

#### J. D. CRADDOCK III

ATTORNEY AT LAW
200 CALDWELL STREET
P.O. BOX 335
MUNFORDVILLE, KY 42765

TELEPHONE 270/524-9422 FAX 270/524-5577 jd@craddocklaw.com

November 21, 2014

RECEIVED

NOV 2 4 2014

PUBLIC SERVICE COMMISSION

Public Service Commission Attn: Division of Consumer Services P.O. Box 615 Frankfort, KY 40602-0615

Re: Hart County Bank and Trust Company v. Kentucky Utilities Company Case Number 2014-00331

Dear Sir or Madam:

Enclosed please find the original and eleven copies of the following documents related to the above referenced action:

- Motion and order to file late response to Defendant's motion to dismiss
- Response and order to Defendant's motion to dismiss

Copies of these documents have also been sent via postal mail to attorney Allyson K. Strugeon.

Your review and consideration of this issue is greatly appreciated.

Should you have any questions regarding this matter, please feel free to contact me.

Sincerely,

J. D. Craddock III

JDC/ams Enclosures

cc: Hart County Bank & Trust Company

Hon. Allyson K. Sturgeon

HART COUNTY BANK & TRUST COMPANY

COMPLAINANT

٧.

KENTUCKY UTILITIES COMPANY

DEFENDANT

#### NOTICE OF LATE FILING

Please take notice that the Complainant, HART COUNTY BANK & TRUST COMPANY, files herewith their motion to file a late response to the Defendant's Motion to Dismiss in the above referenced action.

J. D. Craddock III, Attorney for Complainant

P.O. Box 335

Munfordville, KY 42765

(270)524-9422 / jd@craddocklaw.com

## CERTIFICATE

This is to certify that on this the 2 day of November, 2014, this original document was mailed to the Public Service Commission along with eleven (11) true and correct copies of the same. A true and correct copy of this document was also mailed to:

Hon. Allyson K. Sturgeon 220 West Main Street Louisville, KY 40202

J. D. Craddock III

HART COUNTY BANK & TRUST COMPANY

COMPLAINANT

٧.

KENTUCKY UTILITIES COMPANY

DEFENDANT

## MOTION TO FILE LATE RESPONSE TO DEFENDANT'S MOTION TO DISMISS

Comes the Complainant, HART COUNTY BANK & TRUST COMPANY, by counsel, and moves the Public Service Commission to allow the filing of a late response to the Defendant's Motion to Dismiss.

J. D. Craddock III, Attorney for Complainant

P.O. Box 335

Munfordville, KY 42765

(270)524-9422 / jd@craddocklaw.com

CERTIFICATE

This is to certify that on this the day of November, 2014, this original document was mailed to the Public Service Commission along with eleven (11) true and correct copies of the same. A true and correct copy of this document was also mailed to:

Hon. Allyson K. Sturgeon 220 West Main Street Louisville, KY 40202

J. D. Craddock III

HART COUNTY BANK & TRUST COMPANY

COMPLAINANT

٧.

#### KENTUCKY UTILITIES COMPANY

DEFENDANT

## ORDER REGARDING COMPLAINANT'S LATE RESPONSE

This matter having come before the Public Service Commission on the motion of the Complainant, HART COUNTY BANK & TRUST COMPANY, hereinafter referred to as BANK, to file a late response to the Defendant's motion to dismiss, and the Public Service Commission being sufficiently advised;

It is hereby ORDERED AND ADJUDGED that the BANK may file with the Public Service Commission their late response to Defendant's motion to dismiss.

This the day of November, 2014.	
	Authorized Agent of Public Service Commission
Distribution:	
Hon. Allyson K. Sturgeon () 220 West Main Street Louisville, KY 42765	Hon. J. D. Craddock III () P.O. Box 335 Munfordville, KY 42765
Ву:	Date:

L	1	Λ	P	T	0	0	11	NI	ΓΥ	R	Λ	N	IK	2	 FP	11	C	T	0	0	n	ΛI	D	Λ	N	1	1
г	1	м	г		C	U	u	I N	1 1	D	H	1)	ın	0		u	2	0.7	C	u	H١	/ 11		н	IV	. 1	ı

COMPLAINANT

٧.

#### KENTUCKY UTILITIES COMPANY

DEFENDANT

## ORDER OF DISMISSAL

This matter having come before the Public Service Commission on the motion to dismiss of the Defendant, KENTUCKY UTILITIES COMPANY, hereinafter referred to as KU, and the Complainant, HART COUNTY BANK & TRUST COMPANY, hereinafter referred to as BANK, filing with this commission its response, and the Public Service Commission being sufficiently advised;

It is hereby ORDERED AND ADJUDGED that KU's motion to dismiss is hereby overruled.

This the day of November, 2014.	
	Authorized Agent of Public Service Commission
Distribution:	
Hon. Allyson K. Sturgeon () 220 West Main Street Louisville, KY 42765	Hon. J. D. Craddock III () P.O. Box 335 Munfordville, KY 42765
By:	Date:

HART COUNTY BANK & TRUST COMPANY

COMPLAINANT

٧.

KENTUCKY UTILITIES COMPANY

DEFENDANT

#### RESPONSE TO DEFENDANT'S MOTION TO DISMISS

Comes the Complainant, HART COUNTY BANK & TRUST COMPANY, for their response to the Defendant's motion to dismiss, and states as follows:

The Defendant, KENTUCKY UTILITIES COMPANY, hereinafter referred to as KU, is and has been for over thirty-five (35), the provider of electricity service for the Complainant, HART COUNTY BANK & TRUST COMPANY, hereinafter referred to as BANK.

The BANK recently learned that in February of 2009, it qualified for a General Service Plan which would lower the BANK's monthly electricity bill to KU. However, the BANK was never informed that they qualified for the General Service Plan and therefore unnecessarily paid a higher rate for service to KU from February, 2006 through approximately May of 2014, even though KU had a complete thirty-five (35) year billing history of the BANK's electrical use for its same location.

The BANK has filed with the Public Service Commission their Complaint which addresses this matter and requested a refund from KU for the excess and unnecessary portion of their utility bills when the General Service Plan was available to them.

KU stated in their Motion to Dismiss that "...a customer [is] solely responsible for choosing between optional rates..."

This statement would suggest that in order to receive the best rate option available to them, a consumer would have to contact KU each and every month to inquire if there is a better rate option available to them during that billing cycle. Subjecting their customer to such a daunting and unnecessary task each month in order to obtain the very best rate available to them is simply ridiculous.

Kentucky Revised Statute 278.170 states that, "No utility shall, as to rates or service, give any unreasonable preference or advantage to any person or subject any person to any unreasonable prejudice or disadvantage..." Many of the statements made by KU in their Motion to Dismiss directly and blatantly violate this statute.

A savvy consumer who is determined to receive the best possible rate available to them would be burdened with their inquires to KU each and every month so as to not pay any unnecessary expense.

KU stated that they are forbidden to "...refund a customer the difference between what KU actually billed a customer under an applicable rate and what KU would have billed the customer on another applicable rate..."

A consumer must draw the conclusion from the foregoing statement that KU acknowledges that they anticipate or are currently or in the past been faced with this situation. The same savvy consumer would assume by such a statement, that KU knowingly charges a higher rate to its customers and then when the customer discovers that a lower rate is available to them, KU takes the position that they are "forbidden" to recalculate the customer's overpayments but instead retains the over payments as profit.

KU's Motion to Dismiss states that "...Nowhere does the Complaint allege that KU erred in billing..." Even though KU may have not erred in their billing on the higher rate, they did not bill the BANK at the best rate available to them nor did KU make the BANK aware that such a reduced rate was available to them.

KU further stated that, "At all relevant times KU has posted a copy of its current tariff on its website..." The BANK invites each member of the Public Service Commission to visit KU's website at www.lge-ku.com and seek out KU's rate schedules as it would apply to their home, office or business.

The BANK visited www.lge-ku.com and searched through several windows before locating the option to view "Rates and tariffs" which then took the BANK to a 131 page document titled "Rates, Terms and Conditions for Furnishing" as well as a ten page spread sheet which outlines the "2014 Monthly Billing Adjustments". Both of these documents and other information available regarding "Rates and tariffs" are mingled in with LG&E information.

The BANK invites the Public Service Commission to review the notice of a rate increase request published in this week's edition of the Hart County News Herald by KU and LG&E company and see just how useless and confusing this information is. This publication is meant to technically comply with publishing requirements, but not to convey meaningful information to the consumer. Attached hereto as  $\underline{\text{Exhibit } A}$  and incorporated herein by reference, please find a copy of the publication made by KU in the Hart County News Herald on November 20, 2014.

All of the rate information which accompanies the monthly bills or that are published in the news paper or online is not understandable information.

Whether this is done deliberately to confuse consumers or not, the result is the same. No understandable information regarding KU's rates is communicated.

After viewing KU's website and the rate documents, I feel the Public Service Commission would agree that there is absolutely no way a layman could decipher, understand and/or calculate their rate or potential rate with KU based on these documents. Therefore, there is absolutely no way the BANK could have known that there was a more favorable rate available to them based on these documents.

Having failed to provide meaningful and understandable rate information to its consumers, KU should put forth every effort to ensure that each and every customer is aware of the best possible rate available to them at the very moment that said favorable rate becomes available. When having failed to do this, KU should refund to the over charge when the customer calls it to KU's attention.

Therefore, the Complainant, HART COUNTY BANK & TRUST COMPANY, respectfully requests that KU's motion to dismiss this matter be over ruled by the Public Service Commission and that the Public Service Commission hear the BANK's request for a refund.

This the 2/day of November, 2014.

J. D. Craddock III, Attorney at Law

P.O. Box 335

Munfordville, KY 42765

(270)524-9422 / jd@craddocklaw.com

## CERTIFICATE

This shall certify that eleven (11) true and accurate copies of the foregoing response were mailed to the Public Service Commission on the day of November, 2014 and that a true and accurate copy of the same was mailed on this same day to the following:

Hon. Allyson K. Sturgeon 220 West Main Street Louisville, KY 40202

-

J. D. Craddock III

## CASE NO: 2014-00331

# CONTAINS LARGE OR OVERSIZED DOCUMENT(S)

RECEIVED ON: November 24, 2014