File #: 22-0669, **Version:** 1

Recommendation to authorize the issuance of a refund check in the amount of $247,967 to gas utility customer Staybridge Suites Long Beach Airport at 2680 North Lakewood Boulevard, pursuant to the Long Beach Municipal Code Section 15.40.075 - Refund of Gas Utility Charges. (District 4)

In July 2020, Long Beach Energy Resources (ER) customer, Staybridge Suites Long Beach Airport (Customer), established gas services at 2680 N. Lakewood Blvd, a newly constructed, 125-room extended stay hotel. During the service establishment process a meter set error occurred causing an overread of gas consumption which resulted in substantial overbilling to the Customer. While ER's Quality Assurance procedures monitor all utility accounts to identify and flag any deviation from predicted usage based on month-over-month consumption, this new account did not present a prior usage basis to compare against. In January 2022, communications between the Customer and ER identified the overbilling and a large credit owed to the account. Normally, this large credit would reduce future amounts billed, but it would take over two years 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 Principal Deputy City Attorney Richard F. Anthony on May 19, 2022, and by Revenue Management Officer Geraldine Alejo on June 2, 2022.

City Council action is requested on June 21, 2022, to avoid further delay in processing the refund.

A refund for service fees in the amount of $247,967 will be paid from the Gas Fund Group in the Energy Resources Department. This recommendation has no staffing impact beyond the budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

ROBERT M. DOWELL
DIRECTOR OF ENERGY RESOURCES

APPROVED:

THOMAS B. MODICA
CITY MANAGER