

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|------------------------------------|---|------------|
| PHILIP W. WHITLEY |) | |
| |) | |
| COMPLAINANT |) | |
| |) | CASE NO. |
| V. |) | 2023-00052 |
| |) | |
| NATURAL ENERGY UTILITY CORPORATION |) | |
| |) | |
| DEFENDANT |) | |

ORDER

On February 14, 2023, Philip W. Whitley tendered a formal complaint with the Commission against Natural Energy Utility Corporation (Natural Energy), a copy of which is attached as an Appendix to this Order and incorporated herein. The complaint alleged price gouging by Natural Energy after Mr. Whitley received four increasing price quotes for gas service to be supplied to Mr. Whitley's home in Rush, Kentucky. Based upon a review of the tendered complaint, the Commission issued an Order on March 20, 2023, stating that the Commission was unable to determine at that time whether the complaint established a *prima facie* case, but determined that the allegations supported further investigation into the merits of the complaint, and that Natural Energy was in the best position to provide the requisite information.

Pursuant to Commission regulation in 807 KAR 5:001, Section 20(4)(a), upon receipt of a formal complaint, the Commission must determine whether the complaint establishes a *prima facie* case. During the course of the complaint investigation,

Commission Staff issued four requests for information to Natural Energy and one request for information to Mr. Whitley. After further investigation, the Commission has determined that the complaint establishes a *prima facie* case as stated for price gouging related to the multiple increasing estimates provided to Complainant from Natural Energy.

Having reviewed the evidence on the record and being otherwise sufficiently advised, the Commission finds that pursuant to 807 KAR 5:001, Section 20, Natural Energy should satisfy the matters complained of by installing the requested line extension at the first quoted price provided in writing to Mr. Whitley at \$3,051.23, with the pipe sufficiently sized to accommodate later requests for service. Satisfaction should be completed within 60 days from the date of service of this Order. If Natural Energy is unable to satisfy the complaint, Natural Energy should file an answer explaining why Natural Energy is unable to do so and include any determination as to why the extension should be considered uneconomic and with justification for any price increase related to the extension.

Following the satisfaction of the complaint, Natural Energy should comply with the requirements of 807 KAR 5:022, Section 4(1)(b)2, which states: "Each customer receiving service under this extension shall be reimbursed under the following plan: each year for a refund period of not less than 10 years, the utility shall refund to the customer who paid for the excessive footage, the cost of 100 feet of extension in place for each additional customer connected during the year whose service line is directly connected to the extension installed, and not to extensions or laterals therefrom. Total amount refunded shall not exceed the amount paid to the utility. After the end of the refund period, no refund shall be required."

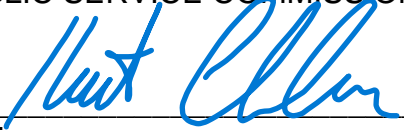
IT IS THEREFORE ORDERED that:

1. Natural Energy shall satisfy the matters complained of by installing the requested line extension at the first quoted price provided in writing to Mr. Whitley at \$3,051.23, with the pipe sufficiently sized to accommodate later requests for service, within 60 days from the date of service of this Order, and thereafter complying with the requirements of 807 KAR 5:022, Section 4(1)(b)2; or

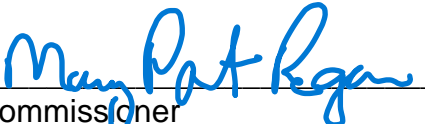
2. Natural Energy shall file a written answer explaining why Natural Energy is unable to do so and include any determination as to why the extension should be considered uneconomic and with justification for any price increase related to the extension within 60 days from the date of service of this Order.

3. A copy of this Order shall be served on the Philip W. Whitley by U.S. certified mail, return receipt requested at 14402 Deerhaven Court, Rush, Kentucky 41168.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ENTERED
FEB 09 2024 rcs
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2023-00052 DATED FEB 09 2024

TWO PAGES TO FOLLOW

RECEIVED

FEB 14 2023

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

Philip W. Whitley
(Your Full Name)
COMPLAINANT

VS.

Natural Energy Utility Corporation
(Name of Utility)
DEFENDANT

COMPLAINT

The complaint of Philip W. Whitley
(Your Full Name) respectfully shows:

(a) Philip W. Whitley
(Your Full Name)

14402 Deerhaven Court Rush, Ky 41168
(Your Address)

(b) Natural Energy Utility Corporation
(Name of Utility)

2560 Hoods Creek @ Pike Ashland Ky 41102
(Address of Utility)

(c) That: We received a verbal price quote
(Describe here, attaching additional sheets if necessary,

about a year ago for natural gas to
the specific act, fully and clearly, or facts that are the reason

be installed on to the three houses
and basis for the complaint.)

located on Deerhaven Ct. the verbal

Continued on Next Page

* Side note
Other houses in
the area were
installed for
600-800 dollars

Formal Complaint

Philip W. Whithy vs. Natural Energy Utility Corporation

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Quote was \$3000.00 splitting the cost per house 1000.00 to be paid by each homeowner. After talking to my neighbors the price jumped to 3100.00 per house. I called the office to investigate the change ~~Freeman~~ Freeman then verbally raised the price to 16000.00 for all houses. After the entire complaint was filed Jay Freeman met with me

Wherefore, complainant asks

(Specifically state the relief desired.)

and said basically it was not worth his time and monetary return to run the line at said price. He went on to say it would cost 26000.00 to run the line for the three houses. Jay Freeman did mention applying for a grant through the state to run the line for 26000.00

Dated at Rush, Kentucky, this 10 day (Your City)

of February, 20 (Month)

→ Honor price Original price gouging is occurring and see it

(Your Signature*)

(Name and address of attorney, if any)

Date

*Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address. No oral or unsigned complaints will be entertained or acted upon by the commission.

Philip W. Whitley
14402 Deerhaven Court
Rush, KENTUCKY 41168

*Honorable John N Hughes
Attorney at Law
7106 Frankfort Road
Versailles, KENTUCKY 40383

*Natural Energy Utility Corporation
2560 Hoods Creek Pike
Ashland, KY 41102

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2560 Hoods Creek Pike
Ashland, KY 41102