

COMMONWEALTH OF KENTUCKY  
BEFORE THE ENERGY REGULATORY COMMISSION

\* \* \* \* \*

In the Matter of

THE COMPLAINT OF TERRY W. HOWARD,	)	
LOUISVILLE, KENTUCKY AGAINST	)	CASE NO.
TRI-COUNTY ELECTRIC MEMBERSHIP	)	7961
CORPORATION	)	

O R D E R

On June 26, 1980 the Commission received a letter from Mr. Terry W. Howard, Louisville, Kentucky (Appendix "A") concerning charges by Tri-County Electric Membership Corporation (Tri-County) for extensions to a certain real estate development in Barren County, Kentucky.

On July 30, 1980 the Commission received a letter from Tri-County (Appendix "B") stating the position of the utility with respect to the extension charges and also referring to a \$100 charge for a meter pole.

The Commission, having considered the correspondence and being advised, on its own Motion, ORDERS That this matter be and it hereby is set for hearing on September 16, 1980 at 10:30 a.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky. The purpose of the hearing will be to receive testimony to enable the Commission to determine whether the extension policies and the meter pole charges of Tri-County are in accordance with the rules and regulations of the Commission and the filed tariffs of Tri-County Electric Membership Corporation.

IT IS FURTHER ORDERED That Tri-County Electric Membership Corporation appear at the scheduled hearing and present testimony relative to this matter.

Done at Frankfort, Kentucky, this 11th day of September, 1980.

ENERGY REGULATORY COMMISSION

  
For the Commission

ATTEST:

\_\_\_\_\_  
Secretary

RECEIVED

JUN 26 1980

Energy Regulatory Commission  
Commonwealth of Kentucky

ENERGY REGULATORY COMMISSION  
DIVISION OF ENGINEERING

RE: Electric Service from Tri-County EMC  
to serve Cardinal Bay Subdivision on the  
Barren County side of Barren Reservoir

Gentlemen:

Before I purchased the above subdivision which is made up of two older subdivisions (Runaway Bay and Walnut Creek) plus another tract I added to the whole and all being now called "Cardinal Bay" I was advised by the officials at Tri-County EMC which serves electric utilities to that area that they would serve any homes constructed without any charges for line extension/construction for reaching the homes. I thereafter purchased the subdivision on the strength of this representation.

When I had the first home built there, Tri-County then refused services unless payment was made to them for payment of all extensions necessary at \$1.00 per foot for all exceeding 1000 feet from their existing facilities. There was even a lawsuit over their non-service by a lot owner against a seller because Tri-County refused to serve a home.

Now a lot owner has constructed a home on one of the lots and Tri-County advises that they will not provide electric service unless payment is made to them for all actual construction labor and materials regardless of distance except they will provide a meter pole and wire for the house if we pay them a flat \$100.00. They no longer will even extend 1000 feet without all costs being paid by a consumer.

When we paid the first fee amounting to approximately \$3000.00 for that first house we were advised if others built in the area within the next 10 years, we would get our money back, however they now say under the present set-up we recover absolutely nothing if we pay for an extension and thereafter others build along the same line.

I understand that Tri-County is a Tennessee utility but that Kentucky Utilities in the area do not charge this much or fail to allow the 1000 foot free extension to serve a new home. Why do we allow a Tennessee company to do this?

Please advise me what your official tariffs allow Tri-County to charge under my circumstances and location.

Thanking you in advance for this information,  
I am

Very truly yours,  
Terry W Howard

Cardinal Land Corporation  
6907 Chippenham Road  
Louisville, Kentucky 40222  
(502) 426-1739  
Terry W Howard, President

# TriCounty Electric Membership Corp.

"Serving 30,000 Consumers"

PHONE 666-2111

405 COLLEGE STREET

P. O. BOX 40

LAFAYETTE, TENNESSEE 37083

RECEIVED

July 28, 1980

JUL 30 1980

ENERGY REGULATORY COMMISSION  
DIVISION OF ENGINEERING

Mr. John T. Smither, Director  
Division of Utility Engineering  
and Services  
Commonwealth of Kentucky  
730 Schenkel Lane  
Post Office Box 615  
Frankfort, Kentucky 40602

Dear Mr. Smither:

We have talked with Mr. Howard in the past and have stated our policies and given him copies of same. Enclosed is a copy of the contract which was for line extension into Cardinal Bay Subdivision.

On the location in question, Mr. James Gann has made application for service in our Scottsville, Kentucky office. He had also paid \$100 which is for a meter pole to a trailer located on this lot to be used as a summer home.

It is the Board's desire to follow the Energy Regulatory Commission's ruling to the letter and to provide service to all customers at the lowest cost. In line with this, we will serve any person that makes application for service.

In accordance with the Commission, we will serve any permanent residence free for the first 1500 feet and then bill for all non-recoverable cost above that. On all non-permanent residences, summer homes, barns and etc., we ask for payment of all non-recoverable cost. The Policy is the same for development of private property. It is the Board's feeling that the people on fixed income, poor, and the elderly should not have to pay for these developments and summer homes.

As stated above, Mr. Gann has made application for service to a trailer and made no effort to develop this into a permanent residence. It is our understanding that this is a summer home to be used two or three months a year.

# TriCounty Electric Membership Corp.

"Serving 30,000 Consumers"

PHONE 666-2111

409 COLLEGE STREET

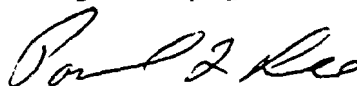
P. O. BOX 40

LAFAYETTE, TENNESSEE 37083

Mr. John T. Smither, Director  
Division of Utility Engineering and Services  
July 28, 1980  
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Enclosed is the work order and cost for service to Mr. Gann.  
If we can be of further assistance, please contact me.

Very truly yours



Paul T. Lee  
General Manager

PTL:rl

Enclosures