Steven L. Beshear Governor

Robert D. Vance, Secretary Environmental and Public Protection Cabinet

Larry R. Bond Commissioner Department of Public Protection

Lonnie E. Bellar Vice President - State Regulation an Louisville Gas and Electric Company 220 West Main Street P. O. Box 32010 Louisville, KY 40202



Commonwealth of Kentucky
Public Service Commission

211 Sower Bivd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

May 19, 2008

Vice Chairman

John W. Clay

Caroline Pitt Clark Commissioner

RE: Case No. 2008-00173

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Stumbo Executive Director

SS/rs Enclosure



Steven L. Beshear Governor

Robert D. Vance, Secretary **Environmental and Public Protection Cabinet** 

Larry R. Bond Commissioner **Department of Public Protection** 

John F. Gage 1016 Baxter Ave. Louisville, KY 40204-1606



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

May 19, 2008

RE: Case No. 2008-00173

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Stumbo **Executive Director** 

SS/rs Enclosure



John W. Clay

Vice Chairman

Commissioner

Caroline Pitt Clark

# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

in the Matter of:

JOHN F. GAGE	)
COMPLAINANT	) CASE NO. ) 2008-00173
V.	)
LOUISVILLE GAS AND ELECTRIC COMPANY	)
DEFENDANT	)

## ORDER TO SATISFY OR ANSWER

Louisville Gas and Electric Company ("LG&E") is hereby notified that it has been named as defendant in a formal complaint filed on May 14, 2008, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, LG&E is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 19th day of May, 2008.

By the Commission

Executive Director

OJS

# COMMONWEALTH OF KENTUCKY

Case No 2008-00173

BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:	
John (Your Full)	F. Gage:
(Todi ruit)	COMPLAINANT ) MECEIVED
VS.	) MAY 1 4 2008
LG	and E PUBLIC SERVICE COMMISSION
(Name of U	tility) )  DEFÉNDANT )
	COMPLAINT
The complaint o	Your Full Name) respectfully shows:
(a)	John F. Gage (Your Full Name)
LC	(Your Address)  - G + E, 820 W, Broadway Lovevillety  (Name of Utility)
(b) <u>L</u>	(Name of Utility) 4020 W. Broadway Lovisvillety
***************************************	(Address of Utility)
(c) Th	nat see attached sheets
(0)	(Describe here, attaching additional sheets if necessary,
	the specific act, fully and clearly, or facts that are the reason
parren	and basis for the complaint)

Continued on Next Page

Formal Complaint	
John F. Gage vs. Louisville, Gas	s 4 Electric
Page 2 of 2	•
	and the state of t
	· · · · · · · · · · · · · · · · · · ·
	k.
Wherefore, complainant asks to be reinstated (Specifically state the relief desired.)	to the
Monthly budget plan whereby	* fotal
annual usage is paid in equal mo	_
installments.	
Lowerillo	₩ # N
Dated at	
of May 2008 (Month)	
hat Goes	
(Your Signature)	
(Name and address of attome	ey, if any)

#### Before the Public Service Commission

I, John F. Gage, have been on the averaged monthly payment plan with L G & E for the past two years, and that has enabled me to be able to pay this bill during the winter months when it soars to \$700 - \$800 per month, a sum I would be unable to meet.

I am a free lance performing artist which means that I receive payment for performances rather than receiving a steady salary with fixed payment dates. This means that I sometimes have cash flow problems that make it challenging to meet financial obligations in a timely manner. Sometimes the cash is simply not available on the due date. Due to this situation, I have been late on my LG&E bill several times during the past year.

I paid the March and April, 2008 payments in one installment of \$345.25 on April 28, 2008 although the payment wasn't received by LG&E (in Atlanta) until May 1. Following that I received a "brown bill" from LG&E indicating that if I didn't pay an additional \$725.60 they would terminate my service effective May 15, 2008. The bill indicated that my account was past due which in actuality wasn't the case because my total payment had already been received by LG&E in Atlanta.

When I contacted LG&E in an attempt to straighten this out, I indicated that I didn't have the available funds to pay \$725.60 and that my budget is set for a routine monthly payment of \$177. The representative indicated that they could spread the \$725.60 over the next twelve months, with that amount (approximately \$60 per month) added to my bill. I then noted that this might be doable during the summer months when gas usage is low, but that in December – May of the upcoming calendar year, I would be facing monthly payments that are impossible for me. The averaged monthly payment plan makes it possible for me to afford LG&E service.

Citing the terms of this agreement (that late payments will cause cancellation of the averaged monthly payment plan), LG&E representatives took a hard line, refusing to consider mitigating circumstances and demanding payment by May 15, 2008. (Bear in mind that they had already received payment in full for both the past and the current month.) In very civil tones I asked to speak to someone who would listen to a consumer from a more human perspective. The LG&E representative remained intransigent and insisted that they were completely unable to accommodate individual circumstances and that doing so would violate their tariff agreement. Finally, they told me that I could contact the Public Service Commission to plead my case.

I am requesting that Public Service Commission direct LG&E to reinstate me to the averaged monthly payment plan so I can continue this service. Knowing what a crises this causes LG&E, I will redouble my efforts to pay on time even if that means getting a short term loan from a friend. Also as this complaint is being considered, I will continue my regular budgeted monthly payment to LG&E.

#### Additional Information on the issue:

LG&E is owned by E.ON Corporation in Dusseldorf, Germany. This company posted annual sales of EUR 69 billion (\$105 billion in US currency). The company also reported a 42% share price increase for 2007. E.ON has proposed a 22% increase in dividends for 2008.

In short, what we have here is an example of a multi-billion dollar corporation aggressively pursuing an individual consumer for \$725. With rising gas and food prices, along with other similar price increases in the global market place, the average consumer is hard pressed to respond to such financial demands. I am totally willing to pay what I owe; I am merely asking to be reinstated to the averaged monthly payment plan, so I can do this.

Given the economic recession in the US, the sharply rising cost of living, and the magnitude of E.ON's annual profit, I feel it is unconscionable for such an entity to put consumers over a barrel with financial demands and threats of termination. It would be a public relations blemish on LG&E/E.ON for this scenario to become public knowledge. There are possibly others who share my predicament, and the potential for public outcry during such stressful times could prove to be substantial.

My request is simple and easy for LG&E/E.ON to accommodate if they have a will to do so. I hope the Public Service Commission will consider my request favorably and intervene to have me reinstated to the averaged monthly payment plan. In response, I will increase my efforts to pay in a timely manner.

Thank you for considering this request and, I hope, for a ruling that would benefit and protect consumers in the Commonwealth from unabated corporate greed.

#### Before the Public Service Commission

(Insert name of complainant)	<b>)</b>
Complainant	)
	) No
V\$.	) (To be inserted by
	) the secretary)
(Insert name of each defendant)	)
Defendant	)

#### COMPLAINT

The complaint of (here insert full name of each complainant) respectfully shows:

- (a) That (here state name, occupation and post office address of each complainant).
- (b) That (here insert full name, occupation and post office address of each defendant).
- (c) That (here insert fully and clearly the specific act or thing complained of, such facts as are necessary to give a full understanding of the situation, and the law, order, or rule, and the section or sections thereof, of which a violation is claimed).

WHEREFORE, complainant asks (here state specifically the relief desired).

Dated at Louis ville Kentucky, this 12th day of May 48 2008.

(Name of each complainant)

(Name and address of attorney, if any)



Customer Service: (502) 589-1444 Mon-Fri 7AM-7PM

Walk-In Center Hours: Mon-Fri 8AM-5PM Telephone Payments: (800) 780-9723 Power Outage Reporting: (502) 589-3500

FINAL PAY DATE	DELINQUENT AMOUNT DUE
05/15/08	\$725.60

www.eon-us.com

Reconnection of Service:

Service will be reconnected within 24 hours after verification of full payment of the delinquent amount due. A reconnect fee will be billed to your account at the time of reconnection. If another deposit is required, it will be billed to your account. If paying by credit card, debit card, or electronic check or at one of our Authorized Payment Agent locations, you will need to call LG&E Customer Service at (502) 589-1444 after payment is made in order to have your service restored.

ACCOU		-	and the said for		T
	VIII.	TALL TO	11200		N
		THEFT	J I 31111	2.1 1.2	1.1

Account Number:

Account Name: Service Address: JOHN F GAGE 1016 Baxter Av

Louisville, Ky

Unauthorized reconnection of service is a crime - punishable by law.

# DISCONNECTION NOTICE

**Utility Charges** 

Delinquent Amount Due as of 05/01

\$725.60

### BILLING INFORMATION

Your account is past due. If full payment of the delinquent amount due is not received by the final pay date shown above, your service will be subject to disconnection.

#### CUSTOMER ASSISTANCE

If you are unable to pay the total delinquent amount by the final pay date, call our Customer Service department. You may also contact the Commonwealth of Kentucky's Cabinet for Families and Children at (800) 372-2973 for information about the availability of local, state or federal programs for assistance.

Full payment of the delinquent amount due can be made:

- By credit card, debit card, or electronic check by calling (800) 780-9723. (Transaction fees may apply.)
- · On-line at www.eon-us.com. (Transaction fees may apply.)
- · By mail. (Payment must be received by the Final Pay Date listed above to avoid disconnection of service.)
- · At one of our Authorized Payment Agent locations. (You must present a recent bill at the time you make your payment.)
- · At your local LG&E Customer Service Center

The final pay date will not change upon receipt of future bills. If you dispute the reason for termination, call LG&E at (502) 589-1444

Customer Service (502) 589-1444

Account Number

PIERSE DETUNITE	113-PALIFILIN-WILHILL	LIELE M.I.W.CN.I
Final Pay Dafe	Delinquent Amount Due	Amount Enclosed
05/15/08	\$725.60	\$

- ACE DETUDALTUIC DODTION MITH VALID DAVMENT

OFFICE USE ONLY: C06. R0043. G

IT.E

PO BOX 537108 ATLANTA, GA 30353-7108 #BWNGGLS

JOHN F GAGE 1016 BAXTER AV LOUISVILLE KY 40204-1606

Service Address: 1016 Bexler Av Home Phone (502) 583-4243