

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMY MARIE HEPLER)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 2001-00294
)	
LOUISVILLE GAS AND ELECTRIC COMPANY))	
)	
DEFENDANT)	

O R D E R

On September 17, 2001, Amy Marie Hepler (Complainant) filed a formal complaint against Louisville Gas and Electric Company (LG&E) alleging that LG&E improperly read her gas meter and, as a result, is attempting to collect inaccurate charges. Complainant requests that the Commission order LG&E to remove the disputed gas charges from her bill.

LG&E filed its answer on October 1, 2001. LG&E claims it is correctly charging Complainant for the gas she consumed. LG&E claims that the confusion over the amount is a result of LG&E s having estimated Complainant s natural gas usage from December 2000 until March 2001. LG&E adjusted Complainant s bill for actual usage when it performed an actual reading of Complainant s meter in April 2001.

FACTS

Complainant resided at 910 Chestnut Street, Louisville, Kentucky for approximately 1 year and 11 months. Complainant received gas service in her name at

the above address from May 21, 1999 until April 2, 2001. Complainant's gas meter was located inside her house and LG&E employees needed an occupant at the house to let them in so they could read the meter.

LG&E claims that its employees were frequently unable to gain access to read the gas meter, resulting in numerous estimated gas billings and a poor record of Complainant's actual usage patterns. LG&E employees were unable to gain access to the meter from December 2000 until April 2001. LG&E claims that its employees left notices on Complainant's door every time they were unable to gain access. During this time, LG&E estimated Complainant's usage to be 105 ccf.

On April 2, 2001, LG&E performed an actual reading of Complainant's gas meter per Complainant's request to terminate service at that address. This reading was 9748, reflecting a usage of 94 ccf since LG&E's estimated March 2001 reading. On April 25, 2001, LG&E read the meter again due to a request for service from a new tenant. The April 25, 2001 reading was 0765 ccf,¹ revealing that the April 2, 2001 reading was misread by 1000 ccf. LG&E, however, did not bill Complainant for the additional 1000 ccf at this time. Rather, it suspended the bill until it could get another actual reading of the gas meter. LG&E was next able to conduct a meter reading on July 16, 2001, which confirmed that the meter was functioning correctly and, thus, that the April 25, 2001 reading of 0765 ccf was an accurate reading. Prior to July 16, 2001, LG&E issued a bill to the new tenant and, because it had suspended the account and it

¹ LG&E, however, billed the new tenant for 9765 ccf, at first believing the 0765 ccf reading to be in error. LG&E later adjusted this amount accordingly, once it was able to read the meter on July 16, 2001 and confirm that LG&E had misread the meter by 1000 ccf on April 4, 2001. This led to Complainant's confusion as to why her landlord's meter reading on his initial bill was 9765 ccf, rather than 0765 ccf.

had not been able to get an actual reading, LG&E did not charge the new tenant for gas service that month.² On July 30, 2001, LG&E sent Complainant a corrected bill that included the previously misread 1,000 ccf. Complainant refused to pay the additional amount and filed this complaint.

LG&E removed Complainant's meter on December 7, 2001 and tested it on December 10, 2001. Jeff Schroeder of Commission Staff witnessed the testing. LG&E notified Complainant of the time and place of the testing. Complainant, however, did not attend the testing. The testing revealed that the meter was functioning properly within Commission requirements.

DISCUSSION

Complainant argues that since LG&E cannot answer her questions regarding the irregularities in her meter readings, she should not be required to pay the disputed amount. LG&E now has explained the circumstances involving Complainant's meter.

Complainant's natural gas usage for the period of November 1999 to April 2000 was approximately 910 ccf. Complainant's estimated usage for the period of November 2000 to April 2001 was 199 ccf, a 711 ccf decrease in usage for the same period in the previous year, although the winter of 2000-2001 was one of the coldest on record. When LG&E adjusted Complainant's bill, her usage for the period of November 2000 to April 2001 was 1199 ccf, a 289 ccf increase for the same period in the previous year.³

² This may have further confused Complainant who interpreted this bill to mean that the new tenant's gas meter read 10,000 ccf, or 748 ccf less than the reading of April 2, 2001. The 0 on the bill did not reflect 10,000, however, but reflected the fact that LG&E was unable to obtain a reading on July 11, 2001.

³ Response of LG&E to First Data Request of Commission Staff, Question No. 1, page 1.

This increase is reasonable due to the harsh winter. A 711 ccf decrease in usage, however, is surprising.

LG&E's failure to obtain access to the meter from November 2000 to July 2001 led, in part, to the dispute in this case. To avoid this situation, LG&E should have sent a disconnection notice to Complainant when it was initially unable to gain access to Complainant's gas meter. LG&E's tariff allows it to disconnect a customer's service, with 15 days' notice, when the customer refuses or neglects to provide access to its property for meter reading.⁴ Had LG&E informed Complainant that it would disconnect service if it could not get access to the meter, then Complainant would have been compelled to provide LG&E with access and LG&E would not have had to estimate Complainant's usage from November 2000 until April 2001. This would have been a much more reasonable approach, would have avoided the necessity of issuing so large a bill at one time, and would have avoided the confusion leading to this complaint.

LG&E's explanation for misreading the meter is consistent with the material provided to the Commission. The meter test, moreover, reinforces LG&E's argument that the error in Complainant's billing was a human error, rather than a mechanical malfunction. KRS 278.160(2)⁵ requires a utility to charge its tariffed rates, no more and no less, to all of its customers. Kentucky courts have found that, even if a tort has been

⁴ LG&E's Tariff for Gas Service, Original Page 33, Section 22(c).

⁵ KRS 278.160 provides, in pertinent part, as follows:

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.

committed by a utility, the utility must collect its tariffed rates and charges. See also, Boone County Sand and Gravel v. Owen County Rural Electric Cooperative Corporation, 779 S.W.2d 224 (Ky.App., 1989). Therefore, because Complainant did consume the gas as alleged by LG&E, she must pay the tariffed charge for the entire amount.

LG&E, however, has made a mistake in calculating the amount Complainant owes. Upon discovering that it had undercharged Complainant by 1000 ccf, LG&E billed Complainant the 1000 ccf based upon the April 2001 GSCC Rate.⁶ Complainant, however, did not consume the entire 1000 ccf during the April billing period, but consumed it over the period between November 2000 until April 2001. Accordingly, LG&E should adjust the billed amount to reflect the estimated usage for the aforementioned period of time and apply the proper GSCC rate for each billing period.⁷ Applying this formula reduces Complainant's outstanding balance by \$68.20.

CONCLUSION

LG&E may have avoided this complaint if it had read Complainant's meter on a monthly basis and, if unable to read Complainant's meter each month, left a 15-day disconnect notice. Nevertheless, Complainant consumed the natural gas and is, therefore, responsible for the final bill as amended in this Order.

Administrative Regulation 807 KAR 5:001, Section 4(a), provides that the Commission may grant a hearing when an order to satisfy a complaint or to make

⁶ Response of LG&E to Second Data Request of Commission Staff, Question No. 1, page 2.

⁷ The calculation is set forth in Response of LG&E to Second Data Request of Commission Staff, Question No. 2, page 2.

answer thereto has not satisfied the complaint to the satisfaction of the commission. Based upon the foregoing, LG&E has answered the Complaint to the satisfaction of the Commission.

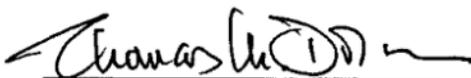
IT IS THEREFORE ORDERED that:

1. LG&E shall adjust Complainant's final bill to reflect the formula LG&E used in its Response to Second Data Request of Commission Staff, Question No. 2, page 2.
2. After adjustment of the disputed amount in accordance with Ordering Paragraph 1 above, Complainant shall pay LG&E that amount.
3. LG&E shall allow Complainant to pay the adjusted bill in monthly installments as is consistent with Administrative Regulation 807 KAR 5:006, Section 13(2).
4. This complaint is dismissed with prejudice and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 18th day of April, 2002.

By the Commission

ATTEST:


Executive Director