

(b) Mr. Pennington has maintained residential electric service at 875 Buffalo Road, Meally, Kentucky since February 28, 2011. As of the date of this answer, Mr. Pennington continues to maintain residential electric service at 875 Buffalo Road, Meally, Kentucky .

(c) On December 4, 2014, Mr. Fairchild requested that his account be terminated effective December 5, 2014. Kentucky Power terminated Mr. Fairchild's account effective December 5, 2014, but as is its practice, did not physically disconnect service to 736 Hager Branch, East Point, Kentucky.

(d) On January 9, 2015 the Tariff R.S. meter recorded 4,558 kWh of electrical usage at 736 Hager Branch, East Point, Kentucky subsequent to the December 5, 2014 termination of service to Mr. Fairchild. Electrical service to 736 Hager Branch, East Point, Kentucky was then physically disconnected at the meter on January 9, 2015.

(e) On February 5, 2015 the Tariff R.S. meter recorded an additional 3,848 kWh of usage on the Tariff R.S. meter 736 Hager Branch, East Point, Kentucky subsequent to the January 9, 2015 reading and physical disconnection. On February 9, 2015 service to 736 Hager Branch, East Point, Kentucky was physically disconnected for a second time at the meter. In addition, the meter base was locked to prevent further tampering and theft.

(f) Between December 5, 2014 and February 9, 2015 electrical service to 736 Hager Branch, East Point, Kentucky was terminated and there were no authorized customers at that address.

(g) On February 9, 2015, Lisa Fairchild, the spouse of John Wayne Fairchild, called Kentucky Power to inquire about establishing service at 736 Hager Branch, East Point, Kentucky. Ms. Fairchild did not make an application for service.

(h) Later that same day – February 9, 2015 – Mr. Pennington called Kentucky Power and applied for service at 736 Hager Branch, East Point, Kentucky. Kentucky Power informed Mr. Pennington of the 8,406 kWh of usage on the Tariff R.S. meter at 736 Hager Branch, East Point, Kentucky subsequent to Mr. Fairchild’s account being terminated at his request, and further informed Mr. Pennington that the matter of the post-December 5, 2014 service would have to be addressed prior to the establishment of service. Mr. Pennington then stated he was the landlord for 736 Hager Branch, East Point, Kentucky and that he would assume financial responsibility for the post-December 5, 2014 usage.

(i) Because Mr. Pennington indicated he was the landlord for the residence located at 736 Hager Branch, East Point, Kentucky, Kentucky Power did not require that Mr. Pennington provide photo identification or a copy of his lease for the residence prior to establishing service. Such evidence would have been required if Mr. Pennington had informed the Company, as he now alleges in his complaint, that he was a tenant.

(j) In accordance with the Commission’s regulation and Kentucky Power’s tariff, the Company required a \$586 deposit before establishing service in Mr. Pennington’s name at 736 Hager Branch, East Point, Kentucky. Mr. Pennington paid the deposit on February 19, 2015.

(k) On February 9, 2015 Kentucky Power offered to enter into a payment arrangement with Mr. Pennington with respect to the amount owing for electrical service to 736

Hager Branch, East Point, Kentucky following the termination of service to Mr. Fairchild. Kentucky Power and Mr. Pennington further agreed that the payment plan terms would be established following the issuance of the first bill to Mr. Pennington for service to 736 Hager Branch, East Point, Kentucky. Mr. Pennington was to call Kentucky Power to establish the payment plan. That first bill was rendered on February 20, 2015 but Mr. Pennington did not contact Kentucky Power until April 23, 2015.

(l) Following the payment of the required deposit on February 19, 2015, electrical service to 736 Hager Branch, East Point, Kentucky was physically reconnected on February 20, 2015.

(m) John Wayne Fairchild and his spouse, Lisa Fairchild, were observed on the premises of 736 Hager Branch, East Point, Kentucky by a Kentucky Power service technician on February 9, 2015 despite the fact that Mr. Fairchild terminated service to that location effective December 5, 2014.

(n) On February 20, 2015 Kentucky Power rendered a bill to Mr. Pennington in the amount of \$761.13 for service rendered at 736 Hager Branch, East Point, Kentucky between December 5, 2014 and February 5, 2015.

(o) On March 6, 2015 Kentucky Power rendered a bill to Mr. Pennington in the amount of \$1225.04 for service rendered at 736 Hager Branch, East Point, Kentucky. The total reflected the following charges and payments:

Service Period	Amount Due
Service Rendered December 5, 2014 through February 5, 2015	\$761.13
Service Rendered February 5, 2015 through	\$463.91

Service Period	Amount Due
March 6, 2015	
Less Payments	(\$0.00)
Total	\$1225.04

(p) On April 7, 2015 Kentucky Power rendered a bill to Mr. Pennington in the amount of \$1490.11 for service rendered at 736 Hager Branch, East Point, Kentucky. The total reflected the following charges and payments:

Service Period	Amount Due
Service Rendered December 5, 2014 through February 5, 2015	\$761.13
Service Rendered February 5, 2015 through March 6, 2015	\$463.91
Service Rendered March 6, 2015 through April 6, 2015	\$233.11
Late Payment Charge	\$31.96
Less Payments	(\$0.00)
Total	\$1490.11

(q) On April 8, 2015 Kentucky Power issued a notice of termination to Mr. Pennington in connection with service provided him at 736 Hager Branch, East Point, Kentucky. The notice provided that service would be terminated after April 23, 2015 unless the past due amount of \$1257.00 was paid.

(r) On April 23, 2015, Mr. Pennington contacted Kentucky Power and offered to enter into a payment plan with respect to the total amount reflected on the April 7, 2015 bill. Kentucky Power agreed to enter into a six-payment plan comprising the following payments:

Payment Due Date	Amount of Agreed Payment
May 3, 2015	\$250.00
May 22, 2015	\$248.02
June 23, 2015	\$248.02

Payment Due Date	Amount of Agreed Payment
July 23, 2015	\$248.02
August 21, 2015	\$248.02
September 21, 2015	\$248.03

A copy of the agreed payment plan mailed to Mr. Pennington is attached as EXHIBIT 1 to this answer.

(s) On May 5, 2015 Mr. Pennington made the May 3, 2015 agreed payment plan payment of \$250.00.

(t) On May 6, 2015 Kentucky Power rendered a bill to Mr. Pennington in the amount of \$365.80 for service rendered at 736 Hager Branch, East Point, Kentucky. The total reflected the following charges:

Service Period	Amount Due
May 22, 2015 Installment Under Agreed Payment Plan	\$248.02
Service Rendered April 6, 2015 through May 5, 2015	\$117.78
Late Payment Charge	\$0.00
Total	\$365.80

The required May 22, 2015 payment was not made by Mr. Pennington. As a result, the April 23, 2014 payment plan terminated in accordance with its terms.

(u) On June 8, 2015, Kentucky Power rendered a bill to Mr. Pennington in the amount of \$1,449.27 for service rendered at 736 Hager Branch, East Point, Kentucky. The total reflected the following charges and payments:

Service Period	Amount Due
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Total Due Under Terminated April 23, 2015 Payment Plan	\$992.09
Service Rendered April 6, 2015 through May 5, 2015, 2015	\$365.80
Service Rendered May 5, 2015 through June 5, 2015	\$85.49
Late Payment Charge	\$5.89
Less Payments	(\$0.00)
Total	\$1449.27

(v) On June 9, 2015, Kentucky Power issued a notice of termination to Mr. Pennington in connection with service provided him at 736 Hager Branch, East Point, Kentucky. The notice provided that service would be terminated after June 23, 2015 unless the past due amount of \$1,363.78 was paid.

(w) On July 7, 2015, Kentucky Power rendered a bill to Mr. Pennington in the amount of \$1,602.42 for service rendered at 736 Hager Branch, East Point, Kentucky. The total reflected the following charges and payments:

Service Period	Amount Due
Total Due Under Terminated April 23, 2015 Payment Plan	\$992.09
Service Rendered April 6, 2015 through May 5, 2015, 2015 plus delayed payment charge of \$5.89	\$371.69
Service Rendered May 5, 2015 through June 5, 2015	\$85.49
Service Rendered June 5, 2015 through July 6, 2015	\$148.87
Late Payment Charge	\$4.28
Less Payments	(\$0.00)
Total	\$1602.42

(x) On July 8, 2015, Kentucky Power issued a notice of termination to Mr. Pennington in connection with service provided him at 736 Hager Branch, East Point, Kentucky.

The notice provided that service would be terminated after July 23, 2015 unless the past due amount of \$1,453.55 was paid. When payment was not made of the undisputed charges of \$723.51 as required by 807 KAR 5:006, Section 12, electric service to 736 Hager Branch, East Point, Kentucky was terminated on July 27, 2015.

(y) Mr. Pennington made a payment of \$117.78 on July 14, 2015. As of July 29, 2014, Mr. Pennington is indebted to Kentucky Power in the amount of \$1484.64, all of which is due and payable.

Third Defense

3. Kentucky Power denies the allegations contained in the first sentence of the complaint. The disputed amount of \$761.13 relates to service rendered at 736 Hager Branch, East Point, Kentucky, East Point, Kentucky for the period December 5, 2014 through February 5, 2015 and following termination of the account of the former customer at that location at that customer's request. Mr. Pennington informed the Company on February 9, 2015 that he was "the landlord" for the residence and agreed to pay the amounts due following the closing on December 5, 2014 of the prior customer's account. Kentucky Power admits that in light of the unauthorized usage of electric service to the residence located at 736 Hager Branch, East Point, Kentucky during the period December 5, 2014 through February 5, 2015, including twice physically reconnecting electric service after it was disconnected, it informed Mr. Pennington that the Company would have to ascertain who was responsible for such theft prior to service being established.

4. Kentucky Power denies the allegations contained in the second sentence of the complaint, except that Kentucky Power is without information sufficient to admit or deny Mr.

Pennington's belief concerning the disputed amount and therefore denies the same. Kentucky Power states the disputed charges are in the amount of \$761.13 and not in excess of \$1,000 as alleged by Mr. Pennington. The undisputed charges are for service to 736 Hager Branch, East Point, Kentucky on or after February 9, 2015.

5. Kentucky Power denies the allegations contained in the third sentence of the complaint. Mr. Pennington has made two payments totaling \$367.78 on his account for electric service at 736 Hager Branch, East Point, Kentucky.

6. Kentucky Power admits so much of the fourth sentence of the complaint as alleges he has maintained an account for residential service to 875 Buffalo Road, Meally, Kentucky since February 28, 2011 and that his account at that service location is current. Kentucky Power denies the remaining allegations of the fourth sentence of the complaint, including the allegation that Mr. Pennington has maintained an account for residential service to 875 Buffalo Road, Meally, Kentucky and that he has paid his bills for electric service "for over 10 years."

7. Kentucky Power is without information sufficient to admit or deny the allegations contained in the fifth sentence of the complaint concerning Mr. Pennington's belief regarding the fairness of the Company's request for a deposit of \$586. The Company further states that the deposit was requested in conformity with the Company's tariffs and 807 KAR 5:006, Section 8, and that the amount of the deposit was calculated in accordance with the regulation.

8. Kentucky Power denies the allegations contained in the sixth sentence of the complaint and further incorporates by reference paragraph 3 of this answer.

9. Kentucky Power is without information sufficient to admit or deny the allegations contained in the seventh sentence of the complaint and therefore denies the same. Kentucky Power further states that notwithstanding his allegations, it has never received a medical certificate as provided for by 807 KAR 5:006, Section 15(2)(c) concerning Mr. Pennington in connection with service to 875 Buffalo Road, Meally, Kentucky or 736 Hager Branch, East Point, Kentucky.

10. Kentucky Power denies the allegations of the eighth sentence of the complaint.

11. Kentucky Power is without information sufficient to admit or deny the allegations contained in the ninth sentence of the complaint and therefore denies the same. Kentucky Power further states that the payments made by Mr. Pennington on this account total \$367.78 and thus are less than the amount past due with respect to electric service provided since service was established in Mr. Pennington's name on February 9, 2015.

Fourth Defense

12. Kentucky Power denies all allegations of the complaint that are inconsistent with the admissions set forth in paragraph 2 of this answer.

Fifth Defense

13. Kentucky Power denies Mr. Pennington is entitled to the relief requested.

WHEREFORE, Kentucky Power Company respectfully requests that:

1. The Complaint be dismissed with prejudice; and
2. The Company be accorded all other relief to which it may appear entitled.

Respectfully submitted,

Mark R. Overstreet
STITES & HARBISON PLLC
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Frankfort, Kentucky 40602-0634
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COUNSEL FOR:
KENTUCKY POWER COMPANY

Certificate of Service

I hereby certify that a copy of the foregoing answer was mailed United States First Class Mail, postage prepaid, this 29th day of July, 2015 to:

Johnny D. Pennnington
736 Hager Branch
East Point, Kentucky 41216

Mark R. Overstreet

Exhibit 1



A unit of American Electric Power

1 AEP Way
Hurricane, WV 25528-1231

6069-1

990006069 01 AB 0.403



JOHNNY D PENNINGTON
736 HAGER BR
EAST POINT, KY 41216-8770

April 24, 2015

Account Number: [REDACTED]

Dear Johnny D Pennington:

This letter confirms the arrangements you made for the balance of \$1,490.11. We have listed a summary of the payment agreement below:

<u>Agreement Amount Due</u>	<u>Due Date</u>
\$250.00	May 3, 2015 ✓
\$248.02	May 22, 2015
\$248.02	June 23, 2015
\$248.02	July 23, 2015
\$248.02	August 21, 2015
\$248.03	September 21, 2015

These amounts will appear on your monthly electric service bill in addition to your current bill amount. Please remember that when you receive your regular monthly service bills in the future, you still must pay your past due amounts as stated in this letter.

If you do not comply with any of these terms, AEP may disconnect your electric service. If we disconnect service, the entire remaining past due balance plus a reconnection charge must be paid to have service restored. You also may be required to pay a security deposit before service is reconnected.

If you have any questions, contact AEP at 1-800-572-1113.

KENTUCKY POWER IS AVAILABLE 24 HOURS A DAY 7 DAYS A WEEK