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September 28, 2015

RECEIVED

SEP 29 2015

PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT DELIVERY

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

RE: Case No. 2015-00309
Charlene Marie Wyatt v. Duke Energy Kentucky, Inc.

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of the *Answer and Motion to Dismiss of Duke Energy Kentucky Inc.* to be filed in the above captioned case.

Please date-stamp the extra two copies of the filing and return to me in the enclosed envelope.

Very Truly Yours,

E. Minna Rolfes-Adkins

ERA

cc: Charlene Marie Wyatt (w/enclosures)

302, to cancel service. The electric service cancellation was done through sealing the meter assigned to that account. Upon receipt of Complainant's call, Duke Energy Kentucky returned to the complex to conduct an investigation. After an investigation, it was found that the electric meter assigned to unit 302 was actually connected to, and registering, Complainant's consumption at unit 101. Further, the Company learned that Complainant's meter was actually registering consumption at unit 302. The Company concluded that the two meters were either incorrectly assigned in the Company's billing system or had been physically switched at some point in the past. As a result of the switched meters, when the Company sealed the meter for unit 302, the electricity for Complainant's unit 101 was inadvertently disconnected. Upon discovery, and on the same day, Duke Energy Kentucky promptly restored Complainant's service and changed the metering information in the Company's systems to reflect the correct account assignments.

4. Duke Energy Kentucky admits that on or about April 7, 2015, Complainant received a new adjusted electric bill in the amount of \$910.80¹, that included canceled and rebilled electric charges for the prior twelve months, March 7, 2014 through March 7, 2015. The inadvertent switching of the electric meters between the two accounts meant that Complainant had been incorrectly paying for the electricity consumption at unit 302, and that the account at unit 302 had been incorrectly billed for Complainant's consumption at unit 101. Duke Energy Kentucky made the necessary changes to both accounts to reflect both the correct the meters and measured consumption to reflect accurate for the two premises, respectively. The net result of the investigation was that over the previous twelve-month period, Complainant was under-billed for her actual electric consumption and the other account impacted by the switched meter had been

¹ See Attachment A, April 7, 2015 bill.

over charged. Duke Energy Kentucky, in accordance with 807 KAR 807 KAR 5:006 Section 11, adjusted both accounts to reflect actual measured consumption at each premises.

5. Duke Energy Kentucky is without information to admit or deny the allegation that Complainant received her bill late. Duke Energy Kentucky promptly mailed Complainant upon correction of the accounts. Duke Energy Kentucky denies that the inadvertent disconnection of service caused by the switching of the meters and correction of the bills were the proximate cause of any damage to Complainant's appliances or alleged medical claims.

6. In response to all of the averments set forth in the Complaint, Duke Energy Kentucky states that it follows the requirements of the tariffs and Kentucky law in providing electric service to its customers.

7. All averments in the Complaint not expressly and affirmatively admitted herein are hereby expressly denied.

8. Answering further, once the Complainant received the bill she contacted the Company numerous times to dispute the charges. Complainant has been informed, on multiple occasions, of the inadvertent switching of the meters, what Duke Energy did to correct it. Moreover, Complainant has been offered payment arrangements to address the balance due for the metered consumption at her premises which she has all declined.

FIRST AFFIRMATIVE DEFENSE

9. The Complaint fails to state a cause of action upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

10. The Complainant fails to set forth a *prima facie* case that Duke Energy Kentucky has violated its tariff or any statute or Commission regulation, and the Complaint should be dismissed for that reason.

THIRD AFFIRMATIVE DEFENSE

11. At all relevant times, Duke Energy Kentucky has appropriately re-billed Complainant for actual consumption and has otherwise acted in accordance with rules and regulations of the Kentucky Public Service Commission, Duke Energy Kentucky's filed tariffs, and Kentucky law, including but not limited to 807 KAR 5:006 Section 11, and 807 KAR 5:041.

FOURTH AFFIRMATIVE DEFENSE

12. Duke Energy Kentucky respectfully reserves the right to plead any and all additional defenses that discovery may reveal.

MOTION TO DISMISS

13. Duke Energy Kentucky respectfully moves the Kentucky Public Service Commission to dismiss this Complaint. This Complaint arises from the discovery of two electric meters that were inadvertently and unknowingly switched between two units within the same condominium complex and the corresponding rebill to the Complainant for under paid amounts attributed to her actual electricity consumption. Duke Energy Kentucky is simply charging the Complainant for her actual electric consumption.

14. It is not known how long these meters were incorrectly assigned between Complainant's account and the other premises impacted, but the lack of evidence indicating recent electrical work or maintenance suggests that the situation has existed for at least twelve months. As of the time of discovery on March 30, 2015, Duke Energy Kentucky had not performed any maintenance at the premises that could have caused the meters to be switched within the preceding twelve month term. In fact, the Company's records indicate that the meters numbers in question had been unchanged in the Company's billing system. There was no evidence of recent electric wiring work or maintenance that could have caused the meters to be physically switched within the last twelve months. Company concluded that the inadvertently

switched or incorrectly assigned meters had been in place for at least twelve months, and likely for several years.

15. Once the Company corrected the switched meter configuration by reassigning the two meters to the correct accounts, the Company then compared the electricity billed to the two premises while the meters were switched between the two accounts. The inadvertent switching of the electric meters between the two accounts simply means that Complainant had been incorrectly paying for the electricity consumption at unit 302, and unit 302 had been incorrectly billed for Complainant's consumption at unit 101.

16. Due to discovery and confirmation of the switched meters at the two premises, the Company, in compliance with the regulations promulgated by the Commission, made necessary changes to both accounts to correct the meters and adjust bills to reflect accurate billing of the actual metered electric consumption information for the two premises. The net result of the investigation was that over the previous twelve-month period, Complainant had been under-billed for her actual electric consumption and the other account impacted by the switched meter had been over charged. Duke Energy Kentucky, in accordance with 807 KAR 807 KAR 5:006 Section 11, adjusted both accounts to reflect actual measured consumption at each premises. Duke Energy Kentucky determined a reasonable time period for adjusting the bills for both accounts should be twelve months, consistent with KRS 287.225, albeit less than the two year limitation for back-billing available under the statute.

17. The Complainant is challenging her responsibility to pay for electricity consumption at her premises that was inadvertently charged to another account. Duke Energy Kentucky has already credited the customer who had been overpaying based upon being billed for Complainant's electric consumption.

18. Kentucky regulations, specifically 807 KAR 5:006 Section 11(2)(a), both support and require Duke Energy Kentucky to issue corrected bills to customer when errors are discovered providing in pertinent part:

“... or if a customer has been incorrectly billed for another reason, except if a utility has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, the utility shall:

- 1) Immediately determine the period during which the error has existed’
- 2) Recompute and adjust the customer’s bill to either provide a refund to the customer or collect an additional amount of revenue from the underbilled customer; and
- 3) Readjust the account based upon the period during which the error is known to have existed...”²


19. Duke Energy Kentucky has determined that Complainant and another account at the same condominium complex have been incorrectly billed, and the Company has acted in compliance with the above-quoted regulation by immediately determining the period of the error and recomputing the respective customers’ bills. As such, Complainant does not have grounds for complaint and the matter should be dismissed. While it is unfortunate that the error resulting in switched meters occurred, the regulations in Kentucky are clear that Duke Energy Kentucky must act promptly to correct errors when they are discovered and to correctly bill customers for their electric consumption.

20. Duke Energy Kentucky’s customer service personnel have spoken with Complainant about the unfortunate error in billing and has repeatedly offered extended payment plans for the under-billed balance to Complainant, which, until recently, she has refused.

WHEREFORE, Duke Energy Kentucky prays that: the Complaint be dismissed with prejudice; this case be stricken from the Commission’s docket; and Duke Energy Kentucky be granted any and all other relief to which it may be entitled.

² 807 KAR 5:006 Section 11, *emphasis added*.

Respectfully submitted,



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Associate General Counsel
Amy B. Spiller (85309)
Deputy General Counsel
Duke Energy Business Services, LLC
139 East Fourth Street, 1303 Main
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e-mail: rocco.d'ascenzo@duke-energy.com
Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

This will certify that a true and accurate copy of the foregoing was served via ordinary U.S. Mail, postage pre-paid, on this 27th day of September, 2015 addressed to the following:

Charlene Marie Wyatt
1804 Ashley Court, Unit 101
Florence, Kentucky 41042



Rocco O. D'Ascenzo

Account Number [REDACTED] 90 04

Due Date	Amount Due
Apr 29, 2015	\$ 910.80

For more detailed billing information on your monthly bill, check box on right

\$ _____ \$ _____
WinterCare Contribution (for Customer Assistance) Amount Enclosed

Charlene Wyatt
Misc: Unit 101
1804 Ashley Ct
Florence KY 41042-8774

PO Box 1326
Charlotte NC 28201-1326

200 00000910805 [REDACTED] 042920150 00000956341

Page 1 of 5

Name /Service Address	For Inquiries Call	Account Number
Charlene Wyatt 1804 Ashley Ct Misc: Unit 101 Florence KY 41042	Duke Energy 1-800-544-6900	[REDACTED]

Mail Payments To	Account Information	
PO Box 1326 Charlotte NC 28201-1326	Payments after Apr 07 not included Last payment received Mar 23	Bill prepared on Apr 07, 2015 Next meter reading Apr 07, 2015

Meter Number	Reading Date From	Reading Date To	Days	Meter Reading Previous	Meter Reading Present	Usage
Elec 106185868	Feb 04	Mar 07	31	70063	72932	2,869

Electric - Residential	
Usage - 2,869 kWh	
Duke Energy - Rate RS	\$ 240.41
Current Electric Charges	\$ 240.41

Taxes	
Taxes	\$ 49.32

Current Billing	
Arnt Due - Previous Bill	\$ 74.75
Payment(s) Received	74.75cr
Canceled Charges:	
Electric Charges	782.17cr
Prior Month(s) Charges:	
Electric Charges	1,403.24
Balance Forward	621.07
Current Electric Charges	240.41
Taxes	49.32
Current Amount Due	\$ 910.80

Should payment of this bill by the due date present a problem, please call us at the number listed in the "For Inquiries Call" section of your bill.

This bill reflects canceled and rebilled electric charges for prior months.

FREE removal of your old, unwanted fridge. Easy. Convenient. Plus get \$30. Schedule a pickup at duke-energy.com/Fridge or call 800.228.6195.

Call Before You Dig. Digging the wrong area of your yard can be dangerous (even fatal). Be sure to request the marking of underground utility lines before you start. This important step saves lives, and it's free of charge. Call 811 or visit www.kentucky811.org.

Due Date	Amount Due	After Apr 29, 2015
Apr 29, 2015	\$ 910.80	\$ 956.34

Name	Service Address	Account Number
Charlene Wyatt	1804 Ashley Ct Misc: Unit 101 Florence KY 41042	

Explanation of Current Charges		
Electric Meter - 106185868	Duke Energy Rate RS - Residential Service	
kWh Usage - 2,869	Customer Charge	\$ 4.60
Feb 04 - Mar 07 31 Days	Energy Chrg 2,869 kWh @ \$ 0.07908500	226.89
	Elec DSM Rider 2,869 kWh @ \$ 0.00309400	8.88
	Rider MSR-E 2,869 kWh 0.00000000	0.00
	Rider PSM 2,869 kWh @ \$ 0.00125900	3.61
	Elec Fuel Adjustment 2,869 kWh @ \$ 0.00124400cr	3.57cr
		\$ 240.41
	Total Current Electric Charges	\$ 240.41

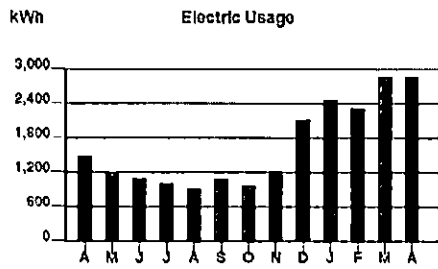
Explanation of Prior Month(s) Charges		
Electric Meter - 106185868	Duke Energy Rate RS - Residential Service	
Multipliers - 1	Customer Charge	\$ 4.60
kWh Pres Read - 70063	Energy Chrg 2,338 kWh @ \$ 0.07908500	184.90
kWh Prev Read - 67725	Elec DSM Rider 2,338 kWh @ \$ 0.00306200	7.16
kWh Usage - 2,338	Rider MSR-E 2,338 kWh 0.00000000	0.00
Jan 07 - Feb 04 28 Days	Rider PSM 2,338 kWh @ \$ 0.00018700	0.44
	Elec Fuel Adjustment 2,338 kWh @ \$ 0.00108300cr	2.53cr
		\$ 194.57
Electric Meter - 106185868	Duke Energy Rate RS - Residential Service	
Multipliers - 1	Customer Charge	\$ 4.60
kWh Pres Read - 67725	Energy Chrg 2,480 kWh @ \$ 0.07908500	196.13
kWh Prev Read - 65245	Elec DSM Rider 2,480 kWh @ \$ 0.00306200	7.59
kWh Usage - 2,480	Rider MSR-E 2,480 kWh 0.00000000	0.00
Dec 04 - Jan 07 34 Days	Rider PSM 2,480 kWh @ \$ 0.00018700	0.46
	Elec Fuel Adjustment 2,480 kWh @ \$ 0.00037000cr	0.92cr
		\$ 207.86
Electric Meter - 106185868	Duke Energy Rate RS - Residential Service	
Multipliers - 1	Customer Charge	\$ 4.60
kWh Pres Read - 65245	Energy Chrg 2,125 kWh @ \$ 0.07908500	168.06
kWh Prev Read - 63120	Elec DSM Rider 2,125 kWh @ \$ 0.00306200	6.51
kWh Usage - 2,125	Rider MSR-E 2,125 kWh 0.00000000	0.00
Nov 01 - Dec 04 33 Days	Rider PSM 2,125 kWh @ \$ 0.00018700	0.40
	Elec Fuel Adjustment 2,125 kWh @ \$ 0.00114700	2.44
		\$ 182.01

Name		Service Address		Account Number	
Charlene Wyatt		1804 Ashley Ct Misc: Unit 101 Florence KY 41042			
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service			
Multipliers -	1	Customer Charge	\$ 4.60		
kWh Pres Read -	63120	Energy Chrg			
kWh Prev Read -	61915	1,205 kWh @ \$ 0.07908500	95.30		
kWh Usage -	1,205	Elec DSM Rider			
Oct 03 - Nov 01		1,205 kWh @ \$ 0.00306200	3.69		
29 Days		Rider MSR-E			
		1,205 kWh 0.00000000	0.00		
		Rider PSM			
		1,205 kWh @ \$ 0.00203300cr	2.45cr		
		Elec Fuel Adjustment			
		1,205 kWh @ \$ 0.00381100	4.59		\$ 105.73
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service			
Multipliers -	1	Customer Charge	\$ 4.60		
kWh Pres Read -	61915	Energy Chrg			
kWh Prev Read -	60936	979 kWh @ \$ 0.07908500	77.42		
kWh Usage -	979	Elec DSM Rider			
Sep 04 - Oct 03		979 kWh @ \$ 0.00306200	3.00		
29 Days		Rider MSR-E			
		979 kWh 0.00000000	0.00		
		Rider PSM			
		979 kWh @ \$ 0.00203300cr	1.99cr		
		Elec Fuel Adjustment			
		979 kWh @ \$ 0.00671900	6.58		\$ 89.61
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service			
Multipliers -	1	Customer Charge	\$ 4.60		
kWh Pres Read -	60936	Energy Chrg			
kWh Prev Read -	59854	1,082 kWh @ \$ 0.07908500	85.57		
kWh Usage -	1,082	Elec DSM Rider			
Aug 05 - Sep 04		1,082 kWh @ \$ 0.00306200	3.31		
30 Days		Rider MSR-E			
		1,082 kWh 0.00000000	0.00		
		Rider PSM			
		1,082 kWh @ \$ 0.00203300cr	2.20cr		
		Elec Fuel Adjustment			
		1,082 kWh @ \$ 0.00808500	8.75		\$ 100.03
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service			
Multipliers -	1	Customer Charge	\$ 4.60		
kWh Pres Read -	59854	Energy Chrg			
kWh Prev Read -	58926	928 kWh @ \$ 0.07908500	73.39		
kWh Usage -	928	Elec DSM Rider			
Jul 07 - Aug 05		928 kWh @ \$ 0.00306200	2.84		
29 Days		Rider MSR-E			
		928 kWh 0.00000000	0.00		
		Rider PSM			
		928 kWh @ \$ 0.00293200cr	2.72cr		
		Elec Fuel Adjustment			
		928 kWh @ \$ 0.01500400	13.92		\$ 92.03

Name		Service Address		Account Number
Charlene Wyatt		1804 Ashley Ct Misc: Unit 101 Florence KY 41042		
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service		
Multipliers -	1	Customer Charge	\$ 4.60	
kWh Pres Read -	58926	Energy Chrg		
kWh Prev Read -	57919	1,007 kWh @ \$ 0.07908500	79.64	
kWh Usage -	1,007	Elec DSM Rider		
Jun 06 - Jul 07		1,007 kWh @ \$ 0.00306200	3.08	
31 Days		Rider MSR-E		
		1,007 kWh 0.00000000	0.00	
		Rider PSM		
		1,007 kWh @ \$ 0.00293200cr	2.95cr	
		Elec Fuel Adjustment		
		1,007 kWh @ \$ 0.00809500	8.15	\$ 92.52
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service		
Multipliers -	1	Customer Charge	\$ 4.60	
kWh Pres Read -	57919	Energy Chrg		
kWh Prev Read -	56821	1,098 kWh @ \$ 0.07908500	86.84	
kWh Usage -	1,098	Elec DSM Rider		
May 06 - Jun 06		1,098 kWh @ \$ 0.00306200	3.36	
31 Days		Rider MSR-E		
		1,098 kWh 0.00000000	0.00	
		Rider PSM		
		1,098 kWh @ \$ 0.00293200cr	3.22cr	
		Elec Fuel Adjustment		
		1,098 kWh @ \$ 0.00783700	8.61	\$ 100.19
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service		
Multipliers -	1	Customer Charge	\$ 4.60	
kWh Pres Read -	56821	Energy Chrg		
kWh Prev Read -	55650	1,171 kWh @ \$ 0.07908500	92.61	
kWh Usage -	1,171	Elec DSM Rider		
Apr 05 - May 06		1,171 kWh @ \$ 0.00306200	3.59	
31 Days		Rider MSR-E		
		1,171 kWh 0.00000000	0.00	
		Rider PSM		
		1,171 kWh @ \$ 0.00060700cr	0.71cr	
		Elec Fuel Adjustment		
		1,171 kWh @ \$ 0.00768600	9.00	\$ 109.09
Electric Meter -	106185868	Duke Energy Rate RS - Residential Service		
Multipliers -	1	Customer Charge	\$ 4.60	
kWh Pres Read -	55650	Energy Chrg		
kWh Prev Read -	54175	1,475 kWh @ \$ 0.07908500	116.65	
kWh Usage -	1,475	Elec DSM Rider		
Mar 07 - Apr 05		1,475 kWh @ \$ 0.00200300	2.95	
29 Days		Rider MSR-E		
		1,475 kWh 0.00000000	0.00	
		Rider PSM		
		1,475 kWh @ \$ 0.00060700cr	0.90cr	
		Elec Fuel Adjustment		
		1,475 kWh @ \$ 0.00427100	6.30	\$ 129.60
Total Prior Electric Charges				\$ 1,403.24

Explanation of Taxes		
Taxes	Rate Incr for School Tax	\$ 49.32
	Total Taxes	\$ 49.32

Name	Service Address	Account Number
Charlene Wyatt	1804 Ashley Ct Misc: Unit 101 Florence KY 41042	[REDACTED]



Calculations based on most recent 12 month history

Any prior months adjusted usage on this bill, will display in your historical usage graph and chart on your next bill.

Total Usage 20,151
 Average Usage 1,679

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
Electric	1,475	1,171	1,098	1,007	928	1,082	879	1,205	2,125	2,480	2,335	2,669	2,869