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PUBLIC SERVICE
COMMISSION

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

**Louisville Gas and
Electric Company**
State Regulation and Rates
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September 17, 2007

Re: *Mark Thurston v. Louisville Gas and Electric Company*
Case No. 2007-00384

Dear Ms. O'Donnell:

Enclosed please find an original and ten (10) copies of the Answer of Louisville Gas and Electric Company in the above-referenced matter.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick E. Lovekamp', written in a cursive style.

Rick E. Lovekamp

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

	MARK THURSTON)	
)	
	COMPLAINANT)	
)	
vs.)	CASE NO. 2007-00384
)	
	LOUISVILLE GAS AND)	
	ELECTRIC COMPANY)	
)	
	DEFENDANT)	

ANSWER OF LOUISVILLE GAS AND ELECTRIC COMPANY

In accordance with the Kentucky Public Service Commission's ("Commission") Order of September 7, 2007 in the above-captioned proceeding, Louisville Gas and Electric Company ("LG&E") respectfully submits this Answer to the Complaint of Mark Thurston ("Thurston") filed on August 27, 2007. In support of its Answer, and in response to the specific averments contained in said Complaint, LG&E stated as follows:

1. LG&E 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, LG&E states that its primary business address is 220 West Main Street; Louisville, Kentucky 40202.
3. With regard to the allegations contained in paragraph (c) of the Complaint, LG&E states as follows:
 - a. LG&E denies the averment that "OVER CHARGE UTILITIES/RATE OVERAGE Price Gouging."

b. LG&E is without knowledge or information sufficient to form a belief as to the truth of the averments that “October 2006 – March 2007 8919 Reinhart was vacant. No occupancy whatsoever. Home was being readied for sale. No appliances were in house moved completely out.” However, LG&E affirmatively states that in conversations with LG&E’s Customer Commitment Department, Mr. Thurston could not recall when he moved from the home located at 8919 Reinhart Way to the home located at 2804 Hikes Lane.

c. LG&E denies the averment that “2804 Hikes Lane 1st month was \$400 for 1 month”. On June 20, 2007, Mr. Thurston spoke with LG&E’s Customer Commitment Department and it was explained to him that the \$351.42 bill for 2804 Hikes Lane included 140 days of electric service consumed from October 5, 2006 through January 29, 2007 and 29 days of gas service.

d. LG&E is without knowledge or information sufficient to form a belief as to the truth of the averment that “Meter Reader was averaging during vacancy not per our request,” because it is unclear what Mr. Thurston means by that statement.

e. As to the averment that “Neighbors both sides of my house full capacity during this period of months their bills were only a fraction of our bill”, LG&E is without knowledge or information sufficient to form a belief as to the truth of this averment. In addition, LG&E will not comment on other customers’ private energy information.

f. LG&E admits that “8919 was converted to total electric NO GAS,” because Mr. Thurston’s gas meter was removed on May 2, 2006.

g. LG&E denies the averment that it should “Eliminate both bills for the two homes due to company LG&E taking advantage of the consumer by overcharging for heat during winter months of no vacancy.”

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

FIRST AFFIRMATIVE DEFENSE

Utility service to the property located at 8919 Reinhart Way was in Mr. Thurston's name for the time period from July 1, 2005 through March 19, 2007. Utility service to the property located at 2804 Hikes Lane was placed in Mr. Thurston's name on October 5, 2006. In response to this Complaint, LG&E thoroughly reviewed Mr. Thurston's account and determined that a few corrections to the bill were appropriate.

8919 Reinhart Way

Mr. Thurston's gas meter at 8919 Reinhart Way was removed at his request on May 2, 2006. When this meter was tested, it was operating within acceptable regulatory limits. However, during the Company's review of Mr. Thurston's account, it appears that at the time of the test, the gas meter was reading 8459 ccf or 10 ccf less than the removed reading. Thus, the meter was overread 10 ccf when it was removed and billed causing Mr. Thurston's account at 8919 Reinhart Way to be over-billed in the amount of \$16.59. LG&E will credit Mr. Thurston's account in the amount of \$16.59, leaving the balance owing for service to 8919 Reinhart Way at \$405.10.

2804 Hikes Lane

On October 23, 2006, Mr. Thurston's electric meter for the property at 2804 Hikes Lane was read and it showed zero usage. It was again read on November 21, 2006 and again showed zero usage. A sendback was created and on November 29, 2006, an LG&E employee went to 2804 Hikes Lane and confirmed the meter reading. The electric meter was read again on December 21, 2006, showing zero usage. Another reading on January 24, 2006 showed zero

usage and the Meter Reader reported a stopped electric meter. On January 29, 2007, the electric meter was replaced. Mr. Thurston was subsequently billed \$136.01 for electric service for the time period from October 5, 2006 through February 22, 2007. Of this amount, \$110.72 was based upon Mr. Thurston's estimated consumption (since his electric meter was not believed to be operating within acceptable regulatory limits) and \$25.29 was the charge based upon an actual read from his new electric meter for service rendered for the time period between January 29, 2007 and February 22, 2007. In addition, Mr. Thurston received offsetting credits in the amount of \$12.94 (on his February, 2007 bill) and in the amount of \$30.00 (on his March, 2007 bill).

During the Company's review of Mr. Thurston's account at 2804 Hikes Lane, it was discovered that when Mr. Thurston's electric meter was tested, it was found to be operating within acceptable regulatory limits. As a result, LG&E will remove the estimated stopped meter charges from his account, in the amount of \$67.78 (\$110.72 - \$30 - \$12.94) and leave only the unpaid balance for actual usage at 2804 Hikes Lane. Mr. Thurston's current balance for utility service to 2804 Hikes Lane is now \$421.79.

SECOND AFFIRMATIVE DEFENSE

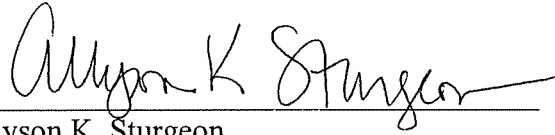
The Complaint, or parts of it, fails to set forth any claim upon which relief can be granted by this Commission and, therefore should be dismissed.

THIRD AFFIRMATIVE DEFENSE

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

Dated: September 17, 2007

Respectfully submitted,



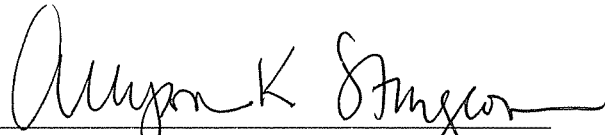
Allyson K. Sturgeon
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Louisville Gas and Electric Company
220 West Main Street
Post Office Box 32010
Louisville, Kentucky 40232
Telephone: (502) 627-2088

Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on the following on the 17th day of September, 2007, U.S. mail, postage prepaid:

Mark Thurston
2804 Hikes Lane
Louisville, Kentucky 40219



Counsel for Louisville Gas and Electric Company