



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CUSTOMER ASSISTANCE

ALVA MUHAMMAD,	)	ORDER MODIFYING
PETITIONER,	)	INITIAL DECISION
	)	
v.	)	
	)	
PUBLIC SERVICE ELECTRIC AND GAS COMPANY,	)	BPU DOCKET No. EC12040303U
RESPONDENT	)	OAL Docket No. PUC 07198-12

**Parties of Record:**

**Alva Muhammad**, *pro se*  
**Amanda Johnson**, Esq., on behalf of Respondent, Public Service Electric and Gas Company

BY THE BOARD:

This matter involves a billing dispute initiated by Alva Muhammad ("Petitioner") against Public Service Electric and Gas Company ("PSE&G" or "Respondent"). Petitioner asserts that Respondent incorrectly billed Petitioner based on erroneous estimated billing, erroneous actual readings from a faulty meter, and misapplication of charges on her two accounts as well as misapplication of her payments to her bills. For the reasons noted herein, the Board of Public Utilities ("Board") modifies the initial decision.

**BACKGROUND**

Petitioner is a residential gas and electric customer of Respondent residing in the City of Orange in Essex County. Petitioner has her accounts separated into three account properties: the first-floor; the second-floor; and a "house" account. Petitioner lives on the second floor and she has historically used her first floor as a rental property, but it is currently unoccupied.

On April 9, 2012, Petitioner filed a billing dispute complaint with the Board disputing charges for gas and electric service provided by Respondent. Specifically, Petitioner disputed the amount of her gas and electric bills "whether real or estimated" and also disputed her inclusion in PSE&G's "Worry-Free" appliance services program. On May 11, 2012, Respondent filed an answer with the Board maintaining that Petitioner had been billed consistent with Respondent's tariff. On May 17, 2012, the Board transmitted the matter to the Office of Administrative Law ("OAL") as a contested case. On February 26, 2013, a hearing was held before Administrative Law Judge ("ALJ") Kimberly A. Moss.

At the evidentiary hearing, Petitioner argued her bills for electric and gas service were too high and expressed confusion in understanding the bills she received from Respondent. Petitioner also asserted that her payments and Universal Service Fund ("USF") credits were not being applied to her account. Petitioner expressed interest in having her meter tested, but stated that she wanted to have the test witnessed by the Board without paying the additional charge, since she was granted indigent status on her billing dispute case. Petitioner also raised issues with her "Worry-Free" appliance services contract with Respondent,<sup>1</sup> however, ALJ Moss declined to hear the issue, stating: "The Worry Free portion of the contract are issues that should be taken up with PSE&G and that has nothing to do with this court."

Edward Sullivan, Manager of Regulatory Services, testified on behalf of Respondent. Sullivan explained some of Petitioner's confusion about the bills she received may arise from the fact that all account numbers were changed in April 2009. Sullivan also testified that Petitioner's second floor gas meter was last read on August 22, 2011, and her second floor electric meter was last read on September 16, 2011. Since that time, Petitioner's electric and gas usage had been estimated. Sullivan testified that bills are estimated when Respondent is not able to read the customer's meter. He explained that the estimated amounts are based upon the customer's energy usage from the previous year. Sullivan further explained that estimated bills are followed by a true-up bill. However, Sullivan was unsure why Petitioner's meter had not had more actual readings.

Respondent submitted into evidence account statements chronicling Petitioner's account balances, payment history (including USF credits), and electric and gas usage. Sullivan testified that the account summary for Petitioner's first floor account showed that Respondent owed Petitioner a \$600 credit. He also noted the first floor account received \$45 in USF payments. On cross-examination, Sullivan testified that the Petitioner's second floor account summary showed USF credits and payments were properly applied to Petitioner's outstanding balance.

Following conclusion of the hearing, ALJ Moss left the record open for two weeks to allow Petitioner to submit further documentation. On March 12, 2013, Respondent submitted an updated account statement of Petitioner's electric and gas accounts showing an actual reading from March 2, 2013. In a letter to ALJ Moss, dated March 12, 2013, Petitioner submitted additional bills and payment receipts. Through the letter, Petitioner also argued that her payments and USF credits were applied to the wrong account. Because ALJ Moss had a question about the documents submitted by Petitioner, a phone conference was held on March 20, 2013. On March 25, 2013, Respondent submitted a letter to ALJ Moss stating that Respondent cancelled all charges to Petitioner's house account from September 17, 2008 to March 5, 2013. Following receipt of Respondent's letter, ALJ Moss closed the record.

On April 9, 2013, ALJ Moss issued an Initial Decision. In her Initial Decision, ALJ Moss found that Petitioner's first floor account was closed on October 17, 2011 and that there was no balance due on that account. Regarding the second floor account, ALJ Moss found that: (1) Petitioner had been under-billed because Respondent did not read her meter for thirty-five months; (2) prior to the true-up bill on August 9, 2011, Petitioner had a balance of \$1,741.77; (3) actual readings of Petitioner's meter "revealed" that Petitioner owed an additional \$6,928.08; (4) the true-up bill included \$606.86 in appliance services charges; (5) another actual reading

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<sup>1</sup> Petitioner testified that she expected her appliance services contract to be cancelled because she was not paying for it, however, PSE&G continued to charge her for the service.

occurred on March 2, 2013 that resulted in billing adjustment by Respondent; and (6) "Petitioner's account was credited \$3,652." (Initial Decision at 2-3).

ALJ Moss also found that "[t]he USF made monthly payments toward [P]etitioner's rent."<sup>2</sup> Ibid. ALJ Moss also found that, although Petitioner's January 2012 payment was incorrectly applied to her first floor account, the error had been corrected and all other payments were properly applied. Ibid. Last, ALJ Moss found Petitioner "requested a Board-witnessed meter test on March 11, 2013." Ibid. However, ALJ Moss also stated there was no evidence that Petitioner's meters were inaccurate. Id. at 4.

Based on these facts, ALJ Moss concluded and ordered that Petitioner's outstanding balance, as March 2, 2013, is \$12,988.21 for the second-floor account. Id. at 5. ALJ Moss also ordered Respondent to reimburse or credit Petitioner in the amount of \$600. Ibid.

On July 3, 2013, Petitioner filed exceptions to the Initial Decision. In her exceptions, Petitioner generally disagreed with the Initial Decision and alleged that Respondent presented a "skewed" ledger at the evidentiary hearing. Petitioner argued that ALJ Moss should not have ruled on the appliance services charges, because this was out of scope of the proceeding. Petitioner also complained that her meter had not been tested. She further asserted that she was owed a larger credit than \$600. Petitioner repeated her assertion that her payments were misplaced. Petitioner also attached additional documents for ALJ Moss's review. On July 12, 2013, Respondent replied to Petitioner's exceptions arguing that Petitioner's exceptions should be rejected and urging the Board to uphold the Initial Decision.

## **DISCUSSION AND FINDINGS**

Initially, the Board notes that, pursuant to N.J.A.C. 1:1-18.4, any party may file written exceptions with the Board within thirteen days from the date that the initial decision was mailed. A copy of the filed exceptions shall also be served on all other parties and the judge. N.J.A.C. 1:1-18.4(a). Exceptions must: (1) "Specify the findings of fact, conclusions of law or dispositions to which exception is taken;" (2) "Set out specific findings of fact, conclusions of law or dispositions proposed in lieu of or in addition to those reached by the judge;" and (3) "Set forth supporting reasons. Exceptions to factual findings shall describe the witnesses' testimony or documentary or other evidence relied upon. Exceptions to conclusions of law shall set forth the authorities relied upon." N.J.A.C. 1:1-18.4(b). Further, exceptions may not include evidence not presented at hearing, nor may such evidence be incorporated or referred to within exceptions. N.J.A.C. 1:1-18.4(c).

Here, Petitioner's exceptions were filed over eighty days after the Initial Decision indicates it was mailed to the parties.<sup>3</sup> Moreover, although Petitioner's exceptions raise some issues with which she takes exception, the exceptions fail to propose specific findings of fact, conclusions of law or dispositions in lieu of, or in addition to, those reached by ALJ Moss or cite to evidence in the record in support of her assertions, as required by N.J.A.C. 1:1-18.4(b)(2)-(3). Further, the exceptions attempt to present additional documentation not presented at hearing. Based on these facts, the Board **HEREBY FINDS** that Petitioner has failed to comply with N.J.A.C. 1:1-18.4(b) and (c), and accordingly, rejects Petitioner's exceptions as substantially noncompliant. However, the Board adds the following brief comments.

<sup>2</sup> The Board clarifies that USF credits only apply to utility bills balances, not rent.

<sup>3</sup> The Initial Decision notes that it was mailed to the parties on April 10, 2013. Petitioner's exceptions were received by the Board on July 3, 2013.

At the evidentiary hearing, ALJ Moss declined to consider Petitioner's dispute of her appliance services charges, stating: "The Worry Free portion of the contract are issues that should be taken up with PSE&G and that has nothing to do with this court." However, in the Initial Decision, ALJ Moss found that Petitioner's true-up bill included \$606.86 in appliance services charges. Consequently, a review of the record indicates ALJ Moss's conclusion that Petitioner owed \$12,988.21 includes \$2,072.01 in appliance services charges. The Board therefore **FINDS** \$2,072.01 should be excluded from any determination resolving Petitioner's billing dispute for electric and gas service.

Regarding the remaining amount of Petitioner's second floor account, the Board notes that Petitioner bears the burden of proof in this matter by a preponderance of the competent, credible evidence. See Atkinson v. Parsekian, 37 N.J. 143, 149 (1962). During the evidentiary hearing, Petitioner presented numerous billing statements on various accounts, in what appears to be a random order. The account summary of Petitioner's second floor account shows Petitioner had a balance of \$810.61 on May 23, 2008. Following actual meter readings on May 24, 2008, Petitioner was sent a bill for an additional \$1,737.35. By August 19, 2008, Petitioner had been charged an additional \$526.71, received \$332.73 in USF credits, and made a single payment of \$250. This resulted in a running balance of \$2,491.94. On September 17, 2008, Respondent made an actual meter reading and Petitioner's running balance was increased to \$2,841.53.

From October 16, 2008 to July 25, 2011, Petitioner received bills based on estimated usage. On August 4, 2011, Petitioner's meters received an actual reading. On August 9, 2011, Respondent sent Petitioner a true-up bill which included \$6,928.06 in electric and gas charges. With the addition of appliance services charges, Petitioner's running balance increased to \$9,276.71.

Petitioner's gas meter received an actual reading on August 22, 2011, and her electric meter received an actual reading on September 16, 2011. Thereafter, Petitioner received estimated bills until March 2, 2013. For reasons which are unclear from the record, Respondent applied a credit of \$3,652.96 and also noted a true-up bill of \$1,366.58.<sup>4</sup> With the addition of appliance services charges, Petitioner's running balance on March 7, 2013 was \$12,988.21. Removing the appliance service charges (\$2,072.01) from Petitioner's running balance results in \$10,916.20 of electric and gas services charges.

A customer of record, such as Petitioner, is responsible for the payment of all utility service provided. N.J.A.C. 14:3-7.1(a). Although utility companies are required to maintain regular meter reading schedules and make reasonable efforts to perform actual readings on all meters, a utility may estimate a customer's bill if unable to read a meter for any reason. See N.J.A.C. 14:3-7.2(c); N.J.A.C. 14:3-7.2(e)(1). If the customer receives a bill based on an actual meter reading that is 25% higher than the estimated bill, "the utility shall allow the customer to amortize the excess amount." N.J.A.C. 14:3-7.2(e)(5).

Here, ALJ Moss found that "there were long periods of time where there were not any actual meter readings," but "no evidence that the either [sic] meter was inaccurate." (Initial Decision at

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<sup>4</sup> An account summary of Petitioner's second floor account states the true-up bill was "sent out 08/09/11," however; this appears to be an error, because a true-up bill for \$6928.06 was already issued on that date. Also, the second true-up bill amount is listed subsequent to the actual meter readings on March 2, 2013, and adjusts the balance of that same date (\$11,387.13).

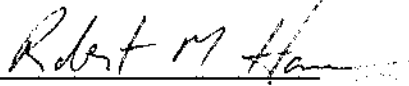
4). The Board **FINDS** the record supports these findings because Respondent's account summaries show Petitioner's second floor account electric and gas meters were estimated between October 16, 2008 to July 25, 2011. Petitioner also received estimated bills between August 22, 2011 and March 2, 2013 for her gas meter and between September 16, 2011 and March 2, 2013 for her electric meter. Moreover, the Board **FINDS** Petitioner failed to present any competent evidence that her second floor meter was inaccurate or that her USF credits were applied incorrectly.

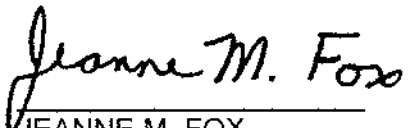
ALJ Moss also found that Petitioner requested a Board-witnessed meter test. (Initial Decision at 3). A review of the record indicates that Petitioner expressed her interest in having a Board-witnessed meter test during the evidentiary hearing and also includes a meter test request form. Therefore, the Board **FINDS** ALJ Moss's finding is supported by sufficient credible evidence in the record. However, the Board also notes that the meter request form appears to be incomplete and does not display any stamp indicating that it was submitted to the Board. Further, a review of the records of the Bureau of Meter Testing and One Call, within the Board's Division of Reliability and Security, does not show that any request for a Board-witnessed meter test had been received from Petitioner.


Based on the review of the record, the Board **HEREBY CONCLUDES** Petitioner is owed \$600 credit from Respondent and is therefore responsible for \$10,916.20 in electric and gas services charges. ALJ Moss's Initial Decision is **HEREBY MODIFIED** based on the Board's findings as expressly stated above.

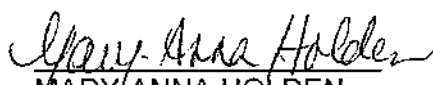
DATED: 10/16/13

BOARD OF PUBLIC UTILITIES  
BY:

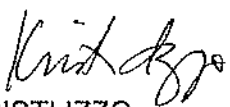
  
ROBERT M. HANNA  
PRESIDENT

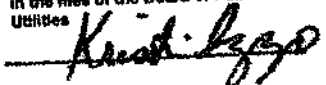
  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

ATTEST:  
  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities  


ALVA MUHAMMAD

V.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

BPU DOCKET NO. EC12040303U

OAL DOCKET NO. PUC07198-12

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**State of New Jersey**  
OFFICE OF ADMINISTRATIVE LAW

**INITIAL DECISION**

OAL DKT. NO. PUC 07198-12

AGENCY DKT. NO. EC12040303U

**ALVA MUHAMMAD,**

Petitioner,

v.

**PUBLIC SERVICE ELECTRIC  
AND GAS COMPANY,**

Respondent.

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STATE OF NEW JERSEY  
OFFICE OF ADMINISTRATIVE LAW

**Alva Muhammad, pro se**

**Amanda Johnson, Esq.,** appearing on behalf of respondent

Record Closed: March 25, 2013

Decided: April 9, 2013

BEFORE **KIMBERLY A. MOSS, ALJ:**

**STATEMENT OF THE CASE AND PROCEDURAL HISTORY**

Petitioner Alva Muhammad (Muhammad or petitioner) filed a complaint before the Board of Public Utilities (BPU) disputing the billing charges of Public Service Electric and Gas (PSE&G) for gas and electrical service provided to 248 Ogden Street, Orange, New Jersey.

On May 21, 2012, this matter was transmitted to the Office of Administrative Law (OAL) for hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14f 1 to-13. Status conferences were held on June 25, 2012, July 17, 2012, and August 24, 2012. The hearing was scheduled for October 11, 2012, November 1, 2012, and February 7, 2013; all of these dates were adjourned. The hearing was then held on February 26, 2013. The record was held open until March 12, 2012, for petitioner to provide documents. I had a question regarding the documents submitted by petitioner. A telephone conference was held on March 20, 2013. At that conference PSE&G stated that it would submit a statement of account for an additional account of petitioner. PSE&G submitted the statement of account for the house account on March 25, 2013. I closed the record at that time.

### **FACTUAL DISCUSSION AND FINDINGS**

Having had an opportunity to hear the testimony, observed the witnesses, and reviewed the exhibits, I **FIND** the following **FACTS**:

Muhammad is a residential gas and electric customer of PSE&G. She had three accounts with PSE&G at her residence, 248 Ogden Street, Orange, N.J. The account number for petitioner's first-floor account was 69 087 194 0 5. PSE&G closed the first-floor account on October 17, 2011. There is no balance due on the first-floor account.

The original account number for petitioner's second-floor account was 12 479 103 6 9. The second-floor account number was changed to 65 833 319 1 8. There was an actual gas and electric meter reading of Muhammad's meters on September 17, 2008. The next actual gas and electric meter reading was done on August 4, 2011. At that time, PSE&G determined that it under-billed petitioner due to the meters not being read for thirty-five months. This resulted in a true-up bill being sent to Muhammad. Prior to the true-up bill Muhammad had a balance of \$1741.77. The true-up bill revealed that Muhammad owed PSE&G an additional \$6928.08 for gas and electric service. The true-up bill included a "worry free" charge of \$606.86. Petitioner had an actual gas meter reading on August 22, 2011, and an actual electric meter reading on September 16, 2011, for the second floor.



The next actual reading of petitioner's second-floor gas and electric meters was on March 2, 2013. PSE&G made a billing adjustment based on the March 2, 2013, actual meter readings. Petitioner's account was credited \$3652. Petitioner's outstanding balance as of March 2, 2013, is \$12,988.21 on account number 65 833 319 18.

The USF made monthly payments toward petitioner's rent. Petitioner's January 2012 payment of \$50 was incorrectly credited to the first-floor account. This was corrected on the March 11, 2013, statement of account. All of the other payments that petitioner made to PSEG were properly credited to her account. Petitioner's last payment to PSEG for the second-floor account was made on March 19, 2012. PSEG acknowledged that petitioner is owed a \$600 credit from payments to the first-floor account.

The house account number is 65 635 408 05. PSE&G cancelled all of the house account charges from September 17, 2008, through March 5, 2013.

Petitioner has requested a Board-witnessed meter test on March 11, 2013.

### **LEGAL ANALYSIS AND CONCLUSION**

N.J.A.C. 14:3-7.2(e) states:

Rules concerning estimated bills for all customers are as follows:

1. Utility companies shall maintain a regular meter reading schedule and make a reasonable effort to read all meters;
2. Utility companies, upon request, shall make available to all customers a postage paid business reply card on which the customer may mark the meter reading as follows:
  - i. The business reply card shall have appropriate explanation. The utility shall permit the customer to telephone the meter reading to the utility. The

customer reading is to be used in lieu of an estimated reading, provided the reading is received in time for billing;

3. When a utility estimates an account for four consecutive billing periods (monthly accounts), or two consecutive billing periods (bimonthly and quarterly accounts), the utility shall mail a notice marked "Important Notice" to the customer on the fifth and seventh months, respectively, explaining that a meter reading must be obtained and said notice shall explain the penalty for failure to complete an actual meter reading. After all reasonable means to obtain a meter reading have been exhausted, including, but not limited to, offering to schedule meter readings for evenings and on weekends, the utility may discontinue service provided at least eight months have passed since the last meter reading was obtained, the Board has been so notified and the customer has been properly notified by prior mailing. If service is discontinued and subsequently restored, the utility may charge a reconnection charge equal to the reconnection charge for restoring service after discontinuance for nonpayment;

4. Utility companies shall submit to the Board of Public Utilities a statement detailing their estimating procedures;

5. If low estimates result in a customer receiving an actual bill that is at least 25 percent greater than the prior estimated bill, the utility shall allow the customer to amortize the excess amount. The amortization will be in equal installments over a period of time equal to the period when no actual reading was taken by the customer or the utility; and

6. Annually, the utility shall notify all customers of their rights to amortize as set forth in (e)(5) above.

In this case, there were long periods of time where there were not any actual meter readings by PSE&G. There was no evidence that the either meter was inaccurate. The March 2013 actual meter readings show that the balance owed by petitioner is \$12,988.21 on the second-floor account. Petitioner does not have an outstanding balance on the first-floor account. All of the charges from September 17, 2008, through March 5, 2013, on the house account were cancelled. I **CONCLUDE** that as of March 2, 2013, petitioner owed PSEG \$12,988.21 on the second-floor account. Petitioner is also owed a \$600 credit, which was acknowledged by PSE&G.

**ORDER**

It is **ORDERED** that the respondent reimburse or credit petitioner the amount of \$600.

It is further **ORDERED** that petitioner has an outstanding balance of \$12,988.21 on account number 65 883 319 18, the second-floor account.

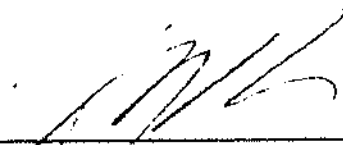
I hereby **FILE** my Initial Decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

Within thirteen days from the date on which this recommended decision was mailed to the parties, any party may file written exceptions with the **SECRETARY OF THE BOARD OF PUBLIC UTILITIES, 44 South Clinton Avenue, P.O. Box 350, Trenton, NJ 08625-0350**, marked "Attention: Exceptions." A copy of any exceptions must be sent to the judge and to the other parties.

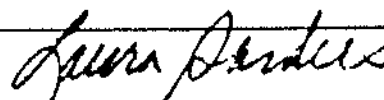
4-9-13

DATE

  
KIMBERLY A. MOSS, ALJ

Date Received at Agency:

APR 10 2013



Date Mailed to Parties:

DIRECTOR AND  
CHIEF ADMINISTRATIVE LAW JUDGE

ljb

**WITNESSES**

For Petitioner:

None

For Respondent:

Edward Sullivan

**EXHIBITS**

For Petitioner:

- P-1 PSE&G bill for Wanda Walker dated December 2007
- P-2 PSE&G bill for Khalilah Avrahams dated November 2009
- P-3 Letters from petitioner
- P-4 Application for Test dated March 11, 2013
- P-5 Receipts
- P-6 Statement of account for account number 65 883 319 18 dated August 18, 2011
- P-7 Statement of account for account number 65 883 319 18 ending February 19, 2013
- P-8 Statement of account for account number 69 087 194 05 ending January 30, 2013
- P-9 PSE&G bills of petitioner for account number 65 635 408 05
- P-10 PSE&G bills of petitioner for account number 69 087 194 05
- P-11 PSE&G bills of petitioner for account number 65 883 319 18 - formerly account number 12 479 103 69

For Respondent:

- R-1 Statement of account for account number 65 833 319 18
- R-2 Statement of account for account number 69 087 194 0 5
- R-3 Letter from respondent dated March 11, 2013, including an updated statement of account for account number 65 833 319 18
- R-4 Letter from respondent dated March 25, 2013