

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2006-00495

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PUBLIC SERVICE
COMMISSION

In the Matter of:

WALTER CALLIHAN,

COMPLAINANT,

VS.

*ANSWER OF GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION*

GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION,

DEFENDANT.

Comes now the Defendant, Grayson Rural Electric Cooperative Corporation, and for its answer to the complaint herein, states as follows:

1. The Defendant denies that it has received a proper request from the Complainant for "electric service" at Grayson Rural Electric.
2. The matter of providing electric service to the Complainant by the Defendant is a matter that is now under investigation by the Kentucky Public Service Commission as a result of an investigative case undertaken by the Commission several months ago.
3. During said investigation the Complainant refused to be deposed and otherwise refused to give sworn testimony as requested by the Commission's staff.
4. Walter Callihan is indebted unto the Defendant for electric service used for which payment was not made resulting in termination of his electric service.
5. The obligation to pay for electric service provided the Complainant by the Defendant continues and has not yet been abated by any agency or court.
6. Any Statute of Limitations defense asserted by the Complainant is one that can only be asserted by way of an affirmative defense in a legal proceeding

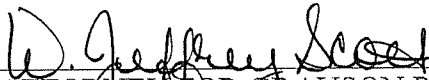
and is not a doctrine upon which reliance can be placed to compel the Defendant to provide electric service to the Complainant.

7. Only if the Complainant were made a party defendant in an action for collection of the unpaid sum could the Statute of Limitation be asserted as a CR8 affirmative defense.
8. The obligation of the Complainant continues under the rules and regulations of the Defendant, approved by the Commission.
9. The Defendant adopts the sworn testimony of its President and Chief Executive Officer, Carol Hall Fraley, as further answer to the complaint herein, which sworn testimony was given in the investigative case opened by the Commission.
10. The Complainant's reliance upon the cases cited on page 3 of his complaint are misplaced, have no application to the facts of this case, and do not serve to give any legal authority to Complainant's position that he does not have to pay for outstanding service used in order to obtain future electric service.

WHEREFORE, the Defendant having fully answered herein prays that the complaint be dismissed, that the Commission enter all other and appropriate orders as may be appropriate and to which the Defendant is entitled.

RESPECTFULLY SUBMITTED,

W. JEFFREY SCOTT, P.S.C.

BY: 
ATTORNEY FOR GRAYSON RECC
311 WEST MAIN STREET
P.O. BOX 608
GRAYSON, KY 41143
(606) 474-5194

This is to certify that the foregoing has been served upon the parties herein by mailing a true and correct copy of same to:

Mr. Walter Callihan
P.O. Box 17
Argillite, KY 41121

This 6th day of December, 2006.

W. Jeffrey Scott.