

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MIKE WILLIAMS)	
)	
COMPLAINANT)	
)	
V.)	CASE NO. 2009-00346
)	
KENTUCKY UTILITIES COMPANY)	
)	
DEFENDANT)	

O R D E R

On August 24, 2009, Complainant, Mike Williams, brought this action against Kentucky Utilities Company ("KU"), claiming that KU had improperly charged him for electric service for four outdoor lights which were located on the property immediately adjacent to his, which he does not own. Mr. Williams owns and operates a business called The Downtown Athletic Club, located at 108 East Main Street, Mt. Sterling, Kentucky, which has electric service with KU under the name "Dyna Body Fitness Center."¹

Mr. Williams asserts that, although he purchased the 108 East Main Street property in September 1999, he was not aware until May 2009² that KU had been billing

¹ Complaint at 3.

² KU asserts that the initial discussions between Mr. Williams and KU regarding the new outdoor lights took place on April 2, 2009. KU's Answer at 2.

him for service for the four outdoor lights in the adjacent parking lot. He states that he became aware of the lighting charges when he talked to KU about installing some new outdoor lights directly behind his building, at which time KU informed him about the existing outdoor lighting charges.

KU argues in its October 30, 2009 Answer that Complainant is responsible for the electric service charges for the four outdoor lights because, when he purchased the property in September 1999, he requested that the electric service be transferred to his name, but he did not ask to alter the kind or scope of the service that KU had been providing to the previous account holder.³ KU also argues that the charges for the four outdoor lights appear on both the front and back of each bill that Mr. Williams received during the time period in question. KU argues that, under the filed rate doctrine, it must charge customers for their actual electric usage each month.⁴ KU also states that it cannot contact each individual customer every month to determine whether he or she is receiving the correct level of service and notes that the monthly billing statement is the most practical way for KU to convey usage information to its customers.⁵

In support of its argument, KU attached copies of prior electric bills to Mr. Williams showing charges for unmetered service for the four outdoor lights on the front pages of the bills under "Unmetered Service" and facility charges for "ODL" (outdoor lighting) on the second pages of the bills under "Other Charges." The four outdoor lights are also noted under "Meter and Usage Information" on the second pages

³ Id. at 5-6.

⁴ Id. at 6.

⁵ KU's Reply to Response of Mike Williams at 3.

of the electric bills.⁶ Based on this evidence, the Commission finds that the charges for the four outdoor lights were clearly and plainly visible in multiple locations on Complainant's electric bills.

The Commission finds that KU properly charged Complainant for electric service to the four outdoor lights in question. Although the lights were located on an adjacent parking lot not owned by Mr. Williams, there is no evidence in the record to suggest that KU was aware of this fact until notified by Mr. Williams in April 2009—over nine years after service at that location was transferred from the prior property owner to Complainant's company. There is no regulatory or statutory requirement for an electric utility to independently investigate the ownership status of a property when the electric account for service to the property changes hands. The Commission agrees with KU that, in the present case, it was reasonable for KU to maintain the service charges for the four outdoor lights on Mr. Williams' account because, when he requested that the service be changed to his company's name, he did not make any request to alter the scope or type of service that KU had been providing to the prior account holder.

The charges for the four outdoor lights appear prominently in multiple places on Complainant's electric bills. The Commission finds that a utility customer has the obligation to review his monthly electric bill and, if anomalous charges are found on the bill, to timely notify the utility company in order for the utility company to remedy the problem. The Commission finds that Complainant failed to do so in the present case.

The Commission finds that Complainant's claims are not supported by the evidence in the record of this matter and should, therefore, be dismissed. However, the

⁶ KU's Answer, Appendix A.

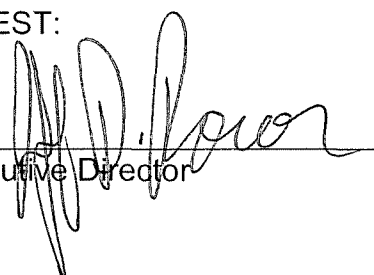
Commission also finds that, as a matter of good customer service, KU should make an effort to communicate with new customers when they request service at a location with an existing utility service account in order to avoid unwanted services being billed to the new account holder. With its computerized billing system, KU should be able to access the information from the old account and confirm with the new customer whether they want all of the services that appear on the prior account. This interaction could also serve other purposes, such as providing KU the opportunity to determine whether the new customer would like to receive any additional services—such as additional outdoor lighting—or would like to participate in one of the utility’s demand conservation programs. Had that interaction occurred between KU and Mr. Williams in September 1999, the issues Mr. Williams raises in his Complaint might have been avoided.

IT IS HEREBY ORDERED that the Complaint filed by Complainant, Mike Williams, on August 24, 2009, against Defendant, KU, is DISMISSED with prejudice.

By the Commission

ENTERED
FEB -5 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
AUG 24 2009
PUBLIC SERVICE
COMMISSION

In the matter of:

MIKE WILLIAMS

DOWNTOWN ATHLETIC CLUB

(Your Full Name)

COMPLAINANT

VS.

KENTUCKY UTILITIES

(Name of Utility)

DEFENDANT

2009-00346

COMPLAINT

The complaint of MIKE WILLIAMS
DOWNTOWN ATHLETIC CLUB respectfully shows:

(Your Full Name)

(a)

MIKE WILLIAMS

DOWNTOWN ATHLETIC CLUB

(Your Full Name)

108 EAST MAIN ST. MT. STERLING, KY 40353

(Your Address)

(b)

KENTUCKY UTILITIES

(Name of Utility)

LOCUST STREET MT. STERLING, KY. 40353

(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

DOWNTOWN ATHLETIC CLUB vs. KENTUCKY UTILITIES

Page 2 of 2

Wherefore, complainant asks A REFUND ON THE AMOUNT
(Specifically state the relief desired.)

PAID ON THE 4 OUT DOOR LIGHTS LOCATED ON
THE PARKING LOT ADJACENT TO OUR PROPERTY

Dated at MT. STERLING, Kentucky, this 19 day
(Your City)

of AMOUNT, 19 2009
(Month)

[Signature]
(Your Signature)

NAME
(Name and address of attorney, if any)

In September 1999 I purchased the building located at 108 East Main St, Mt. Sterling, KY. This building had previously been used as a grocery store. There is a parking lot located immediately to the east of the building; I did not purchase that property. There were four street lights on poles located in or around that lot. I'm not sure what agreement the previous owners of my building had with the owner of this lot but the grocery store used that lot for parking. In May of this year I contacted Kentucky Utilities to inquire about adding two street lights to the parking lot directly behind my building which was included in my purchase. During the course of discussing this with them I was informed that I already had four lights on my electric bill. KU later determined that these lights were located in the parking lot on the east side of my building. These had been included on my electric bill for the past 9+ years. I informed KU that the property was not mine and the utilities should not have been billed to the Downtown Athletic Club all these years. At the point the lights were turned off and two new lights were installed in the area that is on my property. After this was taken care of I approached the local KU office and asked about a refund of the money I had paid the previous nine+ years for the utilities for that area. To date I have received no final response from KU concerning the disposition of my request. In mid-July I contacted a KU customer service representative (Paula Anderson). She sent me an email stating that the "There has been several correction orders submitted to that department requesting a refund for the outdoor lights that were charged to you in error..". Ms. Anderson was contacted again on July 14 asking for an update on the situation. She emailed back saying "the issue has been forwarded to Danny Long for resolving". KU was contacted again on July 22 to try to find out about the disposition of this. AS of today, we have received no reply. I feel that KU has had sufficient to time investigate this matter and resolve it. I would appreciate any assistance you might be able to provide to resolve this matter. Our KU account number is [REDACTED] and listed under Dyna Body Fitness Center.

Thank You

Mike Williams

Before the Public Service Commission

(Insert name of complainant))
Complainant)
DOWNTOWN ATHLETIC CLUB) No. _____
vs.) (To be inserted by
) the secretary)

(Insert name of each defendant))
Defendant)

KENTUCKY UTILITIES)
COMPLAINT

The complaint of (here insert full name of each complainant) respectfully shows:

(a) That (here state name, occupation and post office address of each complainant).

(b) That (here insert full name, occupation and post office address of each defendant).

(c) That (here insert fully and clearly the specific act or thing complained of, such facts as are necessary to give a full understanding of the situation, and the law, order, or rule, and the section or sections thereof, of which a violation is claimed).

WHEREFORE, complainant asks (here state specifically the relief desired).

Dated at Mt Sterling, Kentucky, this 20 day
of August, 2009.

Mike Williams
(Name of each complainant)

(Name and address of attorney,
if any)

Lonnie E Bellar
VP - State Regulation
Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

Mike Williams
Downtown Athletic Club
108 East Main
Mt. Sterling, KY 40353