The devices allow meters to be read from laptop computers inside company trucks driving by homes and businesses and eliminate the need for company employees to personally read each meter.

Last week, Questar told customers that the transponders had malfunctioned, resulting in inaccurate billing. The company acknowledge the error and issued an apology, but also stated those customers would have to pay the underbilled amounts.

"Recent media reports suggested Questar customers may end up paying for the company's transponder mistake," said Michele Beck, director of the Committee of Consumer Services. "We want the public to know that utilities are not automatically entitled to recover all costs from ratepayers for unjustified mistakes."

The committee has asked the PSC to determine precisely when Questar knew about its transponder mistake and when the utility should have known it was receiving incorrect information from the transponders. The committee also wants the PSC to examine the full

costs of gas that Questar did not bill customers for and the precise accounting procedure used, in order to ensure that no other customers will have to pay for the costs of the utility's mistake.

"The real concern I have is any cost recovery for a utility has to meet the 'prudence test,'" Beck told the Deseret Morning News. She describes prudence in this case as determining whether adequate processes were in place associated with the installation of new meters.

"On the face of this particular case, it's not clear that they've met that," she said.

Questar spokesman Chad Jones said the committee's request was not a surprise. "That is their mandate — to look out for the residential and small commercial customer — so we would expect them to make a request like this."

The company is in the process of providing documentation to regulatory bodies. "We're already engaged in an investigation of this with the Public Service Commission and the Division of Public Utilities," he said.

But Jones said there is little dispute about the circumstances of the recent underpayment.

"We're not asking anybody to pay anything beyond what they've used, and we're willing to work with them over several months and years to make up what they owe," he said.

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