

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MR & MRS JAMES RIDDICK	)	
	)	CASE NO.
COMPLAINANTS	)	2009-00020
	)	
V.	)	
	)	
AMERICAN ELECTRIC POWER,	)	
KENTUCKY POWER,	)	
GRAYSON RURAL ELECTRIC	)	
	)	
DEFENDANTS	)	

O R D E R

American Electric Power, Kentucky Power and Grayson Rural Electric (collectively, "Defendants") are hereby notified that they have been named as defendants in a formal complaint filed on January 14, 2009, a copy of which is attached hereto.


Pursuant to 807 KAR 5:001, Section 12, Defendants are HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 30th day of January, 2009.

By the Commission

ATTEST:

  
\_\_\_\_\_  
Executive Director

2009-00020

gs

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

Mrs. & Mrs. James W. Riddick  
(Your Full Name)  
COMPLAINANT  
VS. AMERICAN ELECTRIC POWER  
KENTUCKY POWER  
Graegson Rural Electric  
(Name of Utility)  
DEFENDANT

RECEIVED  
JAN 14 2009  
PUBLIC SERVICE  
COMMISSION

COMPLAINT

The complaint of Mrs. & Mrs. James W. Riddick respectfully shows:  
(Your Full Name)

(a) & all property owners on the  
Rich Creek Headwaters  
(Your Full Name)  
1230 Rockhouse Trace Road  
Louisville KY 40230  
(Your Address)

(b) AEP / Kentucky Power  
(Name of Utility)  
1233 Kevin Avenue  
Ashtland KY 41102  
(Address of Utility)

(c) That: See Attached  
(Describe here, attaching additional sheets if necessary,

the specific act, fully and clearly, or facts that are the reason

and basis for the complaint.)

Formal Complaint

vs.

Page 2 of 2

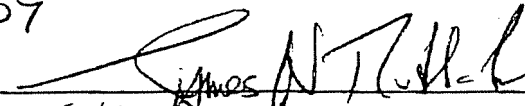
Wherefore, complainant asks

SEE ATTACHED

(Specifically state the relief desired.)

Dated at ~~#18~~ Louisa, Kentucky, this 7<sup>TH</sup> day  
(Your City)

of JANUARY, 2009  
(Month)

  
(Your Signature)

WILSON & BAILEY  
(Name and address of attorney, if any)  
LOUISA, KY  
41238



A unit of American Electric Power

Kentucky Power  
12333 Kevin Avenue  
Ashland, KY 41102  
KentuckyPower.com

Mr. James Riddick  
1230 Rockhouse Trace Rd.  
Louisa, KY 41230

November 13, 2008

Dear Mr. Riddick:

As per our conversation on November 3, 2008, I would give you the total cost of the service to your 1300 square foot home located at 1230 Rockhouse Trace Rd.

The distance to our closest utility line is located off of Rich Creek Road which is 8,940 feet. Per the PSC regulations for residential service over 1000 feet from our facilities, the customer pays the average per foot cost of the total cost of the job for the distance over 1000 feet. We could not build the line down Rockhouse Trace Road due to right of way problems. However, since this route is 2,000 feet shorter, I told you I would give you 2,000 extra feet at no cost so there will be a total of 3000' of line you will not have to pay for.

The total cost to build line is \$58,537.64, so the cost works out to \$6.55 per foot. Then at 5,940 ft at \$6.44 per foot is \$38,907.00.

The cost difference for the underground versus overhead from your property line to your home is \$9,875.59 for 4,482 feet.

Underground Cost	=	\$35,184.13	
Overhead Cost	=	<u>\$25,308.54</u>	
		\$ 9,875.59	Cost Differential
UG Trans.Diff.	=	<u>\$ 1,018.11</u>	

If you want to go underground for 4,482 feet, install conduit and pull rope, you will have to pay an additional \$9,875.59 as well as the difference in cost for overhead transformer of \$1,018.11 for a total of \$49,800.11.

If you have any questions or if I may be of further assistance, please contact me at (606) 929-1466.

Sincerely,

John Sode  
Senior Technician



A unit of American Electric Power

Kentucky Power  
12333 Kevin Avenue  
Ashland, KY 41102  
KentuckyPower.com

### Cost to Serve James W. Riddick

Total overhead cost	=	\$58,537.64
Divided by total footage	=	<u>8,940 ft.</u>
		\$ 6.55 per foot
Total footage	=	8,940 feet
Credit	=	<u>3,000 feet</u>
		5,940 ft. x \$6.55 = \$38,907.00 cost

Underground cost for 4,482 feet	=	\$35,184.13
Overhead cost diff for 4,482 feet	=	<u>\$25,308.54</u>
		\$ 9,875.59 Cost difference

\$38,907.00 Sub total	Cost of overhead transformer	\$1,108.35
9,875.00 Diff	Cost of underground transformer	<u>\$2,126.46</u>
+ <u>1,018.11</u> Tranf diff		\$1,018.11
\$49,800.11		

**Complaint:**

In late June or early July of 2008, I contacted AEP and requested electrical services to our home, located at 1230 Rockhouse Trace Road, Louisa, KY, 41230. AEP deflected us to Grayson Rural Electric which in turn passed us back to AEP. Finally, after five months and well into the winter, AEP presented us with a price of almost \$39,000 to provide service to our house (see attachment).

It needs to be noted that there was electrical service to our house site and the surrounding area within the last twenty years. Since the removal of the power lines people have left causing the area to become depressed. It is a beautiful area at the head of the Rich Creek water shed which is a tributary of the Yatesville Lake.

We have built a house on good faith and had confrontations with the criminal element which always gravitates to an abandoned and economically depressed area. We hope to start a small business which would help the economy in this area. As a good corporate citizen AEP should not hamper anyone who wants to create jobs and improve the tax base.

**Relief:**

Because AEP has:

1. Eliminated previously existing service.
2. Refused to restore service at a reasonable price.
3. Hindered our economic and physical well being (we cannot obtain telephone service or a security system without electrical power.
4. In general, placing us in needless financial and personal jeopardy.

We therefore seek the following relief: Immediate restoration of previously existing power to the Rich Creek area at no cost to any and all affected property owners.

CC: Senator Walter Blevins  
Representative Rocky Adkins  
U.S. Senator Mitch McConnell  
U.S. Senator Jim Bunning  
U. S. Representative Hal Rogers  
Lawrence County Board of Supervisors  
Lawrence County Tax Assessors  
The Lexington Herald Tribune  
The Ashland Independent  
The Big Sandy News  
Wilson & Bailey, Attorneys at Law

Please advise as to the date this complaint will be heard. My wife and I wish to be present to represent ourselves and the landowners of Rich Creek.



# Lawrence County Fiscal Court

MAGISTRATES  
Homer Fannin - District 1  
Scott Cyrus - District 2  
Earl Boggs Jr. - District 3  
Terry "Jerry" York - District 4

**DAVID L. COMPTON**  
Judge Executive  
E-MAIL: [dlcompton@lycomonline.com](mailto:dlcompton@lycomonline.com)

**EDDIE W. MICHAEL**  
Asst. Judge Executive

P.O. BOX 566  
122 RICKY SKAGGS BLVD  
LOUISA, KENTUCKY 41230

PHONE 606/638-4102  
FAX 606/638-0618

January 5, 2009

To Whom It May Concern,

This past year, Jim Riddick purchased a large tract of land in the Louisa, Kentucky area. This past summer, Mr. Riddick requested electrical service to his newly constructed home. Presently, he has received no feasible option to acquire the necessary electrical service to live on and develop his property.

On behalf of the Lawrence County Fiscal Court and in an effort to help Mr. Riddick and other adjacent property owners, we request that the power company restore previous existing power to this area. This will allow Mr. Riddick and other property owners to continue growth and development in our county. We appreciate all your company does in our community and trust you will be able to assist these citizens in their quest for a reasonable solution to their problem.

Sincerely Yours,

A handwritten signature in cursive script that reads "David L. Compton".

David L. Compton-Lawrence County Judge Executive





**Chris Rose** *Property Valuation Administrator*

122 S. Main Cross Street • Lawrence County Courthouse • Louisa, KY 41230

DATE: January 6, 2009

TO: Utility Commission

FROM: LawrenceCounty PVA

On behalf of all the taxing districts in Lawrence County, KY, I ask that you restore electric service to the area located around Rich Creek and more particular Rockhouse Trace Road.

Mr. and Mrs. Riddick have begun development around this area and it seems unfortunate to be charged \$39,000.00 to restore electric to this area. This family is ultimately helping Lawrence County and the State of Kentucky by developing this area and improving the tax base.

Thank You,

LawrenceCounty PVA

LAWRENCE COUNTY SHERIFF'S OFFICE  
310 EAST MAIN ST  
LOUISA, KY 41230



GARRETT ROBERTS  
SHERIFF



**Phone:**  
606-638-4368

**Fax:**  
606-638-1316

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1/8/2009

To Whom It May Concern:

Jim Riddick and his wife have purchased property at 1230 Rockhouse Trace Road in Lawrence County, KY. The area in which they purchased had been known for people trespassing, partying, and vandalism, since the Riddick's purchased the Property and began developing it these problems have reduce. Therefore making this family an asset to this area and to Lawrence County.

On several different occasions I have met with this family, found them to be pleasant and enjoy the area in which they have decided to live in Lawrence County.

This property at one time had access to utilities but over several years has been run down. The development the Riddick's have done has increased their property value, appearance and access.

If you have any questions please contact me at 606-638-4368.

Sincerely,

*Sheriff Garrett Roberts*  
Sheriff Garrett Roberts

Carol H Fraley  
President and CEO  
Grayson R.E.C.C.  
109 Bagby Park  
Grayson, KY 41143

James Riddick  
1230 Rockhouse Trace Road  
Louisa, KY 41230

Errol K Wagner  
Director of Regulatory Services  
American Electric Power  
101A Enterprise Drive  
P. O. Box 5190  
Frankfort, KY 40602