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Commonwealth of Kentucky
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David L. Armstrong
Chairman

James Gardner
Vice-Chairman

John W. Clay
Commissioner

February 9, 2009

Joseph A. Priore
198 Cole Circle
Glasgow, Kentucky 42141

RE: 2008-00030
Farmers RECC

Dear Mr. Priore:

This is in response to your letter received on February 4, 09 regarding your concerns in the case referenced above. Your letter is being treated as an official protest and will be placed in the case file of this proceeding. The Commission will take your concerns into consideration in its review and decision in this matter.

If you wish to participate further in the proceeding, you must request, in writing, "**full intervention**" with the Commission within 10 days of receiving this letter.

You may view all documents filed in this case on the Commission's website at <http://psc.ky.gov>.

Thank you for your letter of interest and concern in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Johnson".

Executive Director

JD/TW

cc: Parties of Record

Public Service Commission
211 Sower Boulevard,
P.O. Box 615,
Frankfort, Ky. 40602

Jan. 30, 2009

RECEIVED
FEB 4 2009
PUBLIC SERVICE
COMMISSION

As a residential customer of Farmers RECC, I want to express my concerns about the proposed rate increase. In my Nov. 2008 issue of Kentucky Living (page 1A), Farmers RECC clearly state the proposed increase by them would be between \$6.00 and \$8.00 per month per residential customer of FRECC with a net effect of a 7% increase per residential customer. I reviewed FRECC's public notice in the Glasgow Daily Times on Jan. 15, 2008, and FRECC cites a request of 14.7% increase in their residential rate. They also appear to be requesting to create a new charge to the bill called the Customer Charge of \$9.00 per month. My bills list the cost of the electric used, a Fuel Adjustment Charge, and an Environmental Surcharge. Now FRECC wants to add a third charge to the customers.

If the PSC approves the proposed Rate Increase and Customer Charge, I feel it would be excessive and a disservice to the thousands of customers. Over the past few years, the cooperative has added both the Fuel Adjustment and Environmental Surcharge to our bills. Now FRECC wants not only to increase the KWH rate but add a new charge of the Customer Charge of \$9.00 per month to the bill.

As a residential user, I add the electric use amount, the Fuel Charge and Environmental Surcharge for a total amount and divide that by my KWH used to arrive at my true cost per KWH since all of the money goes to FRECC. I do not consider the local school tax in these calculations. Listed below are the actual cost of a KWH per my bill from 2004 to 2008: (Electric use + Fuel Adjustment + Environmental Surcharge)

BILL DATE	CENTS per KWH
04-28-04	.0685 per KWH
11-28-04	.0704 per KWH
04-27-05	.0717 per KWH
09-28-05	.0733 per KWH
12-29-05	.0800 per KWH
04-26-06	.0814 per KWH
10-26-06	.0818 per KWH
04-26-07	.0900 per KWH
10-31-07	.0893 per KWH
04-29-08	.0874 per KWH
09-05-08	.0900 per KWH
12-08-08	.1000 per KWH

FEB 04 2009

Despite FRECC claim of no rate increases for several years, they have added charges to customers bills which is indeed part of the cost of the electric. The increases from .0685 cents per KWH on in 2004 and the .1000 cents on the Dec. 2008 bill, shows an increase