



a PPL company

Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

January 31, 2013

**RE: *GLEN AND PATRICIA A. DAMRON V. LOUISVILLE GAS AND
ELECTRIC COMPANY - Case No. 2013-00008***

Dear Mr. DeRouen:

Enclosed please find an original and ten (10) copies of the Answer of Louisville Gas and Electric Company to the Complaint of Glen and Patricia A. Damron in the above-referenced docket.

A copy is being mailed to the Complainant.

Please contact me if you have any questions concerning this filing.

Sincerely,

A handwritten signature in black ink that reads 'Rick E. Lovekamp'. The signature is written in a cursive style.

Rick E. Lovekamp

RECEIVED

JAN 31 2013

PUBLIC SERVICE
COMMISSION

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Rick E. Lovekamp
Manager - Regulatory Affairs
T 502-627-3780
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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GLEN AND PATRICIA A. DAMRON)	
)	
COMPLAINANTS)	
)	
v.)	CASE NO. 2013-00008
)	
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 January 11, 2013 in the above-captioned proceeding, Louisville Gas and Electric Company (“LG&E” or the “Company”) respectfully submits this Answer to the Complaint of Glen Damron and Patricia A. Damron filed on January 2, 2013. In support of its Answer, and in response to the specific averments contained in said Complaint, LG&E states 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. With regard to the averments that “#1 LG&E overcharged me in the amount of \$3548.79 due to a defective electric meter,” LG&E affirmatively states that Mr. Damron contacted LG&E on January 26, 2012 with a high bill complaint and requested testing of his electric meter. The meter was tested on February 1, 2012 showing that it was 100% accurate, and the results were sent to Mr. Damron by Julie Stethen, Lead Customer Relations Specialist, and also to Mr. Matt Rhody with the Commission. In addition to the attachments to Mr. Damron’s Complaint concerning LG&E’s meter test, attached as Exhibit A is an email from Ms. Stethen to Mr. Rhody regarding the meter test results. Subsequent to the meter testing by LG&E, Mr. Damron requested the Commission conduct a second test of the meter in question, which was completed on April 19, 2012. The results confirmed the meter’s accuracy was within the allowable tolerance of (+/-) 1% as required by 807 KAR 5:041 Section 17(1). LG&E affirmatively states that, based upon a review of the Company’s records, LG&E (and the Commission determined that Mr. Damron’s electric meter was found to be operating within the required limits. LG&E charges its customers rates based upon the amount of electricity they use. Electricity is delivered to customers through individual meters which are typically read every month. Pursuant to KRS 278.160, LG&E is required to charge customers its filed rates for all electricity used by its customers. In the absence of any

evidence that the meter was not operating properly, LG&E must charge Mr. Damron in accordance with its tariffs on file with the Commission.

b. With regard to the averments that “#2 LG&E owes me \$700.00 due to service truck hitting and damaging a stone column at the entrance of my driveway,” LG&E affirmatively states that the Commission lacks the statutory authority to award damages to individual customers. KRS 278.040(2) and 278.260(1) establish the jurisdiction of the Commission. Specifically, the Commission has “exclusive jurisdiction over the regulation of rates and service of utilities. . .and upon a complaint in writing made against any utility by any person that. . .the service of the utility or any service in connection therewith is unreasonable, unsafe, insufficient or unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission shall proceed. . .to make such investigation as it deems necessary or convenient.”

Kentucky courts have long held that the Commission does not possess the legal authority to award monetary damages. See Carr v. Cincinnati Bell, Inc., 651 S.W.2d 126, 128 (Ky. App. 1983). (“Nowhere in Chapter 278 do we find a delegation of power to the PSC to adjudicate contract claims for unliquidated damages. Nor would it be reasonable to infer that the Commission is so empowered or equipped to handle such claims consistent with constitutional requirement.”) As the relief sought by Complainants for property damage is comprised solely of monetary damages, and as the award of such damages is outside of the Commission’s jurisdiction, the complaint fails to state a *prima facie* case and, therefore, should be dismissed. Notwithstanding the lack of Commission jurisdiction over this matter, LG&E respectfully notes that a check in the amount of \$700 was mailed to the Complainants on January 25, 2013.

4. With regard to the allegations contained in the “Additional statement to complaint” dated December 27, 2012, submitted by Mr. Damron, LG&E states as follows:

a. With regard to the averments that “I noticed that our electric charges varied considerably from month to month without large variations in the weather. They varied from year to year and from corresponding month, i.e. see 10/03/11 to 10/02/12. The electric usage decreased by 63% from 10/3/11 to 10/2/12 even though the temperature was 1 degree warmer, than a year ago in 10/2011 (see enclosed bill). A new meter was installed on 1/30/12 after we complained to the PSC about the charges. The old electric meter was 31 years old! The test have shown the meter accuracy was found to be within the allowable tolerance of (+/-) 1% by 807 KAR 5:041 Section 17(1). HOWEVER, as is noted in the report one (1) or more of the meter registration dials do not appear to be properly aligned for the correct recording of usage.

“It is very obvious that we were overcharged. Reference the following bills with dates as follows: 10/28/09, 02/01/10, 06/01/10, 07/06/10, 08/31/10, 10/27/10 (compare to 10/03/11), 11/29/10, 12/28/10, 02/01/11, 05/02/11, 05/31/11, 07/05/11, 08/01/11, 08/31/11, 10/03/11, 11/01/11, 11/29/11, 01/03/12, 02/01/12, 03/05/12, 04/02/12, 06/04/12, 07/02/12, 10/02/12, 10/31/12, 12/31/12 (see enclosed copies of bills). After thorough analysis of three (3) years of data, the average over charge is 22% per year,” LG&E affirmatively states that, based upon a review of the Company’s records, Mr. Damron’s electric meter (no. 384880) was changed out on January 30, 2012 and tested by LG&E. A new meter (no. 801679) was installed at the Damron residence on January 30, 2012 to allow for testing of meter no. 384880. LG&E admits that meter no. 384880 was

installed at the Damron home on November 18, 1981. As previously stated, meter no. 384880 was tested twice in 2012 (once by LG&E and once by the Commission) each at the request of Mr. Damron, and in both instances the meter accurately recorded usage within the limits as required by 807 KAR 5:041. LG&E admits the fact that one of the meter dials on meter no. 384880 was not properly aligned. However, this misalignment did not impact the effectiveness or accuracy of the meter readings, as clearly indicated in the findings of both meter testing reports.

Attached as Exhibit B is a chart showing the average daily kWh usage recorded at the Damron residence from 2010 to 2012. This chart was prepared using the monthly consumption from each meter read divided by the number of days between the meter reads. It should be noted that the new meter installed on January 30, 2012 registered similar usage patterns as the previous meter registered in 2010 and 2011. In conjunction with the two meter tests, this confirms the previous meter was accurately measuring the usage at this premise.

b. With regard to the table provided by Mr. Damron showing the alleged average overcharges per year for the years 2001-2012, and with regard to the averments "I am filing this complaint at this time because, I wanted to be able to compare the 31 year old electric meter to the replacement meter for ten (10) to eleven (11) months to verify that we were being overcharged for our electrical usage by LG&E. Copies of LG&E bills enclosed for demonstration of long history of over charges," LG&E denies that there were overcharges, as stated above.

5. As to the relief requested "a check in the amount of \$4,248.79 thru 12/31/12. Increases by 6% interest after that date," LG&E affirmatively states that it is

required to charge customers for the amount of electric services consumed based upon LG&E's filed rates contained in its tariff. The Commission has expressly recognized that "(c)ustomer charges are based upon the filed tariff provisions of the utility and the metered usage of the customer." See *In the Matter of: Norman D. Vernon v. Louisville Gas and Electric Company*, Case No. 2010-00130, Order of December 21, 2011, p. 6. LG&E further states that the information contained above provides detailed information demonstrating the meter readings were accurate. Since there is nothing indicating that Complainants' meter was improperly operating, they were charged LG&E's tariffed rate according to the usage recorded. There is no evidence that LG&E has not charged the Complainants according to its tariff on file with the Commission, and therefore the Complaint should be dismissed. Further, LG&E hereby states that a check in the amount of \$700.00 to resolve Mr. Damron's claim for the alleged damage to his stone column was mailed to him on January 25, 2013.

6. LG&E 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

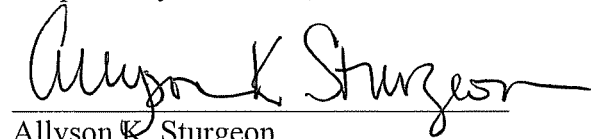
The Complainant has failed to set forth a *prima facie* case that LG&E has violated its tariff or any statute or Commission regulation, and the Complaint should be dismissed for that reason.

WHEREFORE, for all reason set forth above, Louisville Gas and Electric 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 LG&E be afforded any and all other relief to which it may be entitled.

Dated: January 31, 2013

Respectfully submitted,



Allyson K. Sturgeon
Senior Corporate Attorney
LG&E and KU Services Company
220 West Main Street
Louisville, Kentucky 40202
(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 31st day of January, 2013, U.S. mail, postage prepaid:

Glen Damron
Patricia A. Damron
3605 Ten Broeck Way
Louisville, KY 40241

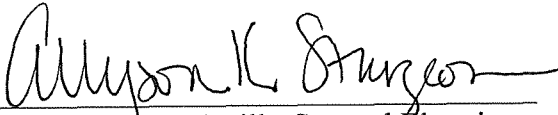

Counsel for Louisville Gas and Electric
Company

EXHIBIT A

To: Rhody, Matt (PSC)
Subject: FW: Damron, Glen
Attachments: 2012_246.pdf; FAX Meter Test Information.docx

Issue: Customer says that his electric bill went up 76% in the past month although nothing in his house has changed. The customer says that this bill is 62% higher than this time last year when the weather was much colder. He says that LG&E can't give him a reason for the increased usage but he feels there must be some type of error.

Background:

1/26/12 Julie spoke with Mr. Damron and explained she will be reviewing his information and will be back in touch...

1/27/12 Julie requested a meter test on the address since customer is stating nothing has changed on his end.

1/30/12 Meter test was completed and showed 100% accurate.

1/17/12 Meter reading 41414

1/25/12 Meter reading 41760

1/30/12 Meter reading 41983

Policy, Regulation & Tariff: LG&E PSC Sheet No 95

Resolution: Julie contacted Mr. Damron and went over meter test with him. Julie explained that we couldn't find any problem with our equipment and that it tested at 100%. She also informed Mr. Damron that his usage looks like it is decreasing. Julie is sending Mr. Damron a copy of the meter test results for his records. Mr. Damron was very nice and understanding.

Thanks,
Julie

From: Rhody, Matt (PSC) [mailto:Matt.Rhody@ky.gov]
Sent: Thursday, January 26, 2012 9:20 AM
To: PSC Complaints
Subject: Damron, Glen

EXHIBIT A

EXHIBIT B

Damron Average Daily Usage Per Month 2010-2012 (new meter set in Jan. 2012)

