

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BOB JOSEPH

COMPLAINANT

v.

FOX CREEK RURAL ELECTRIC
COOPERATIVE CORPORATION

DEFENDANT

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) CASE NO. 95-398
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O R D E R

On September 7, 1995, Bob Joseph filed a formal complaint with the Commission against Fox Creek Rural Electric Cooperative Corporation ("Fox Creek"). The complaint alleges that Fox Creek provided an oral estimate of not more than \$3,200 for the cost of an electric line extension to Mr. Joseph's mobile home, but subsequently rendered a written estimate of \$7,505.50. Mr. Joseph requests the Commission to enter an Order requiring Fox Creek to provide the line extension for the original estimate of \$3,200.

Fox Creek filed an answer denying the substance of the complaint and alleging that Mr. Joseph was advised that the cost of the line extension would be based on the distance between his mobile home and the nearest electric distribution line.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that a public hearing is not necessary, in the public interest or for the protection of substantive rights. Fox Creek determined that the distance between Mr. Joseph's mobile home and the nearest electric distribution line

was 2,150 feet. Applying its filed tariff governing line extensions to mobile homes, Fox Creek Tariff No. 5, sheet No. 12, Fox Creek rendered a written estimate as follows:

First	150 feet - no charge	
Next	150 feet -	\$50
Next	1850 feet @ \$4.03/ft.	<u>\$7455.50</u>
		\$7505.50

Of this cost, the \$50 charge is refundable at the end of the first year if service continues that long and an additional \$2,821, representing the cost of the extension from 300 feet to 1000 feet, is refundable over four years in equal amounts if service is continued.

The complaint does not challenge the distance of the electric line extension or the cost per foot as calculated by Fox Creek. Rather, the sole basis for the complaint is an oral cost estimate which was significantly less than the written calculated estimate. These facts provide no basis for any relief. The applicable statute, KRS 278.160(2), provides that:

No utility shall charge, demand, collect or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

This statute is commonly referred to as the "filed rate doctrine" and it prohibits the utility from providing service and the customer from receiving such service except upon the terms and conditions set forth in the utility's filed tariffs. Requiring utilities to adhere strictly to their tariffs protects both the

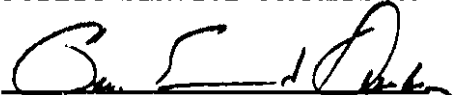
utilities and their customers by giving everyone advance notice as to the terms of service and rates to be paid. Neither Mr. Joseph nor Fox Creek is at liberty to modify a filed tariff on the basis of any oral or even written representations.

Fox Creek has fully complied with its filed tariff for determining the cost of a line extension to Mr. Joseph's mobile home. The Commission notes, however, that the written estimate prepared by Fox Creek erroneously omits reference to the refund due at the end of the first year of service of the \$50 flat charge. The statute prohibits Mr. Joseph from receiving service upon any other terms and, consequently, the complaint should be dismissed.

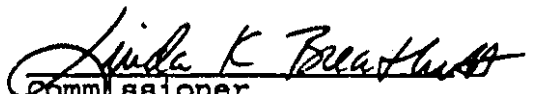
IT IS THEREFORE ORDERED that Mr. Joseph's complaint against Fox Creek is hereby dismissed.

Done at Frankfort, Kentucky, this 30th day of November, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director