

# CRESLINE<sup>®</sup>

CRESLINE PLASTIC PIPE CO., INC.

CORPORATE HEADQUARTERS: 600 CROSS POINTE BLVD. · EVANSVILLE, INDIANA 47715 · TELEPHONE (812) 428-9300  
PLANT: 851 SOUTH U.S. 41 · HENDERSON, KENTUCKY 42420 · TELEPHONE (270) 826-8317  
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PLANT: 2100 SOUTH 35TH STREET · COUNCIL BLUFFS, IOWA 51501 · TELEPHONE (712) 322-2294  
PLANT: 3801 EAST HIGHWAY 31 · CORSICANA, TEXAS 75109 · TELEPHONE (903) 873-8475  
www.cresline.com

REPLY TO: Evansville

June 21, 2013

RECEIVED  
JUN 24 2013  
PUBLIC SERVICE  
COMMISSION

Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

Re: We want to go on record as opposing the rate increase proposed by Big Rivers Electric Corporation. Big Rivers Case # 2012-00535

Dear Commissioners:

Cresline Plastic Pipe Co, Inc. is the oldest and one of the largest plastic pipe producers in the United States. We built our first manufacturing plant in Henderson, KY, in 1966. Since that time, we have grown to market our products in all 50 states and in Canada and Mexico with six manufacturing plants located throughout the country.

The plastic pipe industry is extremely competitive. To be successful, a company must be a low cost producer. Many companies are no longer in business due to the low margins in our industry.

The cost of electric power is one of the largest components of manufacturing plastic pipe. Any increase in our electric power costs, and certainly an increase of the magnitude proposed by Big Rivers Electric, would cause our Henderson manufacturing costs to rise and to be less competitive with our competition. Such an increase would also cause the Henderson plant to be less competitive with other Cresline plants which already operate in areas with lower electric costs. The Commission's approval of this rate increase would jeopardize the future of the Henderson plant and its 70 employees.

The magnitude of the proposed increase upon the Cresline Henderson plant is enormous. The plant currently purchases 10,000,000 kWh of electricity at a cost of almost \$575,000 per year. The requested 17% rate increase would increase these costs by almost \$100,000 per year. We would not be able to recover these costs in our product prices as our competitors are located in areas not experiencing such increases.

We strongly urge the Commission not to approve this increase in support of the Henderson plant, its employees, and the important role they play in the Henderson Community.

Sincerely,

  
Richard A. Schroeder  
President & CEO

RAS/dj