

To: The Public Service Commission
211 Sower Blvd.
Post Office Box 615
Frankfort, Kentucky 40602

May 31, 2011

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JUN 03 2011

PUBLIC SERVICE
COMMISSION

From: Robert Lee Tudor
Post Office Box 67
Clay, Ky. 42404-0067
KU Customer # 3000-0518-9505

RE: Case # 2011-00161
Environmental Surcharge

Dear Public Service Commission

I would like to go on Record AS being against Kentucky Utilities Request in case # 2011-00161 being able to recover surcharge of environmental costs. This is yet another burden on KU customers who can ill afford the cost of electricity already. I have not even had a cost of living raise in my Social Security income in 3 years yet every time KU asks for more money from me from the Public Service Commission it is approved. When will this assault on the consumer stop! Please do not allow K.U. to further assault our pocket books. Thanks!

Respectfully

Robert Lee Tudor

05/25/2011

**NOTICE TO CUSTOMERS OF KENTUCKY UTILITIES COMPANY
RECOVERY BY ENVIRONMENTAL SURCHARGE OF
KENTUCKY UTILITIES COMPANY'S 2011 ENVIRONMENTAL COMPLIANCE PLAN**

PLEASE TAKE NOTICE that on June 1, 2011, Kentucky Utilities Company ("KU") will file with the Kentucky Public Service Commission ("Commission") in Case No. 2011-00161, an Application pursuant to Kentucky Revised Statute 278.183 for approval of an amended compliance plan ("KU's 2011 Environmental Compliance Plan") for the purpose of recovering the capital costs and operation and maintenance costs associated with new pollution control facilities through an increase in the environmental surcharge on customers' bills beginning January 31, 2012 under KU's existing Electric Rate Schedule ECR, also known as the environmental cost recovery surcharge.

Federal, state, and local environmental regulations require KU to build and upgrade equipment and facilities to operate in an environmentally sound manner. Specifically, KU is seeking Commission approval of Certificates of Public Convenience and Necessity ("CPCN") to construct new Particulate Matter Control Systems to serve all units at the Ghent Generating Station in Ghent, Kentucky, and to serve all units at the E.W. Brown Generating Station in Burgin, Kentucky, to comply with the national emissions standards for hazardous air pollutants proposed by the U.S. Environmental Protection Agency ("EPA"). The Particulate Matter Control Systems are also being installed to comply with EPA-imposed sulfuric acid mist and opacity requirements. Additionally, KU is seeking recovery of costs associated with these environmental projects, which are necessary for compliance with the federal Clean Air Act, the federal Resource Conservation and Recovery Act, and other current or proposed environmental laws and regulations, and enforcement actions. These additional projects primarily relate to installing Particulate Matter Control Systems to serve all units at the Ghent Generating Station, installing Particulate Matter Control Systems to serve all units at the E.W. Brown Generating Station, converting the main coal combustion residuals treatment basin at the E.W. Brown Generating Station to a landfill and other pollution control facilities. The capital cost of the new pollution control facilities for which KU is seeking recovery at this time is estimated to be \$1.1 billion. Additional operation and maintenance expenses will be incurred for these projects and are costs that KU is requesting to recover through the environmental surcharge in its application.

The impact on KU's customers is estimated to be a 1.5% increase in 2012 with a maximum increase of 12.2% in 2016. For a KU residential customer using 1,000 kilowatt hours per month, the initial monthly increase is expected to be \$1.13 during 2012, with the maximum monthly increase expected to be \$9.46 during 2016.

The Environmental Surcharge Application described in this Notice is proposed by KU. However, the Public Service Commission may issue an order modifying or denying KU's Environmental Surcharge Application. Such action may result in an environmental surcharge for consumers other than the environmental surcharge described in this Notice.

Any corporation, association, body politic or person may, by motion within thirty (30) days after publication, request leave to intervene in Case No. 2011-00161. That motion shall be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky, 40602, and shall set forth the grounds for the request including the status and interest of the party. Intervenor may obtain copies of the Application and testimony by contacting Kentucky Utilities Company at 220 West Main Street, Louisville, Kentucky, 40202, Attention: Lonnie E. Bellar, Vice President, State Regulation and Rates. A copy of the Application and testimony will be available for public inspection on KU's website (<http://www.lge-ku.com>) and at KU's offices where bills are paid after June 1, 2011.