

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JACKSON ENERGY COOPERATIVE CORPORATION	)	
	)	
COMPLAINANT	)	
	)	CASE NO. 2010-00188
V.	)	
	)	
LONDON COUNTRY CLUB, INC.	)	
	)	
DEFENDANT	)	

O R D E R

Jackson Energy Cooperative Corporation (“Jackson Energy”) filed the instant complaint alleging that the Defendant, London Country Club, Inc. (“London Country Club”), was under-billed \$60,929 for electric service provided by Jackson Energy over a period of two years. The complaint alleges that the Commission has jurisdiction over this case pursuant to 807 KAR 5:006 and requests that the Commission order London Country Club to pay Jackson Energy \$60,929, minus any applicable setoffs or credits.

Jackson Energy asserts that, in October 2008, one of its contract employees tested the electric meter located on the property of London Country Club, a commercial customer of Jackson Energy. According to Jackson Energy, the results of the meter testing confirmed that the meter was malfunctioning, and it was replaced with a properly functioning meter at that time.

Jackson Energy states that it informed London Country Club by letter dated January 13, 2009 that its malfunctioning meter had been measuring its electricity

consumption at less than 15 percent of actual usage, resulting in an under-billing of \$60,929 from November 2006 to October 2008. Jackson Energy then forwarded a contract to London Country Club for its payment of \$60,929, to be made in 24 monthly installments, beginning in January 2010. According to the complaint, London Country Club refused to sign the contract and has made no payments on the under-billed amount, but there is no indication of whether Jackson Energy has attempted to terminate service to London Country Club for nonpayment.

Based on the complaint and being otherwise sufficiently advised, the Commission finds that its jurisdiction “shall extend to all utilities in this state”<sup>1</sup> and that its jurisdiction over rates and service of a utility extends to “a complaint in writing made against any utility by any person.”<sup>2</sup> Thus, the Commission does not have jurisdiction over customers of a utility or over complaints by a utility against its customers. Therefore, the Commission is without authority to accept Jackson Energy’s complaint against London Country Club.

Although the Commission cannot accept Jackson Energy’s complaint, this does not leave Jackson Energy without a remedy for nonpayment of service by a customer. Jackson Energy has the authority, pursuant to 807 KAR 5:006, Section 14(1)(f), to terminate the customer’s service for nonpayment after mailing or otherwise delivering an advance termination notice. In addition, Jackson Energy can file an action against a customer in the Court of Justice for the recovery of amounts owed but not paid.

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<sup>1</sup> KRS 278.040(2).

<sup>2</sup> KRS 278.260(1).

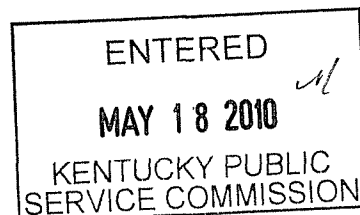
Finally, the Commission notes that a utility has the right to back-bill a customer, but only for a period of two years. KRS 278.225 provides that:

All service supplied by a utility shall be billed within two (2) years of the service. No customer shall be liable for unbilled service after two (2) years from the date of the service, unless the customer obtained the service through fraud, theft, or deception.

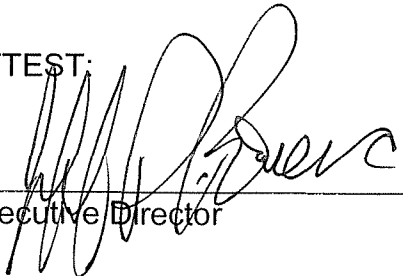
Based on this two-year limitation, it appears that Jackson Energy's January 13, 2009 letter to London Country Club was the bill for the prior under-billed service. Consequently, KRS 278.225 bars any customer liability for any under-billed service that was provided prior to January 13, 2007.

IT IS THEREFORE ORDERED that the complaint of Jackson Energy is dismissed without prejudice.

By the Commission



ATTEST:

  
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Executive Director

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