



June 19, 2006

RECEIVED

JUN 19 2006

PUBLIC SERVICE  
COMMISSION

Elizabeth O'Donnell  
Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
Frankfort, Kentucky 40602

**Re: *In the Matter of: DuWayne and Teresa Nelson v. Kentucky Utilities Company,***  
**Case No. 2006-00228**

Dear Ms. O'Donnell:

Enclosed please find an original and ten (10) copies of the Answer of Kentucky Utilities Company to the Complaint of DuWayne and Teresa Nelson in the above-referenced docket.

Should you have any questions concerning the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, which appears to read 'Allyson K. Sturgeon', is written over a horizontal line.

Allyson K. Sturgeon

cc: Duwayne & Teresa Nelson

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

|     |                            |   |                     |
|-----|----------------------------|---|---------------------|
|     | DuWAYNE AND TERESA NELSON  | ) |                     |
|     |                            | ) |                     |
|     | COMPLAINANTS               | ) |                     |
|     |                            | ) |                     |
| vs. |                            | ) | CASE NO. 2006-00228 |
|     |                            | ) |                     |
|     | KENTUCKY UTILITIES COMPANY | ) |                     |
|     |                            | ) |                     |
|     |                            | ) |                     |
|     | DEFENDANT                  | ) |                     |

\*\*\*\*\*

**ANSWER OF KENTUCKY UTILITIES COMPANY**

In accordance with the Kentucky Public Service Commission's ("Commission") Order of June 9, 2006 in the above-captioned proceeding, Kentucky Utilities Company ("KU") respectfully submits this Answer to the Complaint of DeWayne and Teresa Nelson ("The Nelsons") filed on May 30, 2006.

In compliance with the Commission's order of June 9, 2006, KU provides the following response to DuWayne and Teresa Nelson's Complaint in order to preserve its defenses:

1. KU admits the allegations contained in paragraph (a) of the Complaint, on information and belief.
2. With regard to the allegations contained in paragraph (b) of the Complaint, KU states that its primary business address is One Quality Street; Lexington, Kentucky 40507.
3. With regard to the allegations contained in paragraph (c) of the Complaint, KU states as follows:

a. KU denies the averment that “Jan Coleman a business office manager with KU assured me she would note this account was in dispute and would not allow the electricity to be disconnected until we could reach an agreement. Once again, they failed to carry out their promises as our electricity has been disconnected.” KU affirmatively states that it did not disconnect service for nonpayment of the disputed bills of December 2005 and January 2006. Rather, service was disconnected for failure to pay the February 2006 and March 2006 bills, which were not in dispute.

b. KU is without knowledge or information sufficient to form a belief as to the truth of the averment that “They suggested (KU) to the Utilities Commission some one may have stolen the electricity through an outside plug.”

c. KU denies the averment that “[i]f the employees of KY Utilities had kept their appointments with us to meet us out there as they were suppose to on two occasions without showing up they would have seen this was not possible.” On March 23, 2006, Jan Coleman, current Manager of Business Offices, personally met with Mr. Nelson to view his meter. At the time of the visit, Ms. Coleman noted at least one exterior outlet which was cut off at the breaker at that time. She was unable, however, to determine how long the breaker had been turned off. In addition, Ms. Coleman noted that the meter seal was intact and there was no evidence of diversion.

d. KU is without knowledge or information sufficient to form a belief as to the truth of the averment that “The breaker is turned off and always has been.”

e. KU is without knowledge or information sufficient to form a belief as to the truth of the averment that “[i]n order to switch the breaker an individual would have to force their way in,” but affirmatively states that much of the flooring in the home has been removed,

leaving exposed floor joists and insulation. KU also affirmatively states that animals were able to enter the home as evidenced by visible nesting in the home.

f. KU is without knowledge or information sufficient to form a belief as to the truth of the averment that “There is not nor has there been any evidence of forced entry,” but again notes the presence of animals in the home.

g. KU is without knowledge or information sufficient to form a belief as to the truth of the averment that “[i]f someone had come inside they would have stolen the sheets of expensive plywood or miscellaneous hand tools that are still in the house.”

h. As to the averments concerning KU’s customer service, KU representatives spoke with Mr. Nelson several times during December, 2005, and January, February, and March, 2006. During that time, KU re-read the Nelson’s meter, changed out the meter and had the original meter tested, and made a site visit with the customer. KU affirmatively states that it strives to provide exceptional value and service to its customers. To the extent that KU has fallen short, KU apologizes.

i. To the extent that there are additional averments contained in the statements at the end paragraph (c) of the Complaint, KU denies those allegations

4. KU denies all allegations contained in the Complaint which are not expressly admitted in the foregoing paragraphs of this Answer.

#### **FIRST AFFIRMATIVE DEFENSE**

Copies of the Nelson’s bills for service during for the periods from September 2005, through May, 2006, is attached hereto as Exhibit A. The Nelson’s consumption at this address reached a high of 1071 kWh in the December, 2005 billing, and 1116 kWh in the January, 2006

billing. To address the Nelson's concerns, KU affirmatively states that, after re-checking the meter reading information, the Nelson's electric meter (meter number C305331) was replaced on January 23, 2006 with meter number C430081. The Nelson's electric meter number C305331 tested 100.4% accurate on February 23, 2006, in conformity with 807 KAR 5:041, Section 15(2). After the original meter was replaced, the Nelson's consumption remained at a higher than normal level (920 kWh) in the February, 2006 billing.

KRS 278.160(2) provides that: "[n]o utility shall charge, demand, collect or receive from any person a greater or less compensation for any services 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." In addition, KRS 278.170 provides that no utility may give an unreasonable preference to any person. In this case, KU is not demanding any greater compensation than it deserves for service rendered. The meter in question has been tested by KU, and it met the Commission's minimum accuracy requirements. KU believes that the metering and billing was correct during the period in question.

### **SECOND AFFIRMATIVE DEFENSE**

The Complaint, or parts of it, fails to set forth any claim upon which relief can be granted by this Commission and, therefore should be dismissed.

### **THIRD AFFIRMATIVE DEFENSE**

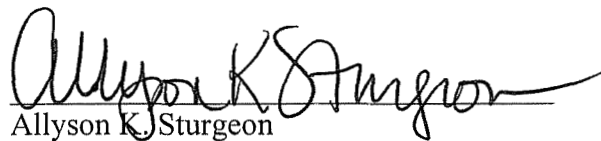
The Complainants have failed to set forth a *prima facie* case that KU has violated its tariff or any statute or Commission regulation, and the Complaint should be dismissed for that reason.

WHEREFORE, for all reason set forth above, Kentucky Utilities Company respectfully requests:

- (1) that the Complaint herein be dismissed without further action being taken by the Commission;
- (2) that this matter be closed on the Commission's docket; and
- (3) that KU be afforded any and all other relief to which it may be entitled.

Dated: June 19, 2006

Respectfully submitted,

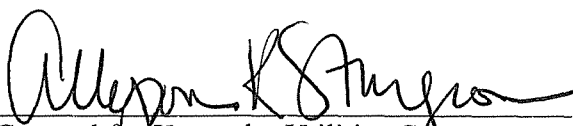


Allyson K. Sturgeon  
Counsel for Defendant,  
Kentucky Utilities Company  
220 West Main Street  
Louisville, Kentucky 40202  
(502) 627-2088

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on the following on the 19th day of June, 2006, U.S. mail, postage prepaid:

Mr. DuWayne Nelson  
Mrs. Teresa Nelson  
1418 Stovall Road  
Glasgow, Kentucky 42141-9713

  
Counsel for Kentucky Utilities Company

# EXHIBIT A