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December 28, 2004

**HAND DELIVERY**

Elizabeth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601



**RE: Ada Mae Clem v. Kentucky Utilities Company**  
**Case No. 2004-00499**

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten (10) copies Kentucky Utilities Company's Answer in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Yours very truly,

Allyson K. Sturgeon

AKS/ec  
Enclosures  
cc: Parties of Record

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

RECEIVED

ADA MAE CLEM )

DEC 28 2004

COMPLAINANT )

PUBLIC SERVICE  
COMMISSION

vs. )

CASE NO. 2004-00499

KENTUCKY UTILITIES )

COMPANY )

DEFENDANT )

**ANSWER OF KENTUCKY UTILITIES COMPANY**

In accordance with the Kentucky Public Service Commission's ("Commission") Order of December 15, 2004, in the above-captioned proceeding, Kentucky Utilities Company ("KU") respectfully submits this Answer to the Complaint of Ada Mae Clem ("Ms. Clem") filed on December 1, 2004. In support of its Answer, and in response to the specific averments contained in Ms. Clem's Complaint, KU states as follows:

1. KU admits the allegations contained in paragraphs (a) and (b) of the Complaint.
2. With respect to the allegations contained in paragraph (c) of the Complaint concerning the address at 615 North Upper Street, KU states that former tenant Stover requested that service be disconnected under his name on May 18, 2004. In fact, service was disconnected on that date and a final bill was sent to Mr. Stover. Diversion of electric service was subsequently discovered at that address on June 9, 2004. Pursuant to Original Sheet No. 82.1 of KU's electric tariff, "[u]pon the absence of an active account, the property owner assumes responsibility for any consumption and the Company's property and service." Thus, any consumption of electricity at that address after May 18, 2004, became the responsibility of Ms.

Clem as the property owner. Notably, new electric service to that address was not established for tenant Lewis until June 17, 2004. Ms. Clem was properly assessed a charge for the diversion that KU discovered on June 9, 2004.

3. With respect to the allegations contained in paragraph (c) of the Complaint concerning the address at 967 Valley, KU states that former tenant Spencer requested that service be disconnected under his name on June 21, 2004. In fact, service was disconnected on that date and a final bill was sent to Mr. Spencer. Diversion of electric service was subsequently discovered at that address on July 14, 2004 and again on August 13, 2004. Service was formally commenced under Ms. Clem's name on September 1, 2004. Pursuant to Original Sheet No. 82.1 of KU's electric tariff, "[u]pon the absence of an active account, the property owner assumes responsibility for any consumption and the Company's property and service." Thus, any consumption of electricity at that address after June 21, 2004, became the responsibility of Ms. Clem as the property owner. Ms. Clem was properly assessed a charge for the diversions that KU discovered on July 14, 2004, and August 13, 2004.

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

#### **FIRST AFFIRMATIVE DEFENSE**

The Complainant fails to set forth any claim upon which relief can be granted by this Commission and, therefore, should be dismissed.

#### **SECOND AFFIRMATIVE DEFENSE**

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

**WHEREFORE**, for all of the reasons set forth above, Kentucky Utilities Company respectfully requests:

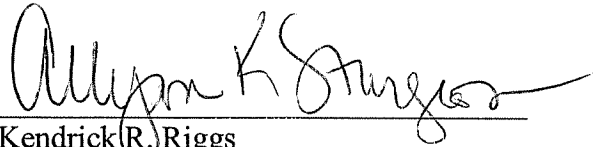
(1) that the Complaint herein be dismissed without further action being taken by the Commission;

(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: December 28, 2004

Respectfully submitted,



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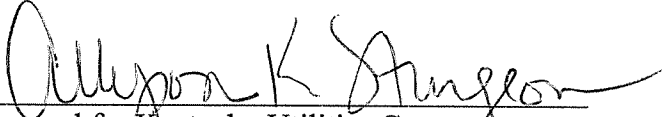
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Counsel for Kentucky Utilities Company

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on the following persons on the 28th day of December 2004, U.S. mail, postage prepaid:

Ada Mae Clem  
163 East Loudon Avenue  
Lexington, Kentucky 40505

  
\_\_\_\_\_  
Counsel for Kentucky Utilities Company