

SOPHIA R. JANNACE DIRECT DIAL: (513) 579-6592 FACSIMILE: (513) 579-6457 E-MAIL: SJANNACE@KMKLAW.COM

March 25, 2015

## VIA CERTIFIED MAIL

Ms. Nancy Vinsel Public Service Commission 211 Sower Blvd. P. O. Box 615 Frankfort, KY 40602-0615 RECEIVED

MAR 3 1 2015
PUBLIC SERVICE
COMMISSION

Re:

Case No. 2015-00093

Cintas Corporation v. Kentucky Power Company

Dear Ms. Vinsel:

I appreciate your assistance in directing how Cintas could cure its deficiency in the above-referenced case. Please find enclosed the Complaint tendered for Cintas by me as a Kentucky licensed attorney (Bar ID. #95931).

Please let me know if there are any deficiencies with this file or if I can be of any assistance.

Sincerely,

KEATING MUETHING & KLEKAMP PLL

By:

Sophia R. Jannace

SRJ:mav

6016242.1

## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the	matte	r of:		
Cintas	Corpo	oration	)	
			Full Name)	
			COMPLAINANT )	RECEIVED
F10			)	MAR 3 1 2015
VS.			)	
AEP K	entuc	ky Pow	er	PUBLIC SERVICE COMMISSION
		(Name	of Utility)	
			DEFENDANT )	
			COMPLAINT	
The co	mplain	t of	Cintas Corporation	respectfully shows:
			(Your Full Name)	
	(a)		Sophia R. Jannace	
	` /		(Your Full Name)	
			One East Fourth St., Suite 1400, Cin	cinneti OH 45202
			(Your Address)	Cililati, 011 +3202
				7.
			sjannace@kmklaw.com/szelestar@C (Your Email Address)	intas.com
	(b)		AEP Kentucky Power	
			(Name of Utility)	
			P. O.Box 24401, Canton, OH 44701-	-4401
			(Address of Utility)	
	(c)	That:	See Attachment	
	(-)		(Describe here, attaching additional s	sheets if necessary,
			the specific act, fully and clearly, or	facts that are the reason
			and basis for the complaint.)	

Cintas Corp	oration	vs. AEP Kentucky Powe	er
Page 2 of 2			
	Wherefore, complainant ask Corporation \$21,422.07	s <u>AEP Kentucky</u>	y Power to refund Cintas
			ate the relief desired.)
	Dated at <u>Cincinnati</u> (Your City) <u>March</u>	, 2015.	, Ohio, this 25th day
	(Month)		our Signature*)
	Sophia R. Jannace Keating Muething & Klekan	np	
	One East Fourth Street, Suite Cincinnati, OH 45202		3/25/14
	(Name and address of att	corney, if any)	Date

<sup>\*</sup>Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address. No oral or unsigned complaints will be entertained or acted upon by the commission.

AEP Kentucky Power is the electric utility for Cintas Corporation at the facility identified in this formal complaint. This facility is an industrial laundry, which launders uniforms and facility services products such as entrance mats and towels. In Spring 2014, Cintas discovered that its AEP meter was not functioning correctly, and that the meter was underreporting usage. Cintas notified AEP of the malfunctioning meter. Following notice from Cintas, AEP issued a bill to Cintas for \$66,000 for the past two years of underpayment. Cintas paid the \$66,000 under protest.

Cintas believes the \$66,000 bill is not correct. The AEP bill did not identify the number of units consumed by Cintas but instead calculated the bill based on the average of three high-usage months. This average did not account for months in the year when Cintas consumed substantially less electric. AEP's bill is not based on Cintas' logical use, but instead is a significant overestimate without any documentary support or calculations from AEP.

Cintas believes the proper bill should have been \$44,527.93, based on the following reasons:

- Average pounds of laundry processed per day at the Cintas facility from May 9, 2013 through April 8, 2014 was 62,100 lbs. (before the issue was identified to the utility).
- Average pounds processed per day at the Cintas facility from May 8, 2014 through December 9, 2014 was 63,700 lbs. (after the utility fixed the meter).
  - Total difference per day is 1,600 lbs., which would equate to an additional 4 loads of laundry per day and result in a minimal increased electric usage overall.
  - The omitted time frame of April 9, 2014 through May 7, 2014 as meter was repaired on April 26<sup>th</sup>
  - The overall poundage increase from the year before the meter was fixed was a 2.58% increase; meaning the Cintas facility used more electric after the meter was fixed.
- Knowing that the meter is 3 legs and only 2 were working Cintas estimates that the utility short billed it by 33%
  - The average billed kWh from April 2012 through April 2014 was 55,943 kWh per month.
  - If all three legs were working this would equate to 74,404 kWh per month which is a difference of 18,461 kWh that would have been unbilled during the two year time-frame that the utility can legally go back.
  - Taking random months between April 2012 and April 2014, electric costs ranged from \$.094 to \$.107; therefore, taking the average of 18,461 kWh times the average of \$.1005 times the 24 month look back, the actual amount AEP should have billed Cintas is \$44,527.93 and not the \$66,000 that was actually billed.

Based upon Cintas' documentation and the above calculations, the correct amount Cintas should have been billed is \$44,527.93. Cintas paid \$66,000 billed to it by AEP and asks the board to grant a refund of \$21,472.07.