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PUBLIC SERVICE COMMISSION

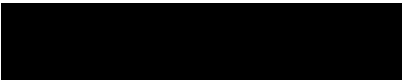
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July 20, 2012

Mr. David M. Buono



Ms. Nancy Fiaccone
National Grid - Upstate
300 Erie Boulevard, West
Syracuse, NY 13207

Subject: Informal Hearing Decision
Case # 106914
National Grid Account Number: [REDACTED]
[REDACTED]
[REDACTED]
National Grid Account Number: [REDACTED]
[REDACTED]
[REDACTED]

Dear Mr. Buono and Ms. Fiaccone:

An informal hearing concerning the above case was held on May 10, 2012 at the Syracuse State Office Building. The customer, Mr. Buono, and Ms. Fiaccone, representing National Grid Upstate, the company, participated in the hearing. Based on a thorough examination of all the information presented, I uphold Staff's initial decision regarding Mr. Buono's responsibility for disputed charges.

Complainant's Position

Mr. Buono's position is taken verbatim from his original submission to the Office of Consumer Services, received by facsimile transmission on February 22, 2011:

"Please regard this letter as a formal complaint involving a problem with National Grid. I presently reside at [REDACTED] [REDACTED] I previously owned income property located at [REDACTED] [REDACTED], which is a [REDACTED] residence. I sold that property about 6 years ago. Just prior to the sale I had two tenants residing there, [REDACTED] and [REDACTED]. The service to that house was under two different account numbers, one for [REDACTED] and one for [REDACTED]. When the tenants moved out prior to my selling the house, one tenant had an outstanding bill for over \$800.00. The [REDACTED] service was shut off, and the [REDACTED] service was kept on and put in my name so service would not be terminated and the heat would remain on. I received a bill for the \$800.00+ because I was the homeowner. I paid the bill for that account, even though it was the tenants responsibility. I believed that was the right thing to do as National Grid had provided the service and the money was due them. When the service was shut off for the one account apparently the utility had not received the payment yet, or had not recorded it, so they added that amount to the bill with the other account number that was now in my name.

I later received a letter from National Grid stating that the bill had not been paid and they were going to add the \$800+ to my account. I called National Grid Customer Service and explained the situation. The lady I spoke with was very courteous and checked the records. She verified that the bill was paid.

Sometime later, I can't remember how long (weeks or months), I received a letter from the utility company stating that I owed the \$800.00+. I again called Customer Service and advised them of the paid bill, my previous conversation with their office, how the bill was already paid, and the verification by their customer Representative. The company requested that I put all this in writing and forward it to their dispute bureau. I complied sending all the requested information and documents.

Sometime later I received a letter from the utility company again stating that I owed this bill, their "findings" apparently disregarding my explanation and my documentation. I responded with a letter explaining again that the bill had been paid in full and citing the receipts provided. I never received any further correspondence from National Grid concerning this bill, and continued to make my normal payments on my regular account without any problems or notices by National Grid.

I'm not sure how much time passed, as this incident happened six years ago, but I do recall that quite a while later I was contacted by an agency questioning this bill. I remember writing to them and advising them

that the bill had had been paid and that had supplied National Grid with all the proper documentation. I was never contacted again. This was years ago.

Since that time I have been a steady and reliable customer of National Grid. I have been on their "Budget Plan" for many years and pay my bills on time.

In February 2011, while vacationing in [REDACTED] I received a forwarded letter from National Grid stating that I owed over \$800 on that old account number. On February 8, 2011, I called National Grid and after some transfers spoke with a gentleman in Customer Services who said his name was "Al". I advised him that I had received a letter regarding this old bill, explained the whole situation about the mistake in billing, explained that the bill had been paid and documents supplied to National Grid six years ago, and asked him why I was receiving a letter six years later about an issue that had already been resolved. Al was very respectable and efficient. He placed me "on hold" for about 5 minutes, then came back on the line and told me that he had checked the records, spoken to his supervisor and verified that this bill had been paid and the issue resolved. I told him that the letter I received stated that this \$800+ was going to be added to my present account if I didn't pay it. He assured me that the \$800+ would NOT be added to my present account. I asked him why National Grid would send me a letter in 2011 about an issue that had been resolved 6 years prior. He had no explanation and assured me that everything had been taken care of and there would be no additional fees added to my present account.

I returned home to New York on February 11th. The following week I received my National Grid bill. When I opened the bill I noted that National Grid had not removed the additional \$800+ but had added that amount to my normal budget amount.

I immediately called National Grid. I tried to speak to "Al" in Customer Services but was transferred to a number of different people. I spoke to someone named "Matt" and other people whose names I didn't catch, but not "Al". I explained the situation to everyone I spoke to and could not get anyone to listen as to the mistake on this billing. After what seemed like an hour of frustration I was finally transferred to a supervisor named Aubrey. I again (for at least the 8th time) explained how this bill was a mistake, how it had already been paid and the issue resolved six years ago. She refused to accept it. She told me that I basically had to repeat the entire process that I had gone through six years before and AGAIN, supply National Grid with all the documents that show the bill had been paid. This after SIX YEARS of silence? My receipts from that time period were discarded as there was no reason to believe they would ever be needed. I told her that National Grid had all those documents as I had already provided them initially. I told her that "Al" had told me that he spoke with his supervisor, verified the payment of the bill, and assured me that it would not be added to my account. Aubrey told me that she was Al's supervisor and that "Al" had not spoken to

her. She also told me that all calls were recorded and that they could retrieve my conversation with "Al" if need be. I told her that that was a great idea, because if they listen to that recording they will have proof of what I'm saying. She still refused to rectify the bill. At this point it was very difficult to control my emotions. I asked her if it was going to be necessary for me to contact the Public Service Commission for resolution. She stated that that was my right, but insisted that I again supply old documents and go through the process all over again.

I then contacted the Public Service Commission by phone and spoke to John. After a brief explanation, John advised me as to how to proceed filing a complaint with the PSC, which I am doing with this letter.

I am a [REDACTED] man who has worked all his life. I pay my bills regularly and have never cheated anyone. I paid this bill six years ago even though it was my tenant's bill because I felt that it was not right for National Grid to not get paid for a service they provided, and I am a responsible homeowner am not going to pay it TWICE. I would appreciate any assistance you can provide in resolving this matter. Thank you for your time and consideration."

Utility's Position

Customer Issue: Responsibility of a transferred balance totaling \$ 817.49. Mr. Buono disputes the responsibility of charges transferred to his current account # [REDACTED] from account # [REDACTED]. Mr. Buono claims that these charges belong to a tenant. He has also claimed that payment was made in full for these charges.

Company Position: The Company maintains that payment was not received from Mr. Buono for the charges in dispute. The Company has no record of payment of these charges and Mr. Buono has not produced record of payment for these charges.

Pertinent Information: Mr. Buono opened account # [REDACTED] on 03/04/05 and closed the account on 04/28/06. During the entire period that the account was open, almost 14 months, the Company has no record that any payments were ever made to the account by the customer. The account was sent to the collection agency, Mercantile, on 11/27/07 and was removed from the collection agency on 01/06/09. Mercantile has stated that they have no record of payment for account # [REDACTED]

In a letter to National Grid dated 02/22/11, Mr. Buono claimed that the charges were the responsibility of his tenant. Company records do not show this to be the case. The service was in a tenant's name prior to and following the time in which it was active in Mr. Buono's name. No other tenants attempted to apply for service during the time period of 03/04/05 and 04/28/06. No charges were transferred between floors as Mr. Buono also claimed in his letter. The charges are solely for the [REDACTED] account # [REDACTED] and only for the time period of 03/04/05-04/28/06 in which the account was opened in Mr. Buono's name.

In Mr. Buono's dispute to the Company dated 05/16/06, Mr. Buono claims that his tenant had an outstanding account and that the charges were transferred to Mr. Buono's name when the tenant moved out. This is untrue; National Grid does not transfer charges from a tenants account to a landlords account if the tenant does not pay the bill.

If Mr. Buono is trying to claim that the service should have been in a tenant's name during the time of 03/04/05-04/28/06 and the tenant did not apply for service, then this would be a landlord/tenant dispute. National Grid does not get involved in these disputes. It is the landlord responsibility to make sure their tenant places service in their name if that is what is required by their lease or agreement with the tenant. A landlord/tenant dispute is a civil matter and would need to be addressed in a court of law.

Mr. Buono also claimed that he was double billed and claims that the [REDACTED] account # [REDACTED] was paid off after it was moved to his home account on 05/08/06. These charges were not from the [REDACTED] account # [REDACTED]. The amount that was transferred was from the [REDACTED] account [REDACTED] in the amount of \$884.50. The charges of \$817.49 were not transferred to Mr. Buono's home account # [REDACTED] until 02/09/11.

During the time in question, Mr. Buono had two accounts open at this location. Account # [REDACTED] or the [REDACTED] and account # [REDACTED] or the [REDACTED] both accounts had past due final balances that were very similar amounts. This may have lead to the confusion by Mr. Buono that he paid the account for the second floor as there was payment made for the [REDACTED] account after the charges for this account # [REDACTED] were transferred to the customer's active account # [REDACTED] on 03/17/05. Mr. Buono signed a deferred payment agreement and subsequently paid off these charges. The charges for the [REDACTED] account # [REDACTED] in the amount of \$817.49 were not transferred to the customer's home account # [REDACTED] until 02/09/11. Therefore, these are not the charges which were previously paid by Mr. Buono.

The New York courts have upheld the right of the company to transfer arrears from one account of the same customer to another and to terminate service based on arrears form a different location. (See Dworman v. Con Edison), 23 A.D..d535(1st Dept 1966)

Company Summary: National Grid's records confirm that no payment was made to account # [REDACTED] for the [REDACTED]. If Mr. Buono can produce proof of payment for this account, National Grid is willing to correct any error that may have been made and credit the customer's account as warranted. To date, the customer has not been able to show proof of payment. The company finds that Mr. Buono is responsible for charges totaling \$817.49.

Analysis

The issue to be decided in this case is whether Mr. Buono is responsible for the disputed charges of \$817.49.

National Grid Upstate has provided information regarding the transferring of charges from different residential accounts. The company is correct that it has the authority to transfer monies from a closed residential account to another open residential account in the same customer's name. However, this action is not in dispute. Neither is the issue of whether the disputed charges are Mr. Buono's or the former tenant's responsibility, as Mr. Buono has maintained that he paid the charges because it was "the right thing to do."

My objective was to perform a detailed examination of the documentation provided by Mr. Buono and the documentation and account records provided by National Grid. Based on this examination, I have found the following:

- 1) Mr. Buono's narrative describing his conversations with specific employees on specific dates is confirmed by National Grid Customer Service records. However, his claim of being advised by at least two separate employees that the amount in dispute was paid is not supported by these same records.
- 2) While Mr. Buono's narrative is partially supported by company records, no evidence can be found to document payment of the charges to the company.
- 3) National Grid's record retention policy, in regard to taped conversations between customers and customer service representatives, is for a period of one year. As the conversations occurred beyond that one year period, no taped recordings of these conversations exist to review.

Decision

Mr. Buono has stated that he discarded his receipt and related records after four years because he thought the matter was resolved. As the New York State Collection Laws allow for collection of unpaid arrears for up to six years after the charges were incurred, Mr. Buono should have retained these supporting documents for a longer time period.

Without any documentation other than Mr. Buono's recount of his perspective of events, even partially supported by company records, I cannot rule that the disputed charges be removed from his account. Mr. Buono is responsible for the charges and must pay these charges to National Grid Upstate.

Mr. Buono will need to produce documentation of the payment he claims to have made or contact National Grid Upstate to make payment of the disputed amount of \$817.49. If full payment would present a financial hardship, National Grid Upstate is instructed to provide Mr. Buono with the most beneficial deferred payment terms based on his financial situation and ability to pay as provided by 16 NYCRR 11.10 "Deferred Payment Agreements".

Mr. Buono does have the option of contacting the vendor where the original payment was made to inquire if a duplicate receipt of payment can be provided by the vendor, however, due to the length of time that has past, this may not be possible. Mr. Buono also has the option of contacting National Grid Upstate to inquire about previously offered settlement offers of up to 50% of the disputed amount. However, National Grid Upstate is under no obligation to reconsider any reduction of the disputed charges as Mr. Buono declined these offers in the past.

If either party disagrees with this decision, an appeal may be filed with the Commission. The appeal procedures are set forth below.

APPEAL PROCEDURE

If you believe that this decision is incorrect, you may appeal to the Commission. The basis for an appeal to the Commission is limited to one or more of the following grounds:

- (1) The hearing officer made a mistake in the facts in the case or in the laws or regulations which affected his or her decision; or
- (2) The hearing officer did not consider evidence presented at the hearing or review, which resulted in an unfavorable decision; or
- (3) New facts or evidence, not available at the time of the hearing, have become available, and could affect the decision on the complaint.

If you choose to appeal, your appeal must be in writing and must contain an explanation of the facts or conclusions in the decision with which you disagree, the reasons for your disagreement, the relief or remedy sought from the Commission, and documentation of your position or legal arguments supporting your position.

The appeal should be filed within fifteen (15) days after the informal hearing or review decision is mailed, and may be filed electronically or by regular mail. To file electronically, e-mail your appeal to the Secretary of the Public Service Commission, Jaclyn A. Brillling, at:

Secretary@dps.ny.gov

If you are using regular mail, send your appeal letter to:

Jaclyn A. Brillling, Secretary
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

A copy of the appeal letter should also be sent to the opposing party. Appeals of Informal Hearing Decisions become a matter of public record and are listed on the Commission's website. Both your appeal letter and the informal hearing decision will be available to members of the general public (subject to limited redaction in the case of residential customers).

The Commission may make a determination on your appeal, reject it, return the case to the informal hearing officer for additional consideration, order a formal evidentiary hearing on the complaint or take such other action as it deems appropriate.

Sincerely,

David R. LaBombard
Informal Hearing Officer
Office of Consumer Services