



May 9, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the issuance of a refund check in the amount of \$54,937 to gas utility customer Current Living LP, pursuant to Long Beach Municipal Code Section 15.40.075 Refund of Gas Utility Charges. (District 2)

DISCUSSION

In March 2016, Long Beach Gas and Oil (LBGO) utility customer, Current Living LP, established gas service at 707 East Ocean Boulevard, a newly-constructed 233-unit multi-family residential apartment development. Baseline gas consumption steadily increased as residential lease-up continued and weather temperatures fluctuated into an unseasonably cold winter. While LBGO's Quality Assurance procedures monitor all utility accounts to identify and flag any deviation from predicted usage based on month-over-month consumption, it wasn't until February 2017 that a meter set error was detected, which resulted in overbilling the customer and a large credit owed to the account. Normally, this large credit would reduce future amounts billed, but it would take over a year for the customer to recoup overpayment. Therefore, the customer has requested that the credit be returned by way of a refund check.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and by Revenue Management Officer Geraldine Alejo on April 18, 2017.

TIMING CONSIDERATIONS

City Council action is requested on May 9, 2017, to avoid further delay in processing the refund.

HONORABLE MAYOR AND CITY COUNCIL
May 9, 2017
Page 2

FISCAL IMPACT

The amount of \$54,937 will be paid from the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT DOWELL
DIRECTOR OF LONG BEACH GAS AND OIL

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APPROVED:



PATRICK H. WEST
CITY MANAGER