

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BRIAN AND AMY COLLINS)	
)	
COMPLAINANTS)	
)	
v.)	CASE NO. 2003-00032
)	
LOUISVILLE GAS AND ELECTRIC COMPANY)	
)	
DEFENDANT)	

O R D E R

On January 24, 2003, Brain and Amy Collins (Complainants) filed a formal complaint against Louisville Gas and Electric Company (LG&E) alleging that LG&E improperly calculated Complainants electric consumption and thereby overcharged them. Complainants request that the Commission order LG&E to adjust their bill in the amount of \$290, partially for over-billing and partially for the cost and expense of dealing with LG&E.

LG&E claims that it properly billed the Complainants and that the alleged overcharge resulted from an incorrect reading of Complainants meter that was later correctly billed. The corrected billing, to reflect the correct reading, resulted in an abnormally large charge, applied during the June 2002 billing period.

BACKGROUND

According to LG&E s records, Complainants electric meter is located within a fenced-in part of Complainants yard, which is often inhabited by a dog. The meter had to

be read over the fence in February 2002 due to the presence of the dog, causing the meter reading to be understated by 1000 Kwh. The March 2002 and April 2002 readings were cumulatively low by 2000 Kwh. When the correct reading was finally obtained in May 2002, the previously unbilled usage became apparent. Allegedly, when entered into LG&E's Customer Information System (CIS), the large increase in electrical consumption caused the CIS to alert LG&E to a potential problem and recorded zero usage. The June 2002 meter reading was estimated and set at the May value, which LG&E believed to be in line with 2 months usage. Thus, the July 2002 billing was for 2 months,¹ and LG&E claims the usage is consistent for the same period in previous years.

Complainants requested that the meter be tested. LG&E removed and tested the meter on September 12, 2002. LG&E claims that the test results indicate that the meter was within the accepted meter-error threshold. The meter was an older style meter; therefore, LG&E did not place the meter back into service.

Complainants service was disconnected on October 17, 2002. LG&E claims that this disconnection resulted from an unpaid bill incurred prior to any disputed bills. Complainants service has since been restored.

DISCUSSION

A utility must collect for actual service rendered. If LG&E did initially misread the meter, but subsequently caught the misread, Complainants are liable for the service received. If, however, LG&E is incorrect and has improperly billed Complainants, then Complainants are due the overcharge. As discussed herein, the Commission cannot

¹ Complainants were not billed for electrical use in the June 2002 billing.

award damages, punitive or otherwise. Thus, Complainants request for an additional award for having to deal with ² LG&E cannot be granted.

The meter testing indicates that Complainants meter functioned within the legal tolerances dictated by the Commission. Moreover, when Complainants bill is adjusted for the misread and compared to Complainants usage for the same period from prior years, the result is consistent with past usage. The Commission, therefore, finds that LG&E s corrected billing is the correct billing and that LG&E is entitled to collect the adjusted amount.

KRS 278.160(2) provides, in pertinent part, that:

No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered than that prescribed in its filed rate schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

The effect of KRS 278.160(2) is to make a customer accountable for any service the customer consumed. In Boone County Sand and Gravel v. Owen County Rural Electric Cooperative Corporation, 779 S.W.2d 224 (Ky.App. 1989), Owen County Rural Electric Cooperative Corporation (Owen County RECC) brought an action against Boone County Sand and Gravel to recover for underbilled amounts. Boone County Sand and Gravel counterclaimed for damages because it had adjusted its overhead for the amount it was being charged.

Boone County Sand and Gravel alleged that the underbilling was caused by an incorrect multiplier used by Owen County RECC on its bills. Twice during a 13-month period Boone County Sand and Gravel inquired as to the accuracy of the bills. Both times

² Complaint at 3.

Owen County RECC assured Boone County Sand and Gravel that the billing was correct and Boone County Sand and Gravel adjusted its overhead accordingly. In doing so, Boone County Sand and Gravel incurred damages. Nevertheless, the Court of Appeals found that Owen County RECC was entitled to collect the amount underbilled. The Court of Appeals relied upon KRS 278.160(2), which requires that a utility must charge all customers the same amount for services rendered.

Following this reasoning, the Commission cannot allow LG&E to forego collecting its tariffed rate for services rendered, despite inconvenience to Complainants.

IT IS THEREFORE ORDERED that this case is dismissed with prejudice and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 1st day of July, 2003.

By the Commission

ATTEST:


Executive Director