

RECEIVED

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COMMISSION**

To whom it may concern:

I am just a common resident of this state, but it angered me greatly when I heard that Kentucky Power is lobbying for another near 35% rate increase. The problems I have with this is not only increase but their reasoning behind it. Over the last several years I have been a customer of Kentucky Power and have seen my bill increase more and more each and every year. However, when the math is calculated, I really did not use that much more power than any other year prior. If I am not mistaken, did their last increase not have something to do with the outrageous gas prices we were seeing during that time? Since gas is now about \$2.00 cheaper from its all time highs, I did not see them decreasing the rate back for us. If anything, that saving should be sufficient to offset the new proposed increase. My opinion may be nothing, but I see it as simple backward economic. By this, I mean they are not playing by the rules of standard economics.

Standard economics usually works like this; demand goes down causing price goes down. Take for instance gas prices. We cut back and the price fell. I bet I could safely say that if statistics were looked at, the average homeowner now uses less energy than they did years back. In these already hard economic times, people are trying to cut costs as much as possible. With all the increases in their power bills and other bills already, many people are turning the heat down and the air off. In my opinion, to try using less power and save money. This really needs to be looked at more, but I think the statistics would show I am right. If the average household uses less power, then therefore Kentucky Power makes less money. I see it as Kentucky Power is trying to charge more to make more. Instead of demand goes down causing price goes down, they are trying to use "demand goes down so we increase price" to sustain their profits. This is not playing by the rules of economics and can only work with companies like Kentucky Power who have a monopoly.

Granted there are alternative energy sources for us customers, but think about what those are and how much it would cost us to set our homes up for those alternative sources. People like myself, on stretched incomes already, cannot just run out tomorrow to transfer our home over to using natural gas or oil. The cost is too much for us to afford. Not to mention all the investments we already have in our home appliances. As you may have been able to tell, I am not for this rate hike at all. I think it is just another

attempt to raise profits without actually doing anything or increasing service. Like any company, cutting costs internally is the key to success when demand goes down, not increasing costs to your customers. That is what I feel is being done here. I hope that more analysis is done on this issue and ultimately the proposal is denied. At least until they can prove they are the company they say they are and we see that improvement.

I am not even going to get into the resent power outage issue for I am sure you are getting many letters on that already, but I do want to close with this comment. I never see them, and have not seen them in several years out cutting tress away from power lines. They need to do something besides sitting around waiting for something to happen and then not being prepared. All I know they are doing is driving around reading meters so they can see how much to charge us this month.

Thank you,

A handwritten signature in black ink, appearing to read 'Mike Damron', with a long horizontal flourish extending to the right.

Mike Damron