

Hutcherson, Susan G. (PSC)

Case No. 2003-00433

**RECEIVED**

**From:** Melnykovich, Andrew (PSC)  
**Sent:** Friday, January 09, 2004 9:20 AM  
**To:** 'MARK.FAUTZ@BELLSOUTH.COM'  
**Subject:** RE: LG & E Rate Case

**JAN 09 2004**

**PUBLIC SERVICE  
COMMISSION**

Mr. Fautz:

Your comments have been received and will be placed into the case file.

If you are interested in the details of the rate filing, it is available on the PSC Web site, under Electronic Case Files. Open the link that goes to cases not filed electronically. The documents in the LG&E case are in the folder numbered 2003-00433. If you have any trouble finding it, please call me and I'll be happy to help you. Also, as a point of information, neither KU nor LG&E have had a base electric rate increase since KU was acquired by LG&E, which was subsequently acquired by Powergen and then E.ON.

Again, thank you for your comments.

Andrew Melnykovich  
Director of Communications  
Kentucky Public Service Commission  
502-564-3940 x208

-----Original Message-----

**From:** Public Information Officer (PSC)  
**Sent:** Friday, January 09, 2004 8:18 AM  
**To:** Melnykovich, Andrew (PSC)  
**Subject:** FW: LG & E Rate Case

> -----  
> **From:** Fautz, Mark[SMTP:MARK.FAUTZ@BELLSOUTH.COM]  
> **Sent:** Friday, January 09, 2004 8:18:40 AM  
> **To:** psc.info@ky.gov  
> **Subject:** LG & E Rate Case  
> Auto forwarded by a Rule  
>  
>

I was reading the rate increase proposal in this morning's Courier Journal and I noticed a marked increase in the Customer Charge section of the Residential Service Rate R. According to the information the rate will increase from \$3.31 per month to \$9.00 per month. This is a 272% increase! I would like to have this item explained in further detail. At first blush it looks like LG&E is tempering the rise in KWH rates and drastically increasing the monthly fixed charge (the one which is not given as much exposure to the public). Also in the Residential Prepaid Metering Rate proposal, the Basic Customer Charge is rising from \$39.72 per meter per year to \$108.00 per meter per year. Once again a huge increase.

Maybe I'm just used to the locally owned LG&E, but since the company was purchased by the European firms, it seems like the rates have been rising drastically. I am concerned that the international ownership of the company is interested in making the most money in the short run, then selling the utility (without maintaining the plant for long run ownership) within a short time frame. This management theme might be great for the foreign owners, but is could be huge burden on the Kentucky customers.

I urge the Commissioners and staff to carefully work through the issues associated with this rate request, and rule with the best interests of the Kentucky gas and electricity customers in mind. I have no problem with any company making a reasonable profit, but monopolistic utilities can easily harm the public in the long run.

Thank you for your time.

Mark Fautz

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