

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the Matter of:

GERALD GOODLETT AND	)	
BETTY GOODLETT,	)	
COMPLAINANTS	)	
vs.	)	CASE NO. 9270
	)	
SALT RIVER RURAL ELECTRIC	)	
COOPERATIVE CORPORATION	)	
DEFENDANT	)	

O R D E R

On October 29, 1984, the Judge of Mercer Circuit Court entered an Order in its Case No. 84-CI-143 transferring an original complaint by Gerald and Betty Goodlett against Salt River Rural Electric Cooperative Corporation ("Salt River") and the Kentucky Public Service Commission ("Commission") to the Commission. The complaint was originally filed in Mercer Circuit Court on July 26, 1984. The Court, in transferring the case to the Commission, did not rule on the merits of the complaint. Instead, the Court ruled that pursuant to KRS 278.260 (1) the Commission should have original jurisdiction to hear the merits of this complaint. A copy of the complaint and Order from the Mercer Circuit Court is attached as Appendix A to this Order.

The Commission, on its own motion pursuant to KRS 278.260, ORDERS that this case be instituted to investigate the complaint of Gerald and Betty Goodlett vs. Salt River.

IT IS FURTHER ORDERED that Salt River shall file its Response to the attached complaint within 10 days of the date of this Order.

Done at Frankfort, Kentucky, this 12th day of February, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Hemmings  
Chairman

[Signature]  
Vice Chairman

[Signature]  
Commissioner

ATTEST:

\_\_\_\_\_  
Secretary

Pursuant to (Or) ~~the~~ the order  
of the Court, I hereby certify that I have  
a true copy of the foregoing on all parties.

**RECEIVED**

OCT 31 1984

PSC  
GENERAL COUNSEL

COMMONWEALTH OF KENTUCKY  
50TH JUDICIAL CIRCUIT  
MERCER CIRCUIT COURT

29<sup>th</sup> October 84

*Stephen M. Shewmaker*

GERALD GOODLETT AND  
BETTY GOODLETT,

PLAINTIFFS,

VS.

O R D E R

SALT RIVER RECC AND  
PUBLIC SERVICE COMMISSION  
OF KENTUCKY,

DEFENDANTS.

This cause is before the court on defendants' motion to dismiss for lack of jurisdiction pursuant to KRS 278.260 and for improper venue. The parties have filed their legal memoranda, and the court being well and sufficiently advised, it is hereby ORDERED and ADJUDGED:

1. Pursuant to KRS 278.260(1) the Public Service Commission has original jurisdiction of all complaints concerning service of any utility. This case shall be transferred to the Public Service Commission as of the date of this Order.
2. As this case is transferred to the Public Service Commission, the court will not address the issue of improper

**ENTERED**

MERCER CIRCUIT COURT

OCT 29 1984

Given under my hand this \_\_\_\_\_ day of October, 1984.

B. H. CASH, JR., CLERK  
*B. H. Cash, Jr.*

*Stephen M. Shewmaker*  
STEPHEN M. SHEWMAKER  
CIRCUIT JUDGE

FILED: \_\_\_\_\_ ( SUMMONS  
AND 1 COPIES TO \_\_\_\_\_

JUL 26 1984

COMMONWEALTH OF KENTUCKY  
50TH JUDICIAL CIRCUIT  
MERCER CIRCUIT COURT

AM: R. H. GASH, JR.  
MERCER CIRCUIT CLERK

BY: B. [Signature]  
PLAINTIFFS

GERALD GOODLETT and  
BETTY GOODLETT, his wife,

VS. COMPLAINT

NO. FY-CJ-142

SALT RIVER RURAL ELECTRIC  
COOPERATIVE CORPORATION

DEFENDANT

Come the plaintiffs, Gerald Goodlett and Betty Goodlett,  
his wife, and for their claim for relief state:

1. Plaintiffs are the owners of 65 acres of land with house and  
other improvements located thereon in Washington County, Kentucky,  
previously supplied electric power by the defendant, Salt River Rural Electric  
Cooperative Corporation.

2. Circa 1967, defendant, Salt River Rural Electric Cooperative  
Corporation ceased to supply electric power to the property now owned  
by plaintiffs, then owned by one J. L. Lambert who did not occupy the property  
and whereupon defendant took out its power lines, poles, transformers and  
other equipment upon the property, and said Lambert deeded the property  
to Jesse Arnold and wife who in turn deeded same to plaintiffs who intend  
to so occupy the property and/or rent out the same to tenants who will live  
upon said property and who need the benefits of electric power.

3. On June 22, 1984, plaintiffs went to defendant's headquarters  
building in Bardstown, Kentucky and was referred to one J. Turner regarding  
restoration of electric power on the property at minimum cost to plaintiffs, and

were advised and assured by said J. Turner, employee and agent of defendant, after consulting various maps, papers, documents and other records of defendant that defendant would have to restore electric power at defendant's sole expense and that the only expense to plaintiffs would be deposit, membership fee and meter base. In reasonable reliance upon the statements, representations and assurances of J. Turner of said defendant, Salt River Rural Electric Cooperative Corporation, the plaintiffs were thereupon induced to pay \$100.00 deposit with defendant, evidenced by Certificate of Deposit attached hereto as Exhibit "A", \$25.00 membership fee in defendant, evidenced by Receipt attached hereto as Exhibit "B" and \$20.85 for a meter base purchased shortly thereafter on June 29, 1984, attached and marked Exhibit "C"; further inducing plaintiffs to expend time, effort and additional funds, including loss of work from their usual employment to carry out plaintiffs' side of the contract regarding restoration of electric power to the premises at no other expense to plaintiffs than as stated above, and to sign various additional documents in the custody, possession and control of defendant to carry out said contract.

4. On said June 29, 1984, after purchase of the meter base and other out-of-pocket expenditures pursuant to contract with defendant by and through said J. Turner, defendant's employee agent with express authority or implied, apparent or ostensible authority to bind said defendant to the contract, the plaintiffs were telephoned by the engineer of defendant who after visiting the plaintiffs' premises to be restored power stated that he would not restore power because of cost involved to defendant

and that plaintiffs should see the defendant's manager.

5. The plaintiffs again travelled to Bardstown, Kentucky and on or about July 3, 1984 were directed to Ken Hazlewood, defendant's manager, and who stated to plaintiffs that there were various options, including plaintiffs to obtain easement from adjoining neighbor for defendant to run at its expense 1,000 feet of line to meter base on that property, and from that point across plaintiffs' property another 1,000 feet to meter base there, leaving approximately 900 feet to be paid for by defendant through use of "drops" but which option offer defendant thereafter retracted and defendant's manager now insists there is no contract as claimed by plaintiffs and that defendant will run the initial footage but leaving 1900 feet to be paid for by plaintiffs at their cost of \$5,200.00.

6. The statements, representations and conduct of defendant's engineer and manager, being contrary to agreement of the parties duly entered into, constitutes a breach of contract, as defendant fails and refuses to perform said agreement that there would be no additional cost to plaintiffs other than deposit, membership fee and meter base, all of which has been purchased and paid for by plaintiffs, and which plaintiffs have fully and completely performed their side of the contract.

7. The defendant by and through its employee agent J. Turner with express or implied, apparent or ostensible authority has waived any right to expect any additional money from plaintiff and defendant is otherwise estopped to deny the contract, agreement of plaintiffs with J. Turner acting in behalf of said defendant.

8. Further, and in the alternative, the plaintiffs have suffered actual, ascertainable losses by reason of the false, misleading and deceptive acts and practices of defendant by and through its authorized agents having such express or implied, apparent or ostensible authority, for which plaintiffs are entitled to recover damages and other equitable relief, including specific performance of aforesaid contract, together with reasonable attorney fees incurred by plaintiffs herein, as made and provided by KRS 367.220 regarding the purchase of consumer goods and services and losses sustained from acts and methods declared unlawful by KRS 367.170 and other applicable law. At the time of negotiations leading up to the contract, at the time of inducement into and execution of the contract, and at the present time and hereafter plaintiffs' intentions were and still are to occupy a house located on their said land or to rent the same out to a tenant who will so occupy the same, and purchase of electric power from defendant was primarily for personal, family and household purposes. Further, within said Consumer Protection Act of Kentucky, although the seller is a Kentucky corporation with its principal place of business in Nelson County, Kentucky, and doing business in Washington County where plaintiffs' land is located and doing business in a number of other Counties such that the within civil action and claim for relief could have been brought in such other Counties or where the transaction primarily occurred, the plaintiffs as made and provided by said Act elect to bring this action in the County of their residence, this Mercer Circuit Court.

9. Plaintiffs claim \$20,000.00 damages as reasonable cost of alternative source of power in event defendant continues to refuse to perform the contract.

10. The defendant, by and through its agents with express or implied, apparent or ostensible authority, has acted in bad faith regarding the contract for restoration of electric power and has intentionally breached the same, and further acted in bad faith regarding the sale and purchase of electric power goods and/or services under Kentucky's Consumer Protection Act, as a consequence of which plaintiffs have suffered mental anguish and distress to their damage in sum of \$5,000.00, and plaintiffs should further recover punitive damages in sum of \$10,000.00.

11. Plaintiffs further claim additional actual losses of \$200.00 out-of-pocket expenses incurred in attempting to preserve said contract, and reasonable attorney's fee of \$500.00. Without waiver of any claim heretofore made, in event the contract is set aside, then plaintiffs should recover \$145.85 deposit, membership fee and cost of meter base, and said \$200.00

12. As provided by KRS 367.220, the Clerk of this Court is directed to mail copy hereof to Attorney General of Kentucky, and hereafter mail copy of order or judgment to said Attorney General.

WHEREFORE, plaintiffs, Gerald Goodlett and Betty Goodlett his wife pray for judgment against defendant, Salt River Rural Electric Cooperative Corporation for specific performance of contract to restore power to plaintiffs' property at no additional cost to plaintiffs and to recover expenses incurred of \$200.00 plus attorney's fee of \$500.00; in event defendant refuses to perform, then to recover damages of \$20,000.00 for alternative power source; in any event \$5,000.00 damages for mental anguish and \$10,000.00 punitive damages is demanded; and only in the alternative for restitution and damages sum of \$145.85; and for all other relief. Including trial by jury



This July 26, 1984.

DEAN, DEAN & DEAN  
Attorneys at Law  
202 South Chiles Street  
Harrodsburg, Kentucky 40330  
Phone: (606) 734-3366

  
\_\_\_\_\_  
Attorney for Plaintiff

State of Kentucky

County of Mercer, Sct.

Comes Gerald Goodlett, who after first being duly sworn states under oath that he is one of the plaintiffs herein, and that the statements contained herein are true.

  
\_\_\_\_\_  
Gerald Goodlett

Subscribed and sworn to before me by Gerald Goodlett, on this July 26, 1984 at Harrodsburg, Kentucky.

  
\_\_\_\_\_  
Notary Public, State at Large, Kentucky

My Commission Expires: 1-17-1985

SALT RIVER RURAL ELECTRIC  
COOPERATIVE CORPORATION  
111 W. BRASHEAR AVENUE BARDSTOWN, KENTUCKY 40004

CERTIFICATE OF DEPOSIT  
(Not Transferable)

This certifies that

June 22, 1984  
DATE OF ISSUE

Gerard & Betty Goodlett  
NAME

367 Carmichael St. Harrodsburg  
MAILING ADDRESS

(W)  
LOCATION

FILED IN CLERK'S OFFICE

ACCOUNT NUMBER

JUL 20 1984

has deposited One Hundred dollars and 00 cents \$

100.00  
R. H. GASH, JR.  
CLERK  
BY: [Signature]

with Salt River RECC. This deposit is held subject to the rates, rules and regulations of Salt River RECC as collateral security for the payment of any and all charges for electrical service.

Interest shall be earned at the rate of 6% per annum. Refund of deposits and interest earned shall also be made in accordance with the rules and regulations of the Cooperative. This deposit is not made for the purpose of, nor shall it be used, for the payment of current bills from time to time. Upon discontinuance of depositor's electrical service for any cause, Salt River shall have the right to apply said deposit with accrued interest due thereon to the payment of any sum due by depositor with the balance of said deposit and accrued interest due, if any, to be returned to the depositor.

EX 77

2

Received of Gerace & Betty Gerace June 22, 1954  
Twenty-five & 100 Dollars  
Membership fee  
(w)

FILED IN CLERK'S OFFICE

No 58558

SALT RIVER RURAL ELECTRIC CO-OP

BY

*[Signature]*

ATT.: R. H. GASH, JR.  
MEMBER CLERK

BY: *[Signature]*

EX 13

3

<b>TRANSACTION TYPE</b> <input type="checkbox"/> QUOTATION <input checked="" type="checkbox"/> SALES ORDER <input type="checkbox"/> CONTRACT <input type="checkbox"/> REQUEST FOR NAME AND TOWN <input type="checkbox"/> REQUEST FOR PRICING ON OTY <input type="checkbox"/> ERROR MAIL	<b>TYPE OF SALE</b> 1 <input checked="" type="checkbox"/> CASH/COOD 2 <input type="checkbox"/> CHARGE <b>ORDER REC'D VIA</b> 1 <input type="checkbox"/> SHOW ROOM 2 <input checked="" type="checkbox"/> COUNTER 3 <input type="checkbox"/> SALES CALL DATE <b>SALES PERSON</b> <b>CUST ORDER NO.</b>	<b>SHIPPED VIA</b> 1 <input checked="" type="checkbox"/> CUSTOMER PICK UP 2 <input type="checkbox"/> OUR TRUCK 3 <input type="checkbox"/> COMMON CARRIER OR UPS <b>CIRCLE ONE:</b> <input type="checkbox"/> PREPAID <input type="checkbox"/> COLLECT <input type="checkbox"/> FREIGHT & ADD	<b>DATE SHIPPED</b> <b>WEIGHT</b> <b>NO. OF PACKAGES</b> <b>UPS OR BILL OF LADING NO.</b>	<b>DATE ENTERED</b> <b>ENTERED BY</b> <b>ORDER NO. B 67755</b>	<b>CUSTOMER NAME AND ADDRESS</b> <b>TERMINITY</b>
<input checked="" type="checkbox"/> SALES CATE GORY <input type="checkbox"/> APPLIANCE <input type="checkbox"/> CONTRACT <input checked="" type="checkbox"/> NON CONTRACT	<input checked="" type="checkbox"/> MFG/MARKERSE MOVEMENT <input checked="" type="checkbox"/> FROM W/HER <input type="checkbox"/> DIRECT SHIPPED FROM MFG <input type="checkbox"/> SPECIAL ORDER	<input type="checkbox"/> FOR OFFICE USE ONLY <input type="checkbox"/>	<input type="checkbox"/> CUST. NO. <input type="checkbox"/> CUSTOMER TUNE TAG ADDRESS VERIFICATION <input type="checkbox"/> CUSTOMER PART NO. <input type="checkbox"/> IF ANY	<b>TAX CODE</b> <b>DEBIT SERV. AMOUNT</b>	<b>PRICE</b> <b>U/M</b> <b>EXTENSION</b>
<b>QUANTITY SHIPPED</b> 11	<b>BACK ORDER QUANTITY</b> V	<b>MFG. PART NO.</b> SSD MAT 201C	<b>DESCRIPTION</b>		

1									
2									
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11									

WE HEREBY CERTIFY THAT WE HAVE COMPLIED WITH ALL THE REQUIREMENTS OF THE FAIR LABOR STANDARDS ACT OF 1937, AS AMENDED, IN RESPECT TO THE GOODS LISTED HEREIN

FILED IN CLERK'S OFFICE  
 1984  
 6-25-84

**ORDER AUTHORIZED BY:** [Signature]

**PACKED BY:** [Signature]

**ADMITTED BY:** [Signature]

**SPECIAL INSTRUCTIONS:**

**REMOVED BY:**

**REMOVAL RECEIVED BY:**

**NO RETURNS WITHOUT PERMISSION**

**Wholesale Electric Supply, Inc.**  
 1000 W. LITTLE  
 4379E  
 4379W  
 4380  
 4381  
 4382  
 4383  
 4384  
 4385

**SALES TAX**

**CREDIT/DEBIT BILLING**  
 (ORIGINAL CHANGE)

**SHIPPING CHARGES FROM VENDOR**

**SHIPPING CHARGES TO DESTINATION**

**MERCHANDISE TOTAL**

19.86

19.86