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Executive Director
Public Service Commission



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March 14, 2001

Mr. Dixie Casey
Caldwell County Water District
1018-B West Main Street
Princeton, Kentucky 42445

Dear Mr. Casey:

This letter is in response to your telephone inquiry of March 12, 2001 regarding a landlord's liability for charges incurred for utility service rendered to a tenant.

Commission regulations are silent on a landlord's obligation to pay charges for utility service rendered to a tenant. KRS 278.030(2), however, provides that a utility "may establish reasonable rules governing the conduct of its business and the conditions under which it shall be required to render service." A utility may require a landlord's agreement to assume liability for any unpaid charges for service to his tenants as a condition for serving the rental property. Such a condition must be reasonable and must clearly be stated in the utility's tariff. See 807 KAR 5:006, Section 5(2).

Please note that the Commission has previously rejected a water utility's attempt to make landlords and their tenants jointly liable for the payment of water service charges. See Hardin County Water District No. 1, Case No. 9383 (Ky.PSC Aug. 26, 1985). On the other hand, the Attorney General has found that such conditions are reasonable and lawful. See OAG 73-520 and OAG 82-493. A copy of the Commission's decision as well as the Attorney General's Opinions are enclosed for your reference.

This letter represents Commission Staff's interpretation of the law as applied to the facts presented. This opinion is advisory in nature and not binding on the Commission should the issues herein be formally presented for Commission resolution. Questions concerning this opinion should be directed to Gerald Wuetcher, Assistant General Counsel, at (502) 564-3940, Extension 259.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas M. Dorman".

Thomas M. Dorman
Executive Director

Enclosures

