



Mr. Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

RECEIVED

APR 22 2010

PUBLIC SERVICE  
COMMISSION

**Kentucky Utilities Company**  
State Regulation and Rates  
220 West Main Street  
PO Box 32010  
Louisville, Kentucky 40232  
www.eon-us.com

Rick E. Lovekamp  
Manager - Regulatory Affairs  
T 502-627-3780  
F 502-627-3213  
rick.lovekamp@eon-us.com

April 22, 2010

RE: *CHARLES S. CARTER JR. COMPLAINANT V. KENTUCKY UTILITIES  
COMPANY DEFENDANT*  
CASE NO. 2010-00129

Dear Mr. DeRouen:

Enclosed please find an original and ten (10) copies of Kentucky Utilities Company's Answer to Complainant's Complaint.

Also enclosed are an original and ten (10) copies of a Petition for Confidential Protection regarding certain information provided in answer.

A copy is being mailed to the Complainant.

Please contact me if you have any questions concerning this filing.

Sincerely,

Rick E. Lovekamp

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

**In the Matter of:**

<b>CHARLES S. CARTER JR.</b>	)	
	)	
<b>COMPLAINANT</b>	)	
	)	
<b>v.</b>	)	<b>CASE NO.</b>
	)	<b>2010-00129</b>
<b>KENTUCKY UTILITIES COMPANY</b>	)	
	)	
	)	
<b>DEFENDANT</b>	)	

\* \* \* \* \*

**ANSWER OF**  
**KENTUCKY UTILITIES COMPANY**

In accordance with the Kentucky Public Service Commission’s (“Commission”) Order of April 12, 2010 in the above-captioned proceeding, Kentucky Utilities Company (“KU” or the “Company”) respectfully submits this Answer to the Complaint of Charles S. Carter Jr. (“Mr. Carter”) filed on March 9, 2010. In support of its Answer, and in response to the specific averments contained in said Complaint, KU states as follows:

1. KU admits the allegations contained in paragraph (a) of the Complaint, on information and belief.
  
2. KU admits the allegations contained in paragraph (b) of the Complaint.

3. With regard to the allegations contained in paragraph (c) of the Complaint, KU states as follows:

a. With regard to the averments that “I am single 68 and live on a disability pension. About 4 years ago I bought my house and over the past 3 years I have spent approximately \$10,000 making my house energy efficient. I had energy efficient double pane replacement windows installed, 4 new storm doors, new energy efficient water heater, refrigerator, kitchen range, dish washer, washer & dryer. New energy efficient gas furnace and central air unit. I also had 1 foot of fiberglass insulation blown into the attic. I do laundry once a week with cold water and never use the automatic dish washer more than once a week. My home is a 3 bedroom 2 bath brick with a basement which I don’t heat. My house is so energy efficient that my Delta natural gas bill averages \$73.00 per month,” KU is without knowledge or information sufficient to form a belief as to the truth of these statements.

b. With regard to the averment that “My complaint concerning Kentucky Utilities is that my electric bill in November 2009 was \$103.45 and December 2009 was \$111.13 but in January 2010 my electric bill doubled to \$224.69 for no known reason as nothing electrical has changed at my house. I talked to KU three times without any resolution. I would like a reasonable explanation why my January KU bill doubled and an adjustment on my January 2010 KU bill and any future overcharges,” KU acknowledges that Mr. Carter’s bill for electric service was \$103.45 in November, 2009, \$111.13 in December, 2009, and \$224.69 in January, 2010. However, KU is without knowledge or information sufficient to form a belief as to the truth of this statement that “nothing electrical has changed at [Mr. Carter’s] house.”

c. As to the relief requested for a “reasonable explanation why bill doubled and adjustment on Jan. 2010 bill and any future charges that are unjustified,” KU affirmatively states that this winter was unusually cold. KU is required to charge customers for the amount of electricity consumed. On April 14, 2010, KU tested Mr. Carter’s meter. The test confirmed that the meter was operating within tolerance. A copy of the meter test results is attached hereto as Exhibit A. Because the meter was tested and determined to be accurate, KU is required to charge Mr. Carter for the electricity consumed based upon KU’s filed rates contained in its tariff. See *In the Matter of: James R. and Charlene Smith v. Louisville Gas and Electric Company*, Case No. 1998-00211, Order of September 25, 1998. In addition, at the request of Commission staff, KU performed a home energy audit at Mr. Carter’s home on April 8, 2010. The findings of this audit recommended that Mr. Carter limit the use of space heaters during the winter heating months, among other things. A copy of the Residential Energy Audit Program report is attached as Exhibit B. KU further states that the information contained above provides detailed information demonstrating that the January, 2010 bill was correct and therefore believes the Complaint has been satisfied.

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

#### **FIRST AFFIRMATIVE DEFENSE**

The Complaint, or parts of it, fails to set forth any claim upon which relief can be granted by this Commission and, therefore should be dismissed.

**SECOND AFFIRMATIVE DEFENSE**

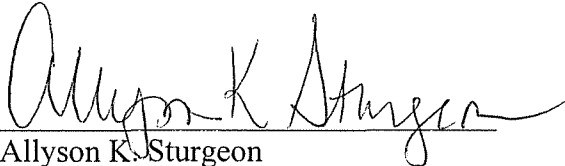
The Complainant has failed to set forth a *prima facie* case that KU has violated its tariff or any statute or Commission regulation, and the Complaint should be dismissed for that reason.

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

- (1) that the Complaint herein be dismissed without further action 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: April 22, 2010

Respectfully submitted,



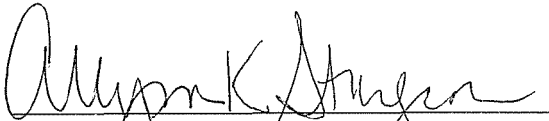
Allyson K. Sturgeon  
Senior Corporate Attorney  
E.ON U.S. LLC  
220 West Main Street  
Louisville, Kentucky 40202  
(502) 627-2088

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 on the 22<sup>nd</sup> day of April, 2010, U.S. mail, postage prepaid:

Charles S. Carter Jr.  
55 East Center Street  
Corbin, Kentucky 40701

  
Counsel for Kentucky Utilities Company

# **Exhibit A**

### REQUEST TEST

To: Lana Hall Date: 4/14/10

Customer: Charles Carter

C/A # XXXXXXXXXX

Address: 55 East Center St

City: Corbin, KY 40701

Meter # C459471 KWH 42426 KW \_\_\_\_\_ PF \_\_\_\_\_

Make LG Type MX Amps 30 Volts 240

Wire 3 Phase 1 Constant 1 Meter Location \_\_\_\_\_

Meter Removed Yes XXXXX No \_\_\_\_\_ Previous Test \_\_\_\_\_

Installed Meter # \_\_\_\_\_ KWH \_\_\_\_\_ KW \_\_\_\_\_ PF \_\_\_\_\_

#### Test Requested By

	Name	How Requested
Customer	_____	_____
Local Office	<u>London(Lana Hall)</u>	<u>Copy of order</u>
Call Center	_____	_____
Customer Accounting	_____	_____

#### Meter Test Results

<table border="1" style="margin: auto;"> <tr><td style="text-align: center;">FL</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">Avg 99.9</td></tr> </table>	FL	99.9	99.9	99.9	99.9	Avg 99.9	<table border="1" style="margin: auto;"> <tr><td style="text-align: center;">LL</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">99.9</td></tr> <tr><td style="text-align: center;">Avg 99.9</td></tr> </table>	LL	99.9	99.9	99.9	99.9	Avg 99.9	<table border="1" style="margin: auto;"> <tr><td style="text-align: center;">PF</td></tr> <tr><td style="text-align: center;"> </td></tr> <tr><td style="text-align: center;"> </td></tr> <tr><td style="text-align: center;"> </td></tr> <tr><td style="text-align: center;"> </td></tr> <tr><td style="text-align: center;">Avg 0</td></tr> </table>	PF					Avg 0	<p>DEMAND % ACC.  <div style="border: 1px solid black; width: 40px; height: 15px; display: inline-block;"></div> %</p> <p style="text-align: center;"> <u>Sammy Caldwell</u>              Meter Tech         </p>
FL																					
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Avg 99.9																					
PF																					
Avg 0																					

Overall Accuracy 99.9

Date 4/14/10

Include test, paperwork, correspondence Time: Start 1:50 Stop 2:17  
 Customer Witness No

Test Comments: Office Request. Meter test within PSC limits



# **Exhibit B**



CONFIDENTIAL INFORMATION REDACTED

### Residential Energy Audit Program

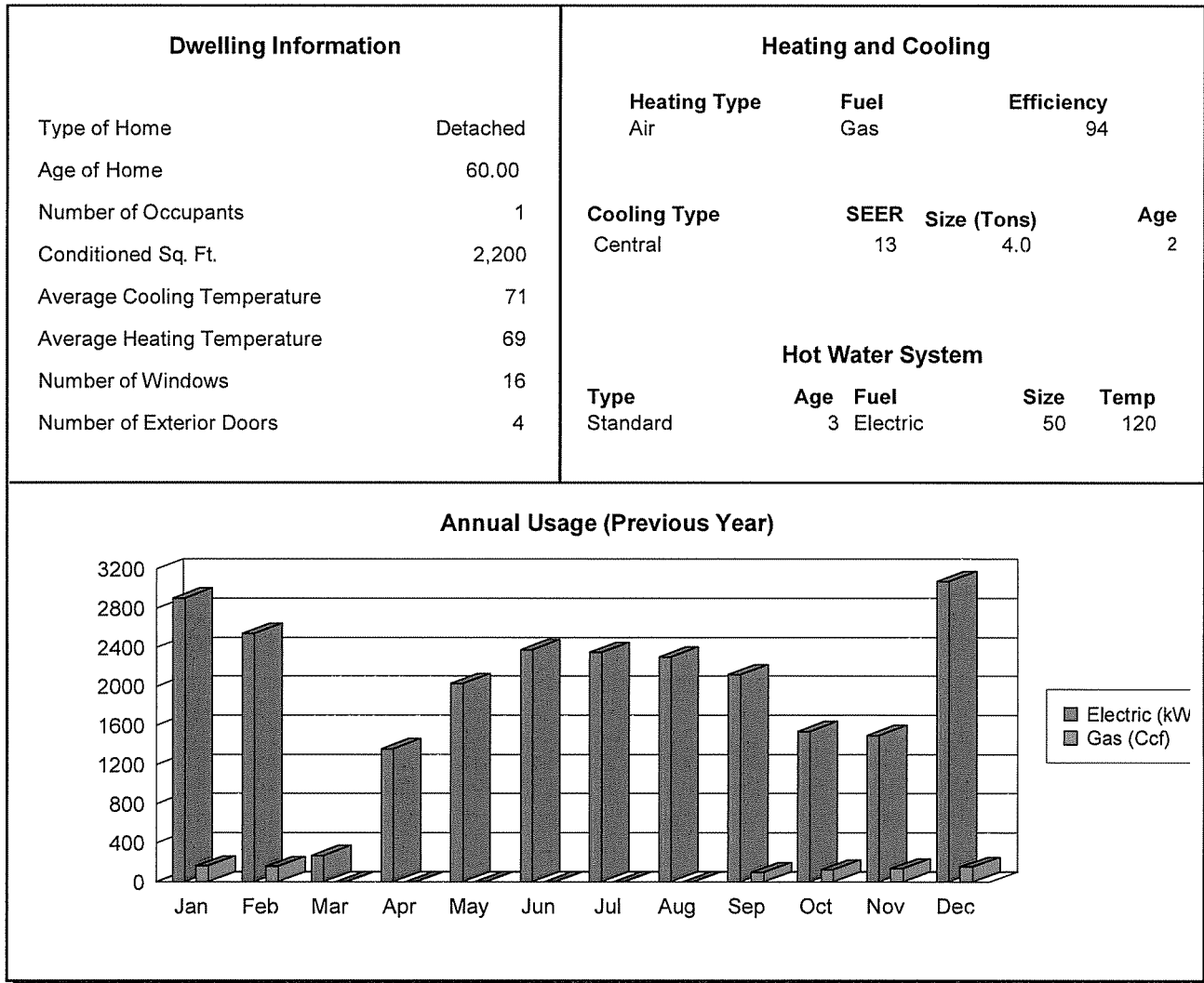
**Prepared For:**  
 CHARLES CARTER  
 55 CENTER ST.  
 CORBIN, KY 40701

**Date:** 04/08/2010  
**Energy Specialist:** DARRELL SCHULENBURG  
**Account Number:** [REDACTED]  
 178987444

Thank you for participating in the KU Residential Energy Audit Program. Our energy specialist has developed this comprehensive profile of your house along with valuable information about your energy uses and practices.

We hope that you will find this report beneficial as it outlines numerous ways you can reduce your energy usage and implement a variety of energy conservation practices.

If you have any questions about your Home Energy Assessment or the program, simply contact our energy experts at (800) 251-7808. If you are interested in learning about other energy management programs, email the support team at [res.audits-eeo@eon-us.com](mailto:res.audits-eeo@eon-us.com).



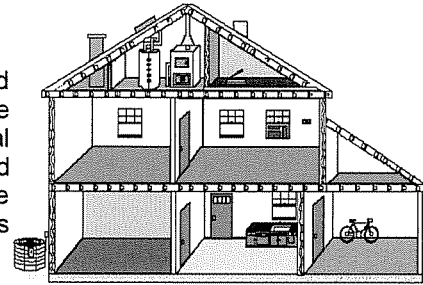
## Installed Measures

These items were installed in your home by our technicians during your energy audit. Listed are the resulting energy savings from measures already in place.

Conservation Measure	Quantity	Electric (kWh) Savings	Gas (ccf) Savings
Compact Fluorescent Bulb 15w	3.0	135.0	0.0
Compact Fluorescent Bulb 25w	3.0	225.0	0.0
Energy Audit (including blower door test)	1.0	0.0	0.0
Kitchen Faucet Aerator	1.0	107.0	4.9
Low Flow Showerhead	2.0	852.0	38.8
Pipe Insulation (Per Foot)	9.0	18.0	1.2

## Your Detailed Recommendations Profile

The customized energy efficiency measures recommended for your household are outlined below. You will find important details about each item including the conservation measure; the recommended quantity/area; an estimate of potential savings after the first year of installation (where applicable), estimated do-it-yourself costs (some installations require a professional contractor); the estimated contractor cost for installation; and payback (the number of years required to recover the cost of installation under each scenario).



## Recommended Measures

Conservation Measure	Qty	1st Year Savings	DIY		Contractor		KWh Savings	Gas Savings
			Cost	Payback	Cost	Payback		
Replace Existing Lights 3 - Compact Fluorescent Bulb 15w 3 - Compact Fluorescent Bulb 25w	6	\$ 27.59	\$ 12.00	0.43	\$ -	-	667.95	0.00
Caulk/Weatherstrip Doors	1	\$ 4.04	\$ 2.59	0.64	\$ 6.46	1.60	0.00	5.05
Keep your cooling system set to 78 degrees	1	\$ 3.15	\$ -	-	\$ -	-	76.27	0.00

The above estimates are based upon information available as of conditions observed today. The actual energy savings will vary based on a number of factors including your lifestyle, the number of people in the home, major renovations, etc. Due to the regional and/or seasonal price differences and individual contractor bids, the actual installation costs may differ from the estimates shown above. KU does not guarantee that each of these recommendations will produce the estimated energy savings, either individually or cumulatively, nor does KU guarantee that these conservation measures can be installed at the estimated costs.



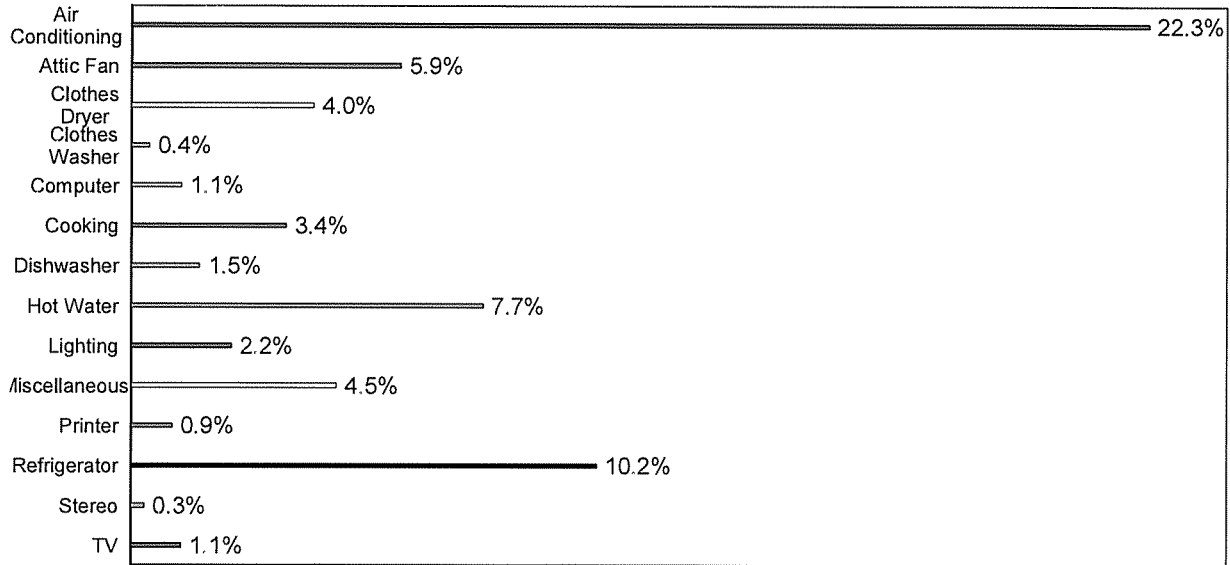
## Residential Energy Audit Program

### Auditor's Notes

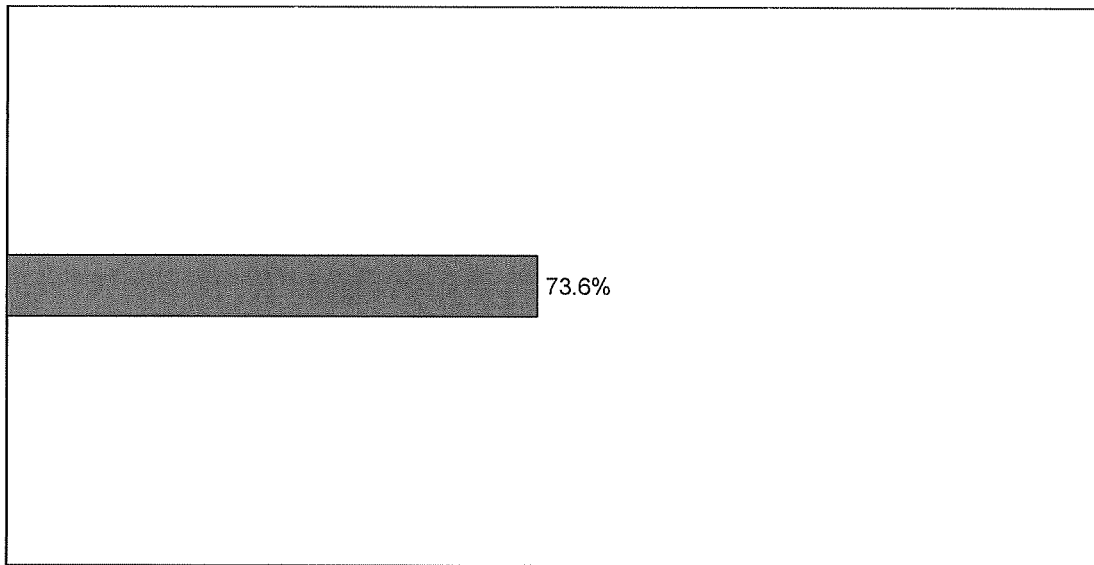
1. SEAL FIREPLACE AND WHOLE HOUSE FAN
2. LIMIT USE OF ELECTRIC SPACE HEATERS
3. INSTALL PROGRAMMABLE T-STAT

### *Appliance Summary*

**Annual Electric Usage (kWh) - \$1,007.47**



**Annual Gas Usage (ccf) - \$680.00**



\*\* Percentages may not add to 100% due to rounding.

Appliance Summary - Estimate Energy Consumption