

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of

THE COMPLAINT OF JIM MITCHELL,)
LEXINGTON, KENTUCKY, AGAINST)
COLUMBIA GAS OF KENTUCKY, INC.)

CASE NO. 8563

O R D E R

On May 24, 1982, the Commission received a letter from Mr. Jim Mitchell, Lexington, Kentucky (Appendix A) concerning the disconnection of his gas service by Columbia Gas of Kentucky, Inc. (Columbia Gas) because his check was returned for insufficient funds.

On June 1, 1982, the Commission received a letter from Columbia Gas (Appendix B) setting forth the sequence of events and stating, among other things, that service was disconnected following the return of two checks for insufficient funds.

On July 9, 1982, the Commission received a letter from Mr. Mitchell (Appendix C) stating that he did not receive a "returned check" notice from Columbia Gas advising of the May 12, 1982, termination date. According to Mr. Mitchell a notice received earlier in the month had given the termination date as May 25, 1982.

On June 1, 1982, and June 14, 1982, Mr. Mitchell submitted petitions to the Commission concerning the meter reading practices of Columbia Gas and other service matters.

Mr. Mitchell has requested a hearing before the Commission to consider these matters.

The Commission, having considered the above letters and related correspondence and being advised, HEREBY ORDERS that this matter be and it hereby is set for hearing on August 11, 1982, at 10:00 a.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky.

IT IS FURTHER ORDERED that Columbia Gas shall appear at the hearing and present testimony relative to this matter.

Done at Frankfort, Kentucky, this 21st day of July, 1982.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

RECEIVED

MAY 24 1982

Dear Sirs:

DIVISION OF UTILITY
ENGINEERING & SERVICES

I hereby am filing a formal complaint on behalf of myself and other Columbia Gas consumers who may have problems with service.

After receiving a bill on Wednesday, May 19 for the amount of \$70.00, I called the gas company to find the reason for this amount. Since I am on the budget plan my normal bill was \$35.00 per month. The person I spoke with informed me that they couldn't investigate my problem because their computers were down. I saw no reason to call back until later in the week, since the bill wasn't due until May 25.

On Thursday, May 20, a gas company representative showed up to terminate my service. He then informed me that my check for last month was returned because of insufficient funds. This explained the \$70.00 bill which I received, but the termination date on my bill was May 25. After speaking with his supervisor, Mrs. Fay Johnson, he was told that a returned check meant an automatic termination of service. Since I am self-employed myself, I also receive checks which are insufficient funds but I am required to give a 10-day notice, through 7.



Robert N. Ames
District Manager

May 27, 1982

RECEIVED

JUN 1 - 1982

DIVISION OF UTILITY
ENGINEERING & SERVICES

Mr. Jesse C. Oak, Acting Director
Division of Utility Engineering
and Services
PUBLIC SERVICE COMMISSION
Post Office Box 615
Frankfort, Kentucky 40602

Dear Mr. Oak:

This is in reply to your request dated May 24 relative to the letter received by you from Mr. Jim Mitchell, 3496 Lansdowne Drive, Lexington, Kentucky.

We regret the difficulty Mr. Mitchell has experienced with his bank account. However, an examination of the facts reveals we were not unjust or unfair in terminating the gas service on May 20.

The service at this address was connected on September 22, 1981 in the name of Debra Mitchell. An itemized statement of the account reflecting the termination notices and returned checks is enclosed for your review.

The regular monthly billing, covering the period from February 22 to March 23, was mailed to Mrs. Mitchell on March 29. This bill reflected a balance of \$144.54, with a \$35.00 budget payment to be past due after April 8.

On April 5, Mr. Mitchell came to our office, paid \$35.00 in cash and advised us the check he had given us on March 25 to pay the previous bill for service from January 21 to February 22, with a due date of March 10 and shut-off date of March 25, was being returned by the bank for insufficient funds. We received the returned check on April 6, charged it back to the account and returned the check to Mrs. Mitchell.

On April 16, a termination of service notice was mailed to Mrs. Mitchell advising her of the past due status of the March bill. This notice stated the gas service could be terminated if payment was not received by April 26. On April 27, we received and deposited a check in the amount of \$35.00, signed by Jim Mitchell and drawn on the account of Jim and Debra Mitchell.

Mr. Jessee C. Oak
Page Two
May 27, 1982

This check was returned to us unpaid due to "Uncollected Funds" on May 7. A Returned Check Notice (copy attached) was prepared and mailed to Mrs. Mitchell on May 7, advising the check must be redeemed on or before May 12 to avoid termination of the service. This Return Check Notice took precedence over the subsequent billing and Termination Notice covering the billing period of March 23 to April 22, which was mailed on May 17 with a due date of May 25.

Collection efforts on the shut-off order, as a result of this returned check, were deferred until May 20, which allowed Mrs. Mitchell over an additional week's time to redeem the check. When our serviceman went to the residence to execute the disconnection of service, Mr. Mitchell's request for a further extension was ~~deferred~~, based on the delinquent status of the account and the previous payment record.

denied?

We do not understand Mr. Mitchell's recount of the response he received on May 19, when he inquired of us about the account. In rare instances, our ability to answer certain inquiries quickly is affected by our information system being temporarily inoperable. When this occurs, we ask our customers to give us the telephone number where they can be reached, manually secure the information desired, and promptly return the call.

When Mr. Mitchell contacted our office on May 21, he was told to come in to the office, redeem the returned check and, at that time, we would attempt to work out mutually satisfactory payment arrangements on the account balance of \$210.08. We have had no further personal contact with Mr. or Mrs. Mitchell.

Should you require further information regarding this matter, we invite you to contact us.

Yours very truly,

COLUMBIA GAS OF KENTUCKY, INC.


R. N. Ames
District Manager

JFB:jj

Attachment

COLUMBIA GAS OF KENTUCKY, INC.
(CORPORATE)

ITEMIZED STATEMENT OF ACCOUNT

UNIT & BOOK 12-42

NAME Debra Mitchell

LOCAL OFFICE

SERVICE ADDRESS 3496 Lansdowne Drive-1 F, Lexington, KY

ACCOUNT NO. [REDACTED]

MAILING ADDRESS

- R-Read
- A-ADJUSTED
- C-CALCULATED
- E-ESTIMATED
- FS-FINAL SERVICE
- IS-INITIAL SERVICE

METER READINGS	DATE	READING	°F	GAS USED thousand CUBIC FEET	MONTHLY CHARGES			MONTHLY BUDGET CHARGES			DUE DATE	PAYMENTS	
					CURRENT AMOUNT	PREVIOUS BALANCE	TOTAL	BUDGET AMOUNT	BUDGET ARREARS	TOTAL		DATE	AMOUNT
	1-21-82	456	C	15	73.24	43.17	116.41	35.00	-	35.00	2-8-82	2-25-82	35.00
	2-22-82	468	R	12	60.75	116.41	177.16	35.00	35.00	70.00	3-10-82	3-25-82	35.00
	3-23-82	475	C	7	37.38	107.16	144.54	35.00	-	35.00	4-8-82	4-6-82	35.00
	4-22-82	487	R	12	65.54	144.54	210.08	35.00	35.00	70.00	4-26-82	4-27-82	35.00
	5-20-82	491	FS	4	22.49	210.08	232.57				5-12-82	5-7-82	35.00
											5-10-82		
											5-25-82		
											6-8-82		

*Due date of Termination Notice.
 **Due date of Return Check Notice.
 ***Charge back of returned checks.

REMARKS



Columbia Gas of Ky., Inc.
P. O. Box 241
Lexington, Kentucky 40584

GCD LO UN BK ACCR C CR

**RETURNED CHECK
NOTICE**

PAYABLE AT COMPANY OFFICE
166 WALNUT ST., LEXINGTON, KY.

8109

Debra L Mitchell
3496 Lansdowne Dr 1F1
Lexington, Ky. 40502

COMPANY OFFICE HOURS: 8:30 A.M. TO 4:30 P.M.
MONDAY THRU FRIDAY

Service Address: 3496 Lansdowne Dr 1F1

Meter Number: 5155332

Location: 94 This Notice Mailed

5/7/82

This notice is to advise you that your check in the amount of 35.00 has been returned to us marked "Uncollected Funds". This check must be redeemed with cash in our office on or before 5/12/82, or your gas service will be discontinued without further notice.

Check Amt 35.00
Budget Amt _____

July 9, 1982

Dear Sirs:

I have been advised that if I respond to the letter which was sent to you by Mr. Ames of Columbia Gas this will complete my case and hopefully we can proceed from this point.

In Mr. Ames' letter, he seems to go into great detail on part of my past account with the gas company, but he didn't even send you complete records on our account. Our service started in September but he didn't bother to show the months when our bills were paid on time. Granted I had some problems financially the first of the year because of a couple of factors.

First, I had just started my own business in November. I was a painter, but since that business was so seasonal and I had a child on the way, this was a move I had to make. The second and most expensive factor was the birth of a daughter on February 4th.

But getting back to a response to Mr. Ames' letter another important factor comes to light. This is the factor that we did not receive a Returned Check notice from his company advising us of the May 12th termination date. Whether it was an error on Columbia Gas or whether it was an error with the postal service, the fact remains that it was not received. The company says that this notice took precedence over the notice I received on May 19th (exactly one week after the so-called cut off date). But I had already received another notice earlier in the month stating the same date, May 25th. Copies of these bills have been sent to your agency.

Another point, If my date of termination was May 12th, I should have been eliminated from the normal billing list on their computer terminals, thus eliminating the bill they mailed on May 17th. My case is not unique. As I walked a picket in front of their offices I heard several people who were having the same or similar problems as myself. Since these shut off notices are very important to a person's livelihood, why are they not sent by some more reliable means of delivery such as a registered letter or a mail-a-gram. This way there would be other records besides those of the gas company.

As far as my asking for an extension, I called and offered to drop my payment in the night depository the very same day I was terminated. This offer was refused by Ms Faye Johnson and she told the workman to continue with his assignment. Their own employee made the call from my house in the first place after he saw my bill. He said that since the date on my notice was still five days away he would have to have further authorization before he could eliminate our service.

Basically the response I received from their office was the attitude that I was lying about not receiving the earlier notice and they were right and I

was wrong. Then after following the chain of command to the top I was put in touch with Mr. Goodykoontz. He informed me that he seldom bothered to talk with consumers and proceeded to rudely hang up on me. This led me to the course of action which I am now pursuing.

I understand that the PSC is a very busy agency, and I truly do appreciate your attention to my problem. I just hope a solution can be reached as to whether or not a hearing can be held before your commission since my daughter of five months, my wife, and myself have been without hot water since May 20th. If you feel I do not merit a hearing, I will still pursue this problem further up the line, so the sooner I know your position the sooner I can continue to have our service reinstated. The gas company is now also threatening to send our account to a collection agency.

Again, I would like to thank you for a courteous and efficient response.

Sincerely yours,

A handwritten signature in cursive script that reads "Jim Mitchell".

Jim Mitchell