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PUBLIC SERVICE COMMISSION

JACK B. MCCASLIN

OFFICE OF

HANCOCK COUNTY JUDGE / EXECUTIVE

Magistrate District 1 WAYNE HODSKINS

Magistrate District 2 FRANKLIN W. ESTES P.O. Box 580 ADMINISTRATION BUILDING HAWESVILLE, KENTUCKY 42348 Phone: (270) 927-8137 Fax: (270) 927-8138

April 14, 2014

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

Re: Application of Big Rivers Electric Corporation for General Rate Adjustment, Case No. 2013-00199

Commissioners:

I am writing on behalf of the industry, businesses, schools, churches and all citizens of Hancock County as well as all surrounding counties, which are supplied with power by the Big Rivers Electric Corporation. While the Hancock County Fiscal Court is not a formal party in the rate case, we are concerned with the impact that the proposed rate increase in BREC's territory will cause in our community, as well as others. We are concerned about the future of our existing industry that Hancock County, along with the Kentucky Economic Development Cabinet worked so hard to recruit. Hancock County has some of the few remaining industrial sites in Kentucky that can accommodate new large industries. The current BREC plan to close their generation plants and with the placing of the burden of high electric rates on the rest of the rate payers, in short, is putting Western Kentucky out of business.

We understand that the Attorney General has concluded that BREC has not acted in the best interest of the customers and has recommended that the Commissioners order a management audit of Big Rivers. We believe that BREC management is more concerned about itself than they are about the welfare of the customers they are suppose serve.

Magistrate District 3 JOHN MARK GRAY

Magistrate District 4 LARRY G. SOSH We agree that an investigation is needed. With the actions that BREC has taken and with the refusal to do what is right and fair for all parties in Western Kentucky, an audit is needed. We think it is essential that the Commissioners get ahead of these management problems before any more decisions are made that would needlessly increase customer rates.

A thorough audit and a good hard look at the BREC management and Board decisions would be just the first step in restoring conditions in Big Rivers to make sure that the people in Western Kentucky are treated fairly. Therefore we strongly urge the Commissioners to order the Attorney General's request for the sake of all who live and work in Western Kentucky.

Sincerely,

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Jack B. McCaslin Hancock County Judge/Executive

cc: Magistrate Wayne Hodskins Magistrate Frank Estes Magistrate Mark Gray Magistrate Larry Sosh Mayor Rita Stephens Mayor Chad Gregory