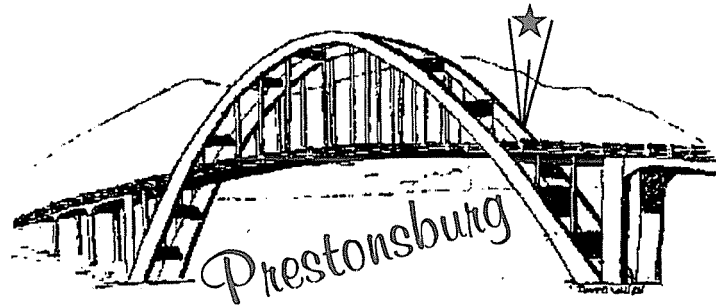


MAYOR
JERRY S FANNIN

CITY COUNCIL
HARRY ADAMS
GORMON COLLINS JR.
FREDDIE L GOBLE
WM. KELLY MOORE
B.D. NUNNERY
ROY ROBERTS
DONNA BLACKBURN WELLS
DON WILLIS



200 North Lake Drive
Prestonsburg, Kentucky 41653

(606) 886-2335
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January 22, 2010

Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Ky. 40602-0615

RECEIVED

JAN 29 2010

PUBLIC SERVICE
COMMISSION

Dear Commission Members,

I am writing this letter on behalf of the Prestonsburg City Council and myself. This letter is to express our opposition to the recent notice of increase in the rates. With the price of natural gas and coal at lower prices than they were in 2005 we cannot possibly understand how the Kentucky Power Company can justify this dramatic increase.

In today's economy governmental agencies, businesses and especially residents cannot afford to absorb the increases that have been proposed. As indicated in KPO's notice to customers, the average residential customer will see an increase of 34.95%, we have already been contacted by citizens who state they just cannot afford that. An example of the affect the increase will have on the City of Prestonsburg will be the high increase of 20.74% on street lights, our average street light bill now is \$5,500 per month, if the increase is allowed to go through our bill will increase to over \$6,600 per month, and the street light bill is only of several service connections that we have through Kentucky Power so like many businesses and residents, how can we possibly stay on budget for the year.

Is the increase due to the ice/snow storms of the past few years? If so then we would be remiss if we did not point out the lack of maintenance on the part of Kentucky Power in the past several years in maintaining right of ways and keeping them cut back. As the saying goes, an ounce of prevention is worth a pound of cure. Does Kentucky Power receive any kind of state or federal assistance with their costs due to storms whenever a disaster is declared?

We understand that an increase is and should be due since 2005 was the last increase implemented but such a dramatic increase should not be allowed. We do fully support the Commissions' decision that any increase not be effective until July 1 rather than January 29th as originally proposed so that everyone can prepare and budget accordingly.

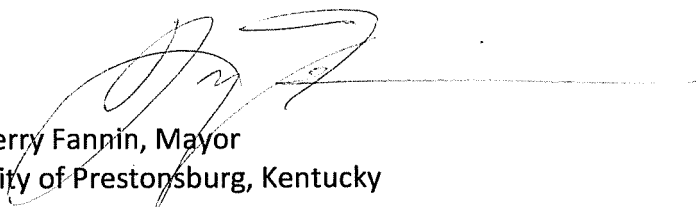


Home of
The Kentucky Opry - Mountain Arts Center • Thunder Ridge Racetrack • Jenny Wiley Summer Music
Theatre and State Park • Jenny Wiley Pioneer Festival • StoneCrest Golf Course



Thank you for your time and consideration of this letter and look forward to any response that the Commission may have.

Sincerely,



Jerry Fannin, Mayor
City of Prestonsburg, Kentucky