

FOREST PRODUCTS, INC.

P. O. BOX 541 • CORBIN, KENTUCKY 40702

PHONE (606) 528-3553

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COMMISSION



June 9, 2011

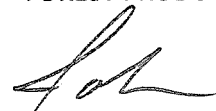
Re: KU rate increase request Case # 2011-00161

I am writing today regarding the published rate increase request by Kentucky Utilities. Their reasoning for this request is to cover their cost of complying with current or proposed EPA regulations. As a Kentucky manufacturer, we too must comply with all EPA regulations, and our customers will not cover our costs of complying.

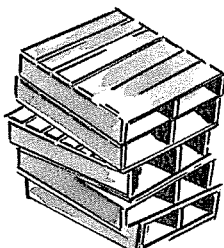
Kentucky Utilities has often made these requests, and always seem to begin with a low increase, as listed here at 1.5%, increasing to 12.2% within a few years. We are a large consumer of electric power from KU. If approved, this increase is just enough to force us to cease operations and lay off our remaining 130 employees, which is down from 250 just a few years ago. Businesses are reeling from current economic conditions and our state and nation need jobs. This rate increase request is a job killer. No doubt.

We respectfully request that this request be denied. Help keep our local manufacturing jobs at least viable enough to continue operation. The result would be devastating to ours and other industry segments.

Sincerely,
FOREST PRODUCTS, INC.



John C. Smith



MANUFACTURERS & WHOLESALEERS OF PALLETS AND LUMBER

