Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Ronald J. Biddle 312 Fairmeade Road Louisville, KY 40207



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc. ky.gov

November 22, 2006

Mark David Goss Chairman

> John W. Clay Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2006-00381 Louisville Gas and Electric Company

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on November 22, 2006.

Executive Director

BOD/sh Enclosure

KentuckyUnbridledSpirit.com



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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: RONALD J. BIDDLE COMPLAINANT V. V. LOUISVILLE GAS AND ELECTRIC COMPANY DEFENDANT

<u>ORDER</u>

On August 11, 2006, the Commission received a formal complaint filed by Ronald J. Biddle ("Complainant") against Louisville Gas and Electric Company ("LG&E"). Complainant states that he received an abnormally high electric bill in October of 2005 for his house located at 9305 Woodmont Ridge Drive in Louisville, Kentucky. Complainant asks that LG&E "rebill for an average of usage charges for the 3 months preceding this extremely unusual charge."¹

LG&E filed its Answer on August 31, 2006. Staff issued a data request to LG&E on September 19, 2006, to which LG&E responded on October 9, 2006. LG&E asserts that it rightfully billed Complainant for the electric consumption and that "the metering and billing was correct during the period in question."²

¹ Complaint at 1.

² Answer of Louisville Gas and Electric at 3.

BACKGROUND

The subject of this complaint is a bill issued to the Complainant by LG&E with a due date of October 31, 2005 in the amount of \$931.63.³ This bill is for electric service provided to Complainant at a house located at 9305 Woodmont Ridge Drive, Lot 005. It is for service provided over a period of 61 days.⁴

The Complainant states that the home was unoccupied, had no HVAC equipment installed, and that previous monthly bills were less than \$40.00 when unoccupied and less than \$300.00 when occupied.⁵ Complainant further states that he "was present at the subject property everyday and is certain no other parties stole electricity."⁶

LG&E states that it initiated an investigation when it received the higher than normal reading on September 10, 2005. The bill was pulled to confirm its accuracy,⁷ and a reread was attempted on September 15, 2005.⁸ The next reading occurred on October 10, 2005, and the Complainant was then sent a bill for consumption from

⁵ <u>Id.</u> at 2.

⁶ <u>Id.</u>

⁷ Answer at 3.

⁸ However, the meter reader was unable to access the meter at this time due to an obstruction. LG&E's Response to Commission Staff's First Data Request at Tab 1.

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³ Id. at 8.

⁴ The billing period is from August 10, 2005 to October 10, 2005. <u>Id.</u> at 2. And not for a "one month period" as claimed by the Complainant. Complaint at 1.

August 10, 2005 to October 10, 2005.⁹ The meter was tested on July 3, 2006, and was found to be within the acceptable accuracy range required by 807 KAR 278.160(2).¹⁰

DISCUSSION

The Commission is empowered by KRS 278.260 to hear "complaints as to rates and service of any utility." KRS 278.260 further authorizes the Commission to "dismiss any complaint without a hearing if, in its opinion, a hearing is not necessary in the public interest or for the protection of substantial rights." Based on a review of the record, the Commission finds that a hearing is not necessary in the public interest or for the protection of substantial rights.

LG&E acted properly and in accordance with its filed tariff¹¹ and with the applicable administrative regulation¹² in its investigation of Mr. Biddle's complaint. Further, in accordance with 807 KAR 5:006, Section 10,¹³ there is no basis for LG&E to make an adjustment of the disputed bill.

According to KRS 278.160(2), a utility must charge its tariffed rates, no more and no less, to all of its customers. Additionally, KRS 278.170 provides that a utility may not

¹⁰ Answer at 3.

¹² KAR 5:006, Section 9, states: "Upon complaint. . .the utility shall make a prompt and complete investigation...."

⁹ The electric consumption from 8/10/05 to 9/09/05 was 9049 kWh and from 9/09/05 to 10/10/05 was 5814 kWh, resulting in a total of 14863 kWh for the 61-day period as indicated on the October bill in question.

¹¹ LG&E's billing tariff regarding customer usage states that "the Company will immediately investigate usage deviations brought to its attention as a result of its ongoing meter reading or bill processes or customer inquiry." Louisville Gas and Electric Company Original Sheet No. 86.1, P.S.C. of Ky. Electric No. 6.

¹³ 807 KAR 5:006, Section 10, allows for an adjustment to a customer's bill if, upon testing the meter, an error of more than 2 percent fast is determined.

give unreasonable preference to any person. From the facts of this case, it does not appear that LG&E is demanding greater compensation than it deserves for services rendered. Unless Complainant pays the amount in dispute, he will have received service from LG&E for less compensation than prescribed by its tariffs, contrary to KRS 278.160(2) and KRS 278.170.

Therefore, the Commission finds that Complainant fails to state a claim upon which relief may be granted and that the complaint should be dismissed.

IT IS THEREFORE ORDERED that this case is dismissed with prejudice and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 22nd day of November, 2006.

By the Commission

ATTESI Executive Director