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TO: Commissioners
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

NOV 07 2012

PUBLIC SERVICE
COMMISSION

Fax 502-564-3460

RE: Case No. 2012-00221 – Opposition to **Kentucky Utilities'** Proposed Rate
Increases and Improper Structure

Dear Commissioners:

I am a residential customer of KU. I write to oppose KU's rate increases on electric service. Present rates are fair, just and reasonable. In these difficult times, KU already enjoys a secure and generous rate of return on its capital.

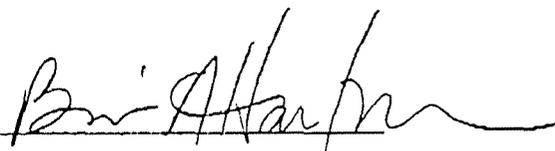
If any increase is due, I oppose increasing the monthly service charges. KU wants to raise the monthly electric service charge by 53% (from \$8.50 to \$13.00) and the kWh rate by only 3.5% (from 6.987 cents to 7.253 cents).

Any rate increase should be put on the unit of energy ("volumetric pricing"), not the monthly service charge. KU already enjoys a monopoly and guaranteed profit. It doesn't need a higher monthly service charge. Increasing the monthly service charge:

- Unfairly and unjustly lowers the returns of prior private investors in efficiency;
- Unreasonably discourages future private investments in efficiency;
- Unreasonably rewards wasteful users of energy;
- Unjustly and unfairly impacts those who use energy sparingly (i.e. – the poor, the elderly and the efficiency-minded), and;
- Unreasonably impairs deployment of renewables and distributed generation;

In short, KU's proposed allocation is bad public policy. A public utility with a grant of monopoly and guaranteed profit should not employ such a pricing structure. I pray the Commission will not allow it, either after hearing or in any proposed settlement.

Very truly yours,

Signature 

(Please print clearly) Name Brian Hartman
Address 745 Maidencane Dr
Lexington, KY 40509