Office of the County Judge – Executive Denny Ray Noble



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RECEIVED

FEB 1 7 2010 PUBLIC SERVICE COMMISSION

February 16, 2010

Mr. Jeff Derouen Executive Director—Kentucky Public Service Commission P.O. Box 615/211 Sower Boulevard Frankfort, KY 40602

Re: Application for General Adjustment of Electric Rates Kentucky Power Company, Case No. 2009-00459

Dear Mr. Derouen:

I am writing as not only the chief elected officer of Perry County but also as a citizen of Perry County to state my opposition to the electric rate adjustment requested by the Kentucky Power Company. It has been a difficult time for our county government to provide services for the people of Perry County. A rate adjustment for Kentucky Power would force our Fiscal Court to further reduce the many facets of county government so critical to the quality of life of the people I serve. Myself and our three magistrates do not feel the citizens would be best served by a rate adjustment during a time of economic hardship both for every citizen of Perry County and the budgetary constraints we are experiencing at this time.

Even though we have some of the lowest electrical rates in the nation, I do not feel a rate increase is warranted at this time do to the critical need to maintain these rates for recruitment of business interests that would benefit the people of Perry County and ultimately Kentucky Power. Our infrastructure is very limited due to our mountainous area and an affordable electric rate is one of the assets in any recruitment of industry or business for Perry County.

Fully thirty-five percent of Perry County's population is below the poverty level and it would not be in our county's best interest to endorse any rate adjustment for the people of Perry County. To have Kentucky Power request such an increase on the speculation of the cost of renewal energy "Wind Farms" in another state at the expense of the broken backs of my electorate is preposterous. I do not oppose a reasonable profit for any company but to address such a rate adjustment request when we have viable resources on which our county and state relies, is not good business sense. Speculation of this nature in these tough economic times is not a request for a rate adjustment but simple folly of monumental proportion. I feel that it is the Kentucky Public Service Commission's duty to reject the rate adjustment proposal by Kentucky Power Company in the best interest of the entire state of Kentucky.

Respectfully,

Denny Ray Noble

Perry County Judge Executive