

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE COMPLAINT OF WANDA MCGUIRE)	
AND MILTON MCGUIRE, YORK, KEN-)	CASE NO. 8560
TUCKY, AGAINST GRAYSON RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	

O R D E R

By letter dated June 23, 1982, Milton and Wanda McGuire ("the McGuires") of York, Kentucky, filed a complaint against Grayson Rural Electric Cooperative Corporation ("Grayson R.E.C.C.") in which they accused Grayson R.E.C.C. of wrongfully discontinuing electric service to their residence because of theft of electric power. Grayson R.E.C.C. filed its reponse to the McGuires' complaint on July 6, 1982, stating that on December 7, 1981, during a routine meter reading visit by one of its servicemen, evidence of meter tampering was discovered in the meter base and that the nature of the tampering allowed approximately 66 percent of the electric power used at the McGuires' residence to by-pass the meter and, consequently, not be billed. Service was immediately discontinued and the McGuires were advised that it would not be restored until Grayson R.E.C.C. had been reimbursed for the estimated amount of service rendered plus other costs incurred because of fraudulent use.

The Commission requested additional information from Grayson R.E.C.C. which was filed on August 4, 1982. The matter was heard on August 12, 1982, in the Commission's offices at Frankfort, Kentucky, and all parties of interest were allowed to be heard.

The Commission, after considering the evidence of record and being advised, is of the opinion and finds that:

1. The Commission's regulation, 807 KAR 5:006, Section 11 (2)(c), allows an electric utility to discontinue service without notice upon evidence that a customer has received service without it being properly measured. The utility may not be required to restore service until the customer has complied with all rules of the utility and regulations of the Commission and the utility has been reimbursed for the estimated amount of the service rendered and the cost to the utility incurred by reason of fraudulent use.

2. The meter base on the McGuires' residence had been tampered with to the extent that the meter by-pass switch had been operated to the closed position and the operating handle had been deformed to allow the cover to be replaced on the meter base. The closing of the meter by-pass switch allowed a large portion of the power to be diverted so that only approximately 36.44 percent of the power used by the McGuires was being metered.

3. The meter and meter base at the McGuires' residence was last inspected by a Grayson R.E.C.C. employee during July of 1978 and the adjustment period for the McGuires' bill, therefore, should be from August 1, 1978, through December 7, 1981. The total

amount of this bill adjustment for the period will be \$6,362.48 which includes \$5,824.80 for electric charges plus \$332.69 for additional gross charges plus an outstanding balance of \$204.99.

IT IS THEREFORE ORDERED that Grayson R.E.C.C. shall deny service to the McGuires' residence or to Mr. or Mrs. McGuire at any other location until they have made satisfactory arrangements to reimburse Grayson R.E.C.C. in the amount of \$6,362.48 plus the miscellaneous costs incurred by reason of the fraudulent use of electric service.

Done at Frankfort, Kentucky, this 15th day of September, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katharine Randall
Vice Chairman

Don Parry
Commissioner

ATTEST:

Secretary