



PPL companies

March 7, 2011

Jeff Derouen
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

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Allyson K. Sturgeon
Sr. Corporate Attorney
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RE: Owen J. Meredith v. Kentucky Utilities Company
Case No.: 2011-00050

Dear Mr. Derouen:

Enclosed please find an original and eleven (11) copies of Kentucky Utilities Company's Answer to Complainant's Complaint.

Please file-stamp the extra copy of the Answer as received and return it to me in the enclosed envelope. Should you have any questions concerning the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Allyson K. Sturgeon".

Allyson K. Sturgeon

AKS/kmw

Enclosures

C: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

OWEN J. MEREDITH)	
)	
COMPLAINANT)	
)	
v.)	CASE NO.
)	2011-00050
KENTUCKY UTILITIES COMPANY)	
)	
DEFENDANT)	

* * * * *

ANSWER OF
KENTUCKY UTILITIES COMPANY

In accordance with the Kentucky Public Service Commission’s (“Commission”) Order of February 21, 2011 in the above-captioned proceeding, Kentucky Utilities Company (“KU” or the “Company”) respectfully submits this Answer to the Complaint of Owen J. Meredith (“Mr. Meredith”) filed on February 7, 2011. In support of its Answer, and in response to the specific averments contained in said Complaint, KU states as follows:

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 it is the utility providing electric service to this customer and 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, KU states as follows:

a. KU admits the averment that “I own and operate Magaline’s Antique Mall,” on information and belief.

b. KU is without knowledge or information sufficient to form a belief with regard to the averments that “I bought the building in 1993 from Effie Emmitt who ran a sewing factory in the building. She had 25 to 40 sewing machines, on 220amp and 4403 ph current. When I bought the building, the sewing factory was shut down and was filled with antiques. In 2010 I decided to “Go Green” and went with Earth Well Energy Efficiency. When they sent someone to check the building he said that the rate –criteria was too high for what the building was being used for.”

c. With regard to the averments that Mr. Meredith “then called Customer Service and told them what he had told me. My bill went from \$435.00 a month to \$286.42 a month, almost \$150 difference,” KU affirmatively states that Mr. Meredith contacted the Company and was moved to Electric Rate Schedule GS in January 2010. KU further states that Mr. Meredith’s bills have varied each month under each of the rates he has been served. During 2009, for example, while Mr. Meredith was served under Electric Rate Schedule PS – Secondary, his bills varied from a low of \$311.28 to a high of \$547.90. During 2010, while Mr. Meredith was served under Electric Rate Schedule GS, his bills ranged from \$251.21 to \$459.35.

d. With regard to the request for “the difference that I have been over paying since 1993 when I bought the building to 2010,” KU states that such relief is not appropriate as Mr. Meredith was eligible for service pursuant to the terms of more than one electric rate schedule. In accordance with the Filed Rate Doctrine (codified at KRS 278.160), KU must strictly adhere to the filed rates which are contained in its tariff. The Terms and Conditions section of KU’s tariff at Original Sheet No. 97 provides: “If two or more rate schedules are available for the same class of service, it is Customer’s responsibility to determine the options available and to designate the schedule under which customer desires to receive service. Company will, at any time, upon request, advise any customer as to the most advantageous rate for existing or anticipated service requirements as defined by the customer, but Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.” KU further states that Original Sheet No. 97.1 of its tariff provides that: “[i]n no event will Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.” As a result, KU is prohibited by its Commission-approved tariff from issuing refunds to cover the difference between the charges incurred under optional rate schedules.

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

FIRST 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.

SECOND AFFIRMATIVE DEFENSE

The Complaint, or parts of it, is time barred by the statute of limitations contained in KRS 413.120 and, therefore should be dismissed.

THIRD AFFIRMATIVE DEFENSE


The Complainant has 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 of the reasons set forth above, Kentucky Utilities Company respectfully requests:

- (1) that the Complaint herein be dismissed without further action 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: March 7, 2011

Respectfully submitted,



Allyson K. Sturgeon
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(502) 627-2088

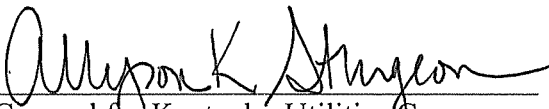
Counsel for Kentucky Utilities Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on the following on the 7th day of March, 2011, U.S. mail, postage prepaid:

Owen J. Meredith
2140 Park Ridge Road
Cave City, Kentucky 42127

Richard Head
616 South Fifth Street
Louisville, Kentucky 40202


Counsel for Kentucky Utilities Company