

RECEIVED

JAN 27 2010

PUBLIC SERVICE
COMMISSION

JANUARY 27,2010

KENTUCKY PUBLIC SERVICE COMMISSION

I RECEIVE NOTICE JANUARY 26,2010 THAT MY POWER BILL WOULD INCREASE MY POWER BILL.THE LETTER WAS OF A GROUP OF NUMBERS THAT I DO NOT UNDER STAND.

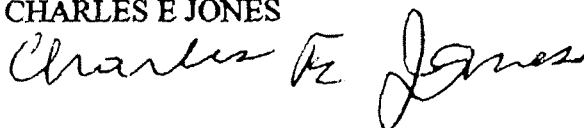
INCLUDE IN THIS FAX IS A COPY OF THE LETTER.THE POWER COMPANY SHOULD NOT BE ALLOWED TO PUT THIS RATE IN EFFECT JANUARY 29,2010.THIS POWER COMPANY WAS GRANTED LARGE SUMS OF MONEYS BECAUSE THIS AREA WAS DECLARED A DISASTER.

MY BILL WAS APPROX. \$400 FOR MONTH OF JAN. 2010. WITH THIS RAISE IT WOULD BEEN APPROX.\$70 MORE.

TEL#606 436 2230

E MAIL CHARLESJ@WINDSTREAM.NET

CHARLES E JONES



**NOTICE TO CUSTOMERS OF
KENTUCKY POWER COMPANY (KPCo)**

Please Take Notice that on December 29, 2009, KPCo filed with the Kentucky Public Service Commission a request for an adjustment of its electric rates and charges to become effective on and after January 29, 2010.

In addition to the rate changes described below, KPCo proposes the following new electric tariffs and/or charges: Experimental Residential Service Time-of-Day², Experimental Small General Service Time-of-Day, Large General Service Time-of-Day, Emergency Curtailable Service-Capacity & Energy, Alternate Feed Service Rider, Utility Gross Receipts Tax (School Tax), Kentucky Sales Tax, Transmission Adjustment.

In addition to the proposed new tariffs and charges above, KPCo is proposing numerous changes in both rates and text of the terms and conditions of providing service to its customers. These changes include, but are not limited to, increased availability of calculated deposits, method of determining additional or supplemental deposit requirements, availability of the average monthly payment plan, the Company's liability, billing formats, increases in some special charges and the establishment of a reconnect charge for customers who request that their service be reconnected within twelve months of having requested that the same service be disconnected. Also included are numerous changes, both substantive and in form, to the terms and conditions of providing service to every customer class.

KPCo proposes to change the text of the following tariffs: Residential Service, Residential Service Load Management Time-of-Day, Residential Service Time-of-Day, Small General Service, Medium General Service, Medium General Service Time-of-Day, Large General Service, Quantity Power, Commercial and Industrial Power Time-of-Day, Contract Service- Interruptible Power, Municipal Waterworks, Outdoor Lighting, Street Lighting, System Sales Clause, Demand-Side Management Adjustment Clause, Energy Price Curtailable Service Rider, Environmental Surcharge, Experimental Real-Time Pricing, Green Pricing Option Rider.

Copies of the proposed tariffs containing both text and rate changes may be obtained by contacting Errol K. Wagner, Kentucky Power Company at P. O. Box 5190, Frankfort, Kentucky 40602-5190 or by telephone at 502-696-7011.

If approved as filed, the Company's proposed changes to its rates and tariffs will result in a proposed annual increase in electric revenues of approximately 22.87% for KPCo. KPCo's proposal includes a proposed Transmission Adjustment Tariff which adjusts customer's charges based upon the wholesale cost of transmission. If that adjustment is not approved, and the application is approved as filed, KPCo's proposed annual increase in electric revenues will be approximately 24.25%.

If approved as filed, the application will also cause the ~~Net Merger Savings Credit (N.M.S.C.) Tariff to be withdrawn from service effective with the change in base rates and result in the end of the associated credits. In its base rate application, KPCo is proposing to include all net savings resulting from the merger in its proposed base rates. When new base rates become effective, customers should receive the benefit of all of these savings through base rates, including the current shareholders' portion.~~

The rates contained in this notice are the rates proposed by KPCo; however, the Public Service Commission may order different changes in rates than those proposed by KPCo. Such action by the Commission may result in rates for customers other than those contained in this notice.

The estimated annual revenue increase per customer class, without and with the proposed Transmission Adjustment Tariff, is as follows:

Customer Classification	Current Revenue	Without Transmission Adjustment			With Transmission Adjustment		
		Proposed Revenue	Proposed Increase	Percent Change	Proposed Revenue	Proposed Increase	Percent Change
RS	\$196,964,517	\$265,806,203	\$68,841,686	34.95%	\$262,804,281	\$65,839,764	33.43%
SGS	\$14,551,918	\$17,806,165	\$3,254,247	22.36%	\$17,605,064	\$3,053,146	20.98%
MGS	\$51,640,578	\$62,538,275	\$10,897,697	21.10%	\$61,831,958	\$10,191,380	19.74%
LGS	\$58,995,442	\$71,576,186	\$12,580,744	21.32%	\$70,767,800	\$11,772,358	19.95%
MW	\$582,698	\$688,182	\$105,484	18.10%	\$680,410	\$97,712	16.77%
QP	\$54,976,107	\$64,138,780	\$9,162,673	16.67%	\$63,414,389	\$8,438,282	15.35%
C.I.P. - T.O.D.	\$124,336,206	\$140,655,061	\$16,318,855	13.12%	\$139,066,487	\$14,730,281	11.85%
OL	\$6,588,349	\$8,818,681	\$2,230,332	33.85%	\$8,818,681	\$2,230,332	33.85%
SL	\$1,129,448	\$1,363,743	\$234,295	20.74%	\$1,363,743	\$234,295	20.74%

The average monthly bill for each customer class to which the proposed electric rates will apply will increase approximately as follows:

Tariff Class	Average Customer KWH	Average Customer Demand KW	Present Average Billing	Without Transmission Adjustment			With Transmission Adjustment		
				Proposed Average Billing	Average Billing Change	Average Percent Change	Proposed Average Revenue	Average Billing Change	Average Percent Change
RS	1,427		\$114.57	\$154.62	\$40.05	34.95%	\$152.87	\$38.30	33.43%
SGS	508		\$53.60	\$65.59	\$11.99	22.37%	\$64.85	\$11.25	20.99%
MGS	6,247	26	\$557.43	\$675.06	\$117.63	21.10%	\$667.44	\$110.01	19.73%
LGS	73,192	224	\$5,650.90	\$6,855.95	\$1,205.05	21.32%	\$6,778.52	\$1,127.62	19.95%
MW	32,589		\$2,427.91	\$2,867.43	\$439.52	18.10%	\$2,835.04	\$407.13	16.77%
QP	859,815	2,096	\$52,659.11	\$61,435.61	\$8,776.50	16.67%	\$60,741.76	\$8,082.65	15.35%
C.I.P. - T.O.D.	10,724,306	20,770	\$575,630.58	\$651,180.83	\$75,550.25	13.12%	\$643,826.33	\$68,195.75	11.85%
OL	75		\$11.30	\$15.13	\$3.83	33.90%	\$15.13	\$3.83	33.90%
SL	11,406		\$1,518.08	\$1,832.99	\$314.91	20.74%	\$1,832.99	\$314.91	20.74%

Any corporation, association, body politic or person may by motion within thirty (30) days after publication or mailing of notice of the proposed rate changes request leave to intervene in Case No. 2009-00459. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, Kentucky 40602-0615, and shall set forth the grounds for the request, including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause. The Public Service Commission's phone number is 502-564-3940.

Intervenors may obtain copies of the Application, testimony and any other filings by contacting Kentucky Power Company at 101 A Enterprise Drive, P. O. Box 5190, Frankfort, Kentucky 40602-5190, attention Errol K. Wagner or by calling 502-696-7010. A copy of the Application, testimony and any other filings is available for public inspection at KPCo's offices located at 101A Enterprise Drive, Frankfort, KY 40601 with a phone number of 502-696-7010, 12333 Kevin Avenue, Ashland, KY 41102 with a phone number of 606-929-1463, 1400 E. Main St. Hazard, KY 41701 with a phone number of 606-436-1330, 3249 North Mayo Trail Pikeville, KY 41501 with a phone number of 606-437-3824 or from the Public Service Commission at the address and phone number stated above.