

2400 EAST SPRING STREET LONG BEACH, CA 90806 (562) 570-2000 FAX (562) 570-2008

www.lbgo.org

November 15, 2011

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the issuance of a refund check in the amount of \$37,673.48 to gas utility customer Edgington Oil Company, pursuant to Long Beach Municipal Code Section 15.40.075 Refund of Gas Utility Charges. (District 9)

DISCUSSION

Edgington Oil Company, located at 2380 East Artesia Boulevard, is a natural gas customer of Long Beach Gas and Oil. In March and April of 2011, the customer paid its gas bills late, which resulted in subsequent bills showing a previous amount due. When paying the subsequent bills, the customer mistakenly once again paid the previous amount due, effectively overpaying the adjusted amount due and resulting in a large credit to the account. Normally, this large credit would reduce future amounts billed, but the customer has drastically curtailed its usage as a result of the economic downturn, reducing its monthly billed amounts, and it would take an inordinate amount of time for the customer to recoup its overpayment. Therefore, the customer has requested that the credit be returned by way of a refund check.

This letter was reviewed by Deputy City Attorney Richard Anthony on October 19, 2011 and Director of Financial Management John Gross on October 21, 2011.

TIMING CONSIDERATIONS

City Council action is requested on November 15, 2011, to avoid further delay in processing the refund.

Traffices Wash

HONORABLE MAYOR AND CITY COUNCIL November 15, 2011 Page 2

FISCAL IMPACT

The refund will be paid from the Gas Fund (EF 301). This action will have no impact on local jobs.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHRISTOPHER J. GARNER

DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:

PATRICK H. WEST CITY MANAGER