COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CAROL LA VAUN DURHAM COMPLAINANT VS. FOX CREEK RURAL ELECTRIC COOPERATIVE CORPORATION

DEFENDANT

ORDER

On June 1, 1992, Carol La Vaun Durham filed a complaint against Fox Creek Rural Electric Cooperative Corporation ("Fox Creek RECC") alleging that a malfunctioning transformer caused her electric bill to increase. Fox Creek RECC filed its answer on June 18, 1992 denying that the transformer malfunctioned and asserting affirmatively that the increase in the electric bill was the result of an increased demand for service. A hearing was held before the Commission on August 25, 1992 at which both parties appeared, but only Fox Creek RECC was represented by counsel.

FINDINGS OF FACT

Fox Creek RECC is a cooperative corporation that owns, controls, and operates facilities used in the transmission and distribution of electricity to the public for compensation. Its principal offices are located in Lawrenceburg. Mrs. Durham together with her husband, Harold Durham, are customers of Fox Creek RECC who reside in Franklin County. The electricity purchased by the Durhams is used for heating, lighting, cooling, and other purposes normally associated with a residence.

The Durhams reside in a double-wide mobile home which they purchased and had installed on January 22, 1991. Previous to purchasing the double-wide mobile home, the Durhams resided in a single-wide mobile home on the same property. They have lived at the same location since prior to January 1989.

Sometime in October 1991 a transformer used to provide electric service to the Durham residence blew a fuse and was replaced by Fox Creek RECC. Soon thereafter Mrs. Durham noticed that her monthly electric bills began to increase. When Mrs. Durham complained to Fox Creek RECC, she was told that the increase was probably due to the weather getting colder. However, as the bills continued to rise, Fox Creek RECC suggested that there might be something in the mobile home that was causing the Durhams to use more electricity than they had in the past and they offered to perform an electric audit of her residence. When the offer was made, the Durhams were busy harvesting a tobacco crop and Mrs. Durham could not take time off for the audit. Instead, she employed an electrician to inspect her home and look for any conditions that might cause excessive use of electricity. The electrician inspected the home on two separate occasions but could find nothing wrong.

The replacement transformer installed by Fox Creek RECC served the Durham residence from October 1991 until February 14, 1992 when a second and larger replacement transformer was

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installed. During that period, the Durhams electric consumption, as measured by their electric meter, increased significantly. For example, in January 1991, the Durhams were billed for 1,043 kilowatt hours of electricity. For the same period in 1992, the Durhams were billed for 5,014 kilowatt hours of electricity. Although the record does not show what the usage was in February 1991, Mrs. Durham reported that the highest bill she ever received was sent to her in February 1992 when she was charged for 5,401 kilowatt hours. After the meter was replaced in February, the Durhams' consumption decreased, but it continued to be higher than it had in the past. For example, in March 1992, the Durhams consumed 3,110 kilowatt hours, compared to 2,090 in March 1991. The same pattern continued in April, May, June, and July, the last month for which the information was furnished.

In addition to the inspection made inside the mobile home by the electrician employed by Mrs. Durham, an inspection was also made of the equipment outside the mobile home by an electrician employed by Fox Creek RECC. Fox Creek RECC's electrician found that the equipment was all working in proper order. As part of the inspection, the Fox Creek RECC electrician removed the meter and took it to Frankfort Meter and Electric for testing. Frankfort Meter and Electric found that the meter was 100.2 percent accurate.

After the first replacement transformer was removed, it was placed in a different location where it continues to serve another Fox Creek RECC customer. There have been no complaints from that other customer.

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CONCLUSIONS OF LAW

Fox Creek RECC is a utility subject to the jurisdiction of this Commission. As a regulated utility, Fox Creek RECC is required by 807 KAR 5:041, Section 16(5), to test its meters periodically and maintain their accuracy to within two percent of actual consumption. Customers whose meters are found to be two percent fast or slow are entitled to refund or subject to back billing for the period during which the meter error is found to have existed, not to exceed three years. The meter serving the Durham residence was within the limits allowed by the regulation and, therefore, must be presumed to be accurately measuring the amount of electricity being delivered to the customer.

Although the amount of electricity measured by the meter increased sharply during the period when the first replacement transformer was in use, there was no evidence that the increase was related to any malfunction on the part of the transformer. On the contrary, an engineer for the utility testified that if the transformer had malfunctioned and sent more electricity through the meter, it would have affected the operation of the electric appliances inside the mobile home. Since no such disruption was ever reported, it must be assumed that some other factor caused the increase in consumption. This conclusion is supported by the evidence.

Even though Mrs. Durham has limited her complaint to the increase in consumption noted during the period when the first replacement transformer was in place, the pattern of increased

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consumption can be clearly traced to the date the Durhams purchased their double-wide mobile home. For example, in March 1991, the second month they were in the mobile home and presumably the last month of the heating season, the Durhams consumed 2,090 kilowatt hours of electricity compared to 1,065 in March 1990 and 792 in March 1989. Additionally, the Durhams now rely solely on their electric furnace for heat, whereas, when they lived in their single-wide mobile home, they supplemented their furnace with a wood stove. Therefore, in the absence of any evidence of the contrary, it is reasonable to assume the Durhams' increased consumption of electricity during the heating season is due to the increased size of their new mobile home and the total reliance upon its furnace and not to any malfunction on the part of equipment used to furnish electricity to the residence by Fox Creek RECC.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the complaint of Carol La Vaun Durham against Fox Creek RECC be and is hereby dismissed.

Done at Frankfort, Kentucky, this 9th day of November, 1992.

PUBLIC SERVICE COMMISSION

Vice Chairman

ATTEST:

100,

Executive Director