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PUBLIC SERVICE COMMISSION

December 18, 2009

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission P.O. Box 615 Frankfort, KY 40602-0615

Re: Case 2009-00314

Dear Mr. Derouen:

Currently, our cooperative has a general rate case before the Commission for consideration. Mr. Jackson, a member-owner recently commented to the Commission on our rate filing by letter. I have personally contacted Mr. Jackson by letter and provided him with additional information about the rate adjustment request and invited him to call or stop by our office, if he would like further information. I wanted the Commission to be apprised of our response to our member. A copy of the letter is enclosed.

Should you have any questions, please contact me at (859) 901-9207.

Sincerely

Paul G. Embs President & CEO

Enclosure - 2

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49 Morris Drive Wellington, KY 40387 December 7, 2009

RE: Application to Adjust Rates and Charges

Dear Cooperative,

My wife and I are adamantly opposed to your proposal to make a rate Adjustment that increases prices to the residents of the Commonwealth of Kentucky. Just what planet is it that you live on? Our country is just beginning a terrible and difficult time and this is not the way to proceed. This rate adjustment is immoral, harmful and not in the spirit of good stewardship of our resources. You should be posting an Official Notice of how you are <u>reducing</u> the rates to we are heading into and not behave like the federal government. The rehab of our country

begins at home. The people that masterminded this rate increase need to step aside. They obviously have the

wrong mindset for this economic climate. Strong, smart people with backbone are needed to craft a plan that holds or reduces the costs. Please don't proceed like the money junkies of our federal government.

Sincerely,

Dr. M. E. Jackson

Dr. & Mrs. M.E. Jackson

Cc: Kentucky Public Service Commission Rep. John Will Stacy Sen. Tom Jensen



December 18, 2009

Dr. and Mrs. M. E. Jackson 49 Morris Drive Wellington, Kentucky 40387

Dear Dr. and Mrs. Jackson,

Thank you for your letter of December 7, 2009 with your comments and thoughts about Clark Energy's recent application filing to the Kentucky Public Service Commission (PSC) to request a base rate adjustment. I certainly appreciate and understand your concerns. Decisions of this nature are not made lightly--especially during these difficult economic times. But at the same time, the financial status of our Cooperative must also be considered. It is critical that we maintain certain margins to meet the loan requirements of Rural Utilities Services, Cooperative Finance Corporation, and be in compliance with Kentucky PSC regulations.

Your reference to the 'terrible and difficult times' our country is experiencing are, in part, responsible for the need to request this rate increase. As you are well aware, all items in today's marketplace have increased in cost. The same holds true for the materials to produce and deliver electricity. Clark Energy has done its best to absorb these rising costs in the past but can no longer continue to do so.

This is the first base rate adjustment that Clark Energy has requested since 1993. It will take approximately six months for the Kentucky PSC to review the request, financial documentation, and cost of service study before making a formal ruling.

If you would like to discuss the need for the rate adjustment with me, please feel free to contact me at 1-800-992-3269. These are trying times for all of us and while Clark Energy cannot change the impact of the economy, we will continue to work diligently to provide the best service possible for the dollars our members spend.

Sincerely,

Paul G. Embs President and CEO

CC: Kentucky Public Service Commission