

2008-002J2

Dear Ms. Carlson:

The PSC has received your additional comments regarding the rate adjustment requested by Louisville Gas and Electric Co. Your comments will be placed into the case file for the Commission's consideration. For your future reference, the case number in this matter is 2008-00252. Please reference this case number in any future correspondence.

The case file in this matter, as in all matters before the PSC, is available at the PSC Web site.

Thank you for taking the time to share your views.

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

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COMMISSION

From: PSC - Public Information Officer
Sent: Thursday, January 08, 2009 10:01 PM
To: Melnykovich, Andrew (PSC)
Subject: FW: LG&E Spokesman Deceives Public 1/8/09

From: Doreen Carlson[SMTP: REDACTED]
Sent: Thursday, January 08, 2009 10:00:36 PM
To: PSC - Consumer Web Inquiry
Cc: PSC - Public Information Officer
Subject: LG&E Spokesman Deceives Public 1/8/09
Auto forwarded by a Rule

To whom it may concern,

Here is a copy of my response sent to Wave TV regarding an interview with LG&E's Mr Chip Keeling that just aired. The interview topic: to explain customer inquiries about currently high LG&E bills. Mr Keeling failed to explain that LG&E tripled the DSM residential rate for electric and increased the gas component 145%. Rather he blamed Christmas and public perception of higher bills - neglecting any hard facts like rate increases. I then discover LG&E is charging for the formerly "free" home weatherization consults. This may be double charging those who schedule the audits because the DSM reimbursements were supposed to cover these services

This is a purposeful deception. I hope WAVE will follow up and tell the whole story. If not, someone from The Public Service Commission should be alerted to these manipulative tactics meant to take advantage of a monopolized market. Why is the May increase such a big SECRET? If a housewife in Goshen knows about it, certainly Mr

Keeling knows about it...why not let the cat out of the bag? We aren't IMAGINING bills went up - they DID.

Sincerely,

Doreen Carlson
Goshen, KY
REDACTED

Copy of Wave-TV email to reporter Connie Leonard.

Dear Ms Leonard,

I could not have been more shocked at the close of your interview with Mr Keeling when the home energy audit charge of \$15 was quoted upon recommendation from LG&E. I attended the Fairgrounds rate increase meeting Monday to present issues regarding the energy efficiency program known as Demand Side Management (DSM). I sent Janelle MacDonald some information yesterday that we had touched on before the meeting. Few customers recognize that the Commission **approved large increases in the DSM charges effective May 2008**. So this current LG&E petition is #2 of 3 that will occur within one year (storm damage assessment is #3). Most are perceiving only 2 potential rate increases. Now to add insult to injury, the very program that pays LG&E for energy conservation initiatives is being further exploited by charging individual customers \$15 when they call to utilize the service. You just recommended more customers line up for the fleecing - nice of LG&E to lead you along.

I beg you to look at your LG&E bill. In April the "Electric Residential DSM" rate was .00084 and in May it tripled to .0026. If you use gas the "Gas Residential DSM" rate was .0076 and increased 145% to .01069. Read the explanation printed right on the bill that "DSM" recovery is for "energy audits, weatherization and energy initiatives on behalf of our customers". You may recall that the home consult and supplies were typically advertised as "free". I was complaining on Monday that these were not "free" but rather charged to all customers every month via whether they scheduled an audit or not. Why should LG&E look charitable by advertising it as "free"? Now I hear they are double dipping for a \$15 fee? SHAMELESS!

Your LG&E interview should be challenged (I would be happy to co-operate) by explaining this DSM increase to help people know they are not imagining higher LG&E bills. I won't be blaming customer perception as Mr Keeling so deceptively did. It is because LG&E increased this multiplier in May when kwh/usage is the lowest. Now in Dec. when you multiply the higher rate x higher kwh's, customers begin to recognize the net amount increased. Bills will have gone up \$4-5 per line item each month as homeowners consume more in winter months. My Electric DSM line item is \$8-9 now each month. Each line item is twice taxed by sales and school multipliers as well. So it **ADDS UP** for the benefit of local government and the utility - maybe that's why no one alerted customers of the increase in May?

I sincerely believe customers charged the \$15 would have standing for a class action lawsuit since the DSM program pays LG&E specifically for the cost of those services. Mr Keeling KNOWS this residential rate jumped significantly and he was duty bound to explain this when questioned about higher LG&E bills - and he blames customer usage and perceptions instead? Sorry you fell for his diversion - I bet LG&E feels he dodged the bullet and earned his pay today.

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