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Pape's Inc.

Fax

To: Kentucky Public Service Commission	From: Richard P. Bagley
Fax: 502-564-3460	Date: September 5, 2012
Phone:	Pages: 2
Re: Case # 2012-00222	DisplayText ca
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PUBLIC SERVICE
COMMISSION

September 5, 2012

Chairman David Armstrong
Vice-Chairman James W. Gardner
Commissioner Linda K. Breathitt
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: Louisville Gas & Electric Rate Increase; Case No. 2012-00222.

I understand the Louisville Gas & Electric (LG&E) tariffs are presently under review by the Kentucky Public Service Commission as part of LG&E's request for an increase in natural gas distribution rates. LG&E allows its "select" customers to buy their own natural gas from outside vendors.

I am a captive customer with no choices. My competitors, located in other states, are currently able to manage their natural gas costs, but I am not. My company would benefit from having the capability to control its energy costs.

The Public Utilities Commission should not be picking energy winners. LG&E rules should not only allow "select" customer exclusive rights, but all businesses should have this right. Natural gas prices are near 10-year lows – why can't I take advantage of this market?

The threshold for usage to be eligible to transport should be lowered to around 2,000 Mcf/year so that commercial customers can participate in fixing their energy costs.

Sincerely,

Richard Bagley
Pape's Inc.
Vice-President of Operations