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**PUBLIC SERVICE** 

Feb. 07 2010

Sir,

I would like to offer my opinion on the rate increase request from e-on company and Kentucky utilities.

When I first learned from the news media that a foreign company (e-on) had purchased Kentucky utilities and Louisville gas and electric, We (the customers) would be in for a large rate increase, Well that day has arrived.

I'm asking you to please deny any rate increase at this time due to the state of the economy and other reasons shown and stayed below.

I can show where they have been sneaking in rate increases periodically.

Example;

June 2006 the rate was .04720 per kwh.

Feb 2007 the rate was raised to .04865 per kwh.

Nov 2007 the rate was raised to .05646 per kwh.

Apr 2008 the rare was raised to .05774 per kwh

Mar 2009 the rate was reduced slightly to .05718 per kwh

June 2009 the rate was raised to .05880 per kwh.

Jan 2010 the rate was raised to a large .06424 per kwh. Ahead of applying for the increase, Which was Jan. 29 2010.

I'm guessing that these raises were without your approval since I didn't see the request in the local media.

Why should your office approve over a 137 million dollar a year rate increase for K.U., When they can sneak in rate increases on their customers whenever the want too. In fact, If the rate increases were without your approval I think your office should require e-on to return the money from unapproved rate increases to the customers, with interest.

I also ask why should e-on be given such a large rate increase when we already pay for any and all out lays they have, such as listed below.

They are allowed to charge each customer a \$ 5.00 customer charge on each bill even before the customer receives one watt of power.

If the fuel cost more than the basic amount in the contract, Guess who the costs are passed to, (the customer).

Who pays for the residential DSM. (Demand side management cost recovery mechanism) Whatever this means, I have no idea what the cost is for, and no one I have talked to knows. Anyway, We the customer gets to pay.

Environmental surcharge—Now I think this is another large rip-off for the customers of e-on. I think the cost of improvements to their coal fired plants (even if ordered by the government) should be from the profits received, But since you allow them to pass the cost to the customers I think the surcharge should only pertain to environment improvements, Not to the list below.

The surcharge should only be on the <u>charge for energy</u>, But they apply the charge to the \$5.00 customer charge, the fuel adjustment charge and the questionable DSM.

I think your office should take a close look at what the customer is being charged.

I am including a list of environmental surcharges I have paid since June 2006, Please pay close attention to the increases since march 2009. They probably could better use all of that money to build better and cleaner plants, instead of spending it on the older plants.

Kentucky residents, Especially ones on fixed income, Such as I, Cannot afford the large increase in rates e-on is asking for, Plus

the terribly high environmental surcharge that we are already paying.

I beg you to please disallow the requested rate increase and review the charges that are already being passed on to the customers.

The same of the same

Thank you

Paul Gross 81 Hobert dr. Harlan, Ky. 40831

## Environment surcharge

Month/year	% surcharge	Month/year	% surcharge
July 2006 Aug 2006 Sep 2006 Oct 2006 Nov 2006 Dec 2006 Jan 2007 Feb 2007	.02530 .03580 .03410 .03410 .03520 .04180 .04070	May 2008 June 2008 July 2008 Sept 2008 Oct 2008 Nov 2008 Dec 2008 Jan 2009	.05310 .05330 .06710 .05840 .06060 .06310 .06980 .07380
Mar2007 Apr 2007 May2007 Jun 2007 Jul 2007	.01890 .01800 .03100 .04400 .04470	Feb 2009 Mar 2009 May 2009 Jun 2009 Jul 2009	.06500 .06520 .09270 .09890 .11690
Aug 2007 Sep 2007 Oct 2007 Nov 2007 Dec 2007 Jan 2008 Feb 2008	.04860 .05270 .05310 .04670 .06110 .07140 .05270	Aug 2009 Sep 2009 Oct 2009 Nov 2009 Dec 2009 Jan 2010 Feb 2010	.09680 .11580 .11940 .11195 .12030 .13950 .12250
Mar2008 Apr 2008	.03290 .05310		

These numbers were taken from my Kentucky utility bills for dates shown.

Paul Gross