

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JACK E. STEPHENSON)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 2000-122
)	
LOUISVILLE GAS AND ELECTRIC COMPANY)	
)	
DEFENDANT)	

O R D E R

On March 30, 2000, Jack Stephenson ("Complainant") filed a formal complaint against Louisville Gas and Electric Company ("LG&E"). Complainant alleges that because of crossed meter lines between Complainant's and a neighbor's apartment, LG&E should not charge Complainant for consumption of electricity. Complainant requests that LG&E apologize to him and not bill him for service through the incorrectly connected meter.

LG&E filed its answer on April 20, 2000. LG&E denies that it improperly charged Complainant for electrical service consumed. LG&E further asserts that it is correct in billing Complainant for electricity consumed by Complainant in the last 2 years.

According to the complaint and LG&E's answer, it appears that the meter for Complainant's electric service was crossed with his neighbor's meter. This error resulted in Complainant's consumption of electricity being billed to his neighbor and vice versa. Complainant's electric consumption was considerably higher than his

neighbor's; therefore, Complainant was unbilled for a portion of the service he received while his neighbor was overbilled. LG&E did not learn that the meters were crossed until February 2000. At that point, LG&E corrected the meter connection and realized that the Complainant and his neighbor had been billed incorrectly. LG&E charged Complainant the unbilled amount for the previous 2 years by calculating the difference between the amount Complainant paid during the 2-year period and the amount actually due. LG&E then divided the difference into equal installments to be added to Complainant's monthly bill over a period of time so that Complainant would not have to pay the total difference in one payment.

On July 19, 2000, the Commission issued a data request to LG&E requesting the complete billing records of Complainant from January 1, 1996 to present, together with copies of any correspondence between Complainant and LG&E. LG&E responded to the data request on August 4, 2000, and provided the Commission with correspondence to Complainant explaining the procedure for collecting for the unbilled charges and stating the amount that Complainant was unbilled. LG&E arrived at the amount Complainant owed by subtracting the amount Complainant had actually paid LG&E between February 24, 1998 and February 23, 2000 from the amount Complainant should have paid during the same period. LG&E asserts that Complainant had been unbilled \$360.69.

LG&E is correct in its assertion that it must bill Complainant for electricity consumed. KRS 278.160(2) mandates that a utility must charge the rates filed in its tariff. LG&E would be in violation of its tariff and KRS 278.160(2) if it did not charge Complainant for electricity consumed. KRS 278.225, however, limits the liability of a

customer for unbilled service. KRS 278.225 provides that a customer shall not be billed for more than 2 years of unbilled service. In this case, LG&E may collect from Complainant only the amount unbilled for the 2 years prior to LG&E's discovery that a portion of Complainant's service was unbilled. Moreover, LG&E is required by KRS 278.160(2) to collect the 2-year unbilled amount.

The information that LG&E provided to Complainant and the Commission regarding the amount unbilled over the 2-year period shows, however, that LG&E's calculations of unbilled service is incorrect. LG&E includes the period from February 24, 1998 to February 23, 2000 in determining the amount Complainant owes for unbilled service. The period from February 24, 1998 to February 23, 2000 includes 25 billing periods, amounting to 2 years plus 1 month of service. LG&E's recovery is limited to 2 years of unbilled service by KRS 278.225. LG&E may recover the amount for which Complainant was unbilled for service during the period from March 25, 1998 to February 23, 2000, thereby reducing the unbilled amount \$11.25 and leaving a balance of \$349.44 owed by Complainant to LG&E.

The Commission, after reviewing the evidence on record and being otherwise sufficiently advised, HEREBY ORDERS that:

1. LG&E shall collect all amounts due for unbilled service to Complainant from March 25, 1998 to February 23, 2000, but may not collect for unbilled service for any additional period.
2. This complaint is closed and is hereby removed from the Commission's docket.

Done at Frankfort, Kentucky, this 19th day of October, 2000.

By the Commission

ATTEST:

Deputy W^m H. Fowler
Executive Director