COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| KENNETH GERWE |
|----------------------------|
| COMPLAINANT |
| ν. |
| DUKE ENERGY KENTUCKY, INC. |
| DEFENDANT |

CASE NO. 2008-00198

ORDER TO SATISFY OR ANSWER

Duke Energy Kentucky, Inc. ("Duke Energy") is hereby notified that it has been named as defendant in a formal complaint filed on May 28, 2008, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, Duke Energy is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 11th day of June, 2008.

culive Director

By the Commission

RECEIVED

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

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| | | MAY 3 0 2008 |
|--------------|---|-------------------------|
| | ETH GERWE | PUBLIC SERVICE |
| (Your F | Full Name) COMPLAINANT | |
| | | 2008-198 |
| VS. | | RECEIVED |
| | ENERGY | NI41 3 0 2008 |
| (Nате | of Utility) |) PSC Consumer Services |
| | COMPLAINT | |
| The complair | nt of KENNETH GERWE (Your Full Name) | respectfully shows: |
| (3) | KENNETH GERWE (Your Full Name) | |
| 1 | (Your Address) | |
| (b) | Name of Utility) | |
| | <u> ≥0-B0X-9001076 i 39 €. F00</u> (Address of Utility) | RTH ST, UNTI, UH 49202 |
| (c) | That: <u>See attached</u> lefter (Describe here, attaching additional st | neets if necessary. |
| | A second and | |
| | the specific act, fully and clearly, or fa | cts that are the reason |
| | and basis for the complaint.) | |
| | | |
| | , | |

Continued on Next Page

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Formal Complaint

ENNETH GERWE VS. DUKE ENERGY

Page 2 of 2

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Wherefore, complainant asks <u>adjustment charged tram</u> (Specifically state the relief desired.) nergy be dismissed and late charges for non-payment of adjustment be removed 4.4 × 4 × Dated at INDEPENDENCE, Kentucky, this 27th day (Your City) of _ (Month) (Your Signature)

(Name and address of attorney, if any)

Before the Public Service Commission

COMPLAINT

The complaint of (here insert full name of each complainant) respectfully shows:

(a) That (here state name, occupation and post office address of each complainant).

(b) That (here insert full name, occupation and post office address of each defendant).

(c) That (here insert fully and clearly the specific act or thing complained of, such facts as are necessary to give a full understanding of the situation, and the law, order, or rule, and the section or sections thereof, of which a violation is claimed).

WHEREFORE, complainant asks (here state specifically the relief desired).

Dated at _____, Kentucky, this _____ day of _____, 19 _____

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(Name of each complainant)

(Name and address of attorney, if any) Dear Commissioners,

In December of 2007 we received a bill for zero units of gas used. I contacted Duke Energy and read the meter usage over the phone An amended bill was then sent and paid.

Duke Energy later sent an employee out to my house to read the meter and, on that date, he did nothing except read the meter. I know this because I was home at the time. Then in March I received a letter from Duke Energy stating that they inspected the meter at my house and that it was not registering properly from 9-25-07 to 2-27-08 so they replaced the meter. They charged me an adjustment of \$472.28. (letter attached)

I immediately called Duke Energy and asked them why I was being billed the extra money. They said it was because I did not use the amount of gas I had in the past year and it was up to me to prove that I did not use it I explained that I had been burning wood all winter in my wood burner and was not using gas to heat my home. In November I bought a gas log splitter and have access to wood. I also have a construction business, Gerwe Home Maintenance Inc. and I was home to keep the burner going constantly since it was a slow winter. They did not seem interested in looking at my wood burner that heats my entire home, nor did they wish to see the log splitter I purchased.

Because I had no cooperation from Duke Energy with this matter, they told me to contact the Ky Public Service Commission to file a complaint. After contacting the commission, Duke Energy called and offered to lower the payment to \$272.96. (letter attached) I told them I still did not agree with an additional charge to my bill and asked them to send me the work order and serial number of the new meter they said they replaced I also asked what other customers in my area had complaints about the new modules they were installing but they would not share that information with me.

They sent me a work order for a replaced module with no serial number. I questioned Duke Energy and the commission about what a module is and neither seemed to know. I later learned from an employee at Duke Energy in Ohio that modules have serial numbers that go with each meter and that is the only way to attach a meter to a reading from the road. Duke also sent a spreadsheet on how they adjusted my monthly bills. (both attached)

I am not convinced that the module was even changed because there should be a module serial number recorded with each meter so that I can compare it with the serial number on mine now. Also, the sequential order of my billing numbers has not changed. I don't believe dials are reset if they are replaced.

I am asking the commission to look into this matter as I feel that I do not owe Duke Energy any money. 1 ask that the late payment charges also be removed because I was told by the commission not to make any payment on the adjustment until this complaint was heard. I have been keeping current on my monthly charges.

Sincerely,

Kenith A. S.

Kenneth Gerwe



March 25, 2008

Kenneth Gerwe Account a

Dear Mr. Gerwe:

A recent inspection of our gas meter, located at the address referenced above, revealed that meter number 752736 was not registering properly from the time period of 9-25-07 to 2-27-08. As a result of this finding, we replaced the meter on 2-27-08. Although metering equipment may occasionally malfunction, use of the service often continues without interruption and without proper meter registration.

When this circumstance occurs, Kentucky law states that the Company can re-bill residential accounts for the portion of the gas usage that did not register up to one year immediately prior to the date the defective meter was replaced. Therefore, in accordance with Kentucky law, in order to bill for the unmetered usage, we have calculated and re-billed your account for the time period of 9-25-07 to 2-27-08.

The method of determining the actual usage during this time period has been based on a review of your usage patterns before and/or after installation of the new meter. We also reviewed a base period of non-heating and non-air conditioning usage and used this information to determine usage during the re-billing period. If heating or air conditioning was a factor in this determination, weather difference adjustments were factored into the calculation accordingly. Additionally, the appropriate rate in effect during the malfunction period was used to calculate the dollar amount owed. Any payments made to this account during the noted time period were credited as well.

An adjustment of \$472.28 for the unmetered gas usage has been added to your account and will be reflected on your next bill. Therefore, after you have received your bill for the undercharged amount, please feel free to call our customer service number if you need to make payment arrangements.

If you have any questions concerning the adjustment, please call Customer Service at 1-800-544-6900.

Sincerely,

Revenue assurance 3

Revenue Assurance Billing Operations

453



April 29, 2008

Mr. Kenneth Gerwe

Dear Mr. Gerwe:

Enclosed is a spreadsheet showing your corrected Billing. The difference between your "As billed" and "Correct billing" is actually \$272.96. I believe I told you \$274.97.

I have also enclosed a copy of our work order showing we replaced a module. As we discussed, this shows your meter number but not an additional number for the module.

Please review the enclosed documents and contact me if you have any other questions or if you need additional time to pay your bill.

Sincerely,

Pamelo 7, Bale

Pamela J. Ball Customer Relations



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| Read Date | As Billed | | | Read Date | Correct Billing | | | | 2006 | |
|------------|-----------|----------|---------|-----------|-----------------|-------|----------|---------|--------|-------|
| | Usage | Net \$ | Tax | # Days | | Usage | Net \$ | Tax | # Days | Usage |
| 10/19/2007 | 9 | \$20.97 | \$ 0.63 | 29 | 10/19/2007 | 17 | \$28.96 | \$ 0.87 | 29 | 24 |
| 11/16/2007 | 7 | \$19.66 | \$ 0.59 | 28 | · | 65 | \$83.02 | \$ 2.49 | 28 | 87 |
| 12/19/2007 | 11 | \$24.89 | \$ 0.75 | 33 | 12/19/2007 | 130 | \$164.28 | \$ 4.93 | 33 | 114 |
| 1/22/2008 | 106 | \$132.31 | \$ 3.97 | 34 | · 1/22/2008 | 149 | \$181.10 | \$ 5.43 | 34 | 145 |
| 2/20/2008 | 99 | \$131.18 | \$ 3.94 | 29 | 2/20/2008 | 137 | \$176.95 | \$ 5.31 | 29 | 204 |
| 3/20/2008 | 177 | \$227.99 | \$ 6.84 | 29 | 3/20/2008 | 144 | \$187.71 | \$ 5.63 | 29 | 138 |
| Totals | 409 | \$557.00 | \$16.72 | | | 642 | \$822.02 | \$24.66 | | 712 |

112

 RFR
 SERV REQ FIELD REPORT INFO
 10:33 A 04/28/08 M35SRFR

 ACCT:
 CS: GOOD
 STATUS/DATE: ACTIVE
 04/11/03 PG: 1

 DIV:
 90 CYC:
 15 ZIP: 41051
 CUST SIC : PRIVATE HOUSEHOLDS

 NAME:
 KENNETH GERWE
 PENDING : ANIN SPCD

 ADDR:
 APT:
 FL:
 SUBURB: INDEPNDNCE

METER CHANGE SERV REQ NO: 8059 01128 CLOSED 02/28/08 AMR INSTALL

GAS COMP OLD MTR NO: 752736 DEST: GAS NEW MTR NO: 752736

02/27 COMP RMKS: REPLACED MODULE POSTED ON: 02/28/08 AT: 12:35 P

NEXT TRAN CODE: _____ SRIN SRCI SRSI SRMI SRBI