

SAT. 6 MARCH 2010

KENTUCKY PUBLIC SERVICE COMMISSION

P.O. Box 615

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FRANKFORT, KY 40602-0615

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MAR 8 2010

PUBLIC SERVICE
COMMISSION

RE: LG&E RATE CASE NUMBER 2009-00549

DEAR KYPSC,

CONSERVATION - BAH HUMBUG! IT DOES ME ABSOLUTELY NO GOOD TO TRY AND CONSERVE AND SAVE AND LOWER MY ELECTRICAL USAGE WHEN LG&E (OR ANY UTILITY) CONTINUES TO RAISE MY COSTS. THERE IS NO ECONOMIC INCENTIVE FOR ME IF I PAY MORE FOR USING LESS ELECTRICITY.

THIS CATCH-22 IS MAGNIFIED FOR PEOPLE ON A FIXED INCOME OR WHO ARE POOR OR WHO ARE UNEMPLOYED. IF YOU ARE ON A STABLE OR STAGNANT INCOME, WITH NO INCOME INCREASE, YOU ARE NOT ABLE TO COPE WITH RISING COSTS. YOUR ONLY RECOURSE IS TO DO WITHOUT OR STOP PURCHASING OR TURN OFF YOUR ELECTRICITY / GAS / UTILITIES.

FOR ME TO ABSORB LG&E'S PROPOSED INCREASES IN ELECTRICAL COSTS IN CUSTOMER/METER CHARGE OF \$5 TO \$15 PER MONTH, I MUST USE 150 KILOWATTS LESS OF ELECTRICITY EACH MONTH. THIS WOULD KEEP MY MONTHLY BILL THE SAME AS IT IS NOW. THIS INCREASE IS TOO MUCH FOR LOW USE CUSTOMERS AND THOSE

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WITH LIMITED FUNDS TO PAY THIS INCREASED CHARGE.

MY HOUSE IS 1800 SQUARE FEET AND IS ALL ELECTRIC WITH A CENTRAL HVAC SYSTEM FOR HEATING AND COOLING. THE BIGGEST IMPACT ON MY ELECTRICAL COSTS EACH YEAR IS THE WEATHER.

THE FOLLOWING IS A SUMMARY OF MY ELECTRICITY USAGE.

| CALENDAR YEAR | TOTAL KWH USED | TOTAL COSTS | MY TOTAL AVERAGE COST / KWH |
|---------------|-------------------------|-------------|-----------------------------|
| 2003 | 19,630 KWH _s | \$1,027.08 | \$0.0523220 / KWH |
| 2004 | 18,641 KWH _s | \$1,019.35 | \$0.0546832 / KWH |
| 2005 | 18,789 KWH _s | \$1,181.33 | \$0.0628735 / KWH |
| 2006 | 21,919 KWH _s | \$1,392.55 | \$0.0635316 / KWH |
| 2007 | 21,763 KWH _s | \$1,432.10 | \$0.0658043 / KWH |
| 2008 | 17,878 KWH _s | \$1,269.04 | \$0.0709833 / KWH |
| 2009 | 16,897 KWH _s | \$1,249.77 | \$0.0739640 / KWH |

THE TOTAL COSTS INCLUDES ALL CUSTOMER CHARGES AND FEES AND SURCHARGES AND IS THE TOTAL I PAID TO LG&E FOR EACH CALENDAR YEAR (JAN. ~ DEC.).

AS YOU CAN SEE, THE COST / KWH RISES EACH YEAR FOR A TOTAL INCREASE OF 41.3631% OVER THIS TIME PERIOD ($\$0.0739640 \div \0.0523220). I DO NOT THINK MY INCOME INCREASED AS MUCH AS MY LG&E COSTS DID.

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TO BE FAIR AND HONEST, I HAVE NO COMPLAINTS ABOUT LG&E,
EXCEPT FOR RISING RATES. I HAVE LIVED HERE OVER 30 YEARS
AND LG&E HAS ALWAYS PROVIDED EXCELLENT SERVICE.

I KNOW LG&E MUST PAY FOR PAST STORM DAMAGES AND
PLAN FOR FUTURE EVENTS AND INCREASED DEMANDS ON
SERVICE, MAINTENANCE AND ENVIRONMENTAL NEEDS,
HOWEVER, DURING THIS RECESSION WITH HIGH UNEMPLOYMENT,
THIS IS NOT THE TIME FOR EXCESSIVE COST INCREASES.

I AM SURE, LG&E AND E-ON COULD WITHSTAND SOME SALARY
FREEZES/CUTS AT THIS TIME. TO RAISE THE CUSTOMER
CHARGE FROM \$5 TO \$15 IS EXORBITANT. TO RAISE IT ONLY
FROM \$5 TO \$6 WOULD BE ACCEPTABLE. ALL OTHER COSTS
AND REVENUES MUST BE ANALYZED CAREFULLY.

THANK YOU.

SINCERELY YOURS,

Ed. R. Handley

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