

**WILLIAM A. HEADEN**

22 Watson Street  
Goody, KY 41514-7610  
606-237-0036  
wheaden1951@hotmail.com

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**PUBLIC SERVICE  
COMMISSION**

January 28, 2010

Mr. David L. Armstrong, Chairman  
Commonwealth of Kentucky  
Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602-0615

RE: Kentucky Power Company Rate Request

2009-00459

Dear Chairman Armstrong:

Kentucky Power Company, a subsidiary of American Electric Power, has a rate request pending before the Public Service Commission. Kentucky Power is requesting a thirty-five (35) percent increase in the rates it charges its residential customers. It justifies this rate increase by stating that it has not raised its rates since 2005 and cost have increased substantially. It also states that, due to the current economy, it cannot sell its excess capacity.

I am writing to request that the Public Service Commission deny this rate increase until such time as Kentucky Power Company improves its operations. I am making this request based upon the fact that, during calendar year 2009, my community experienced thirteen (13) power outages. My family lost everything in our refrigerator four (4) times. It is very expensive to have to replace things such as meats, milk and other food products. Unlike Kentucky Power, we cannot get reimbursed for the cost to replace this food. We have no one to pass this cost on to as they do. If we request reimbursement from Kentucky Power, they will claim that it was an "Act of God" and they are not required to pay for this loss.

Approximately ten (10) of these outages were the direct result of Kentucky Power's failure to maintain its right-of-way. Trees were allowed to grow up into the power lines and vines were allowed to grow up the power poles and out onto the power lines. I moved back to Goody, Kentucky from Wichita, Kansas in April of 1994. At the time, Kentucky Power sprayed its right-of-ways every year. This has not been done for probably ten (10) years or more.

When I was growing up in this community, power outages were a rarity. The power was out more in 2009 than it was in the entire 27 year period from 1951, the year I was born, to 1978, the

year I moved to Richmond, Virginia to work for Hospital Corporation of America (HCA). With HCA, I also lived in Nashville, Tennessee and Wichita, Kansas. In neither of these cities did I experience the poor quality of service as I have experienced with Kentucky Power.

As a result of all the outages in this community, an AEP employee who was well aware of what was happening, went to bat and convinced Kentucky Power to do some right-of-way work. The main reason that anything was done was because the power lines serving the Norfolk Southern Railroad car repair shop in Williamson, West Virginia travel down the alley behind my house and across the Tug Fork River to the car shop. Every time my power is out, so is the power to the car shop. After this right-of-way work was performed in the late Summer of 2009, the outages stopped until the snowstorm on December 19, 2009. Should you wish to send an investigator to this community, I will be glad to show him/her where the problem occurred.

The operational problems of Kentucky Power, and all the other subsidiaries of American Electric Power (AEP), began under the leadership of Dr. Lyn Drapper who was its Chairman and CEO. During this time, AEP lost \$6 billion dollars (\$6,000,000,000) on an acquisition gone bad in England. To make up for this loss, AEP convinced the various State Public Service Commissions to allow it to operate the company as it saw fit in exchange for not raising rates. AEP immediately started closing local offices and terminating hundreds of employees. This is also when AEP stopped maintaining its right-of-ways on a regular basis. I have verified this fact with relatives who are customers of Ohio Power Company and Appalachian Power Company. They say that these AEP subsidiaries also stopped maintaining the right-of-ways about the same time. I have also been told that the only time that AEP subsidiaries were doing right-of-way maintenance was during storms. This was because this cost could be passed on to the customers while normal maintenance was included in the rate structure. Also, instead of spending money to perform right-of-way maintenance, Kentucky Power recently spent the money buying between 30 and 50 new trucks. I have to wonder if Kentucky Power has its priorities in the right order.

Another issue that needs to be addressed is Kentucky Power's use of an automated outage reporting system. This system simply does not work. Customers could not even get through to the system to report that their power was out. Also, most people today have cordless telephones in their homes. When the power is out, these cordless telephones do not work so the customers could not report the outage. I think it is ironic that AEP included a story in the flyer included in one of its monthly billings stating that customers could report power outages over the Internet. This is pretty hard to do when there is no power.

A lot of the anger that the people of this area had toward Kentucky Power was because they could not talk to a real person. They wanted to know when their power would be restored and the automated system would only tell them an out date of several days to a week. When Kentucky Power had its local office in South Williamson, Kentucky, the office was staffed and the telephones were answered by an employee who could provide them with information. The office employees had access to the linemen who were making the repairs.

One of the reasons that people's power was off so long was because Kentucky Power had no idea it was off. My sister lives at Turkey Creek, Kentucky. Her power was off for a week, coming

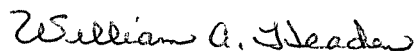
back on Christmas day. She received an automated telephone call from Kentucky Power the day before asking if her power had been restored. This is a direct result of Kentucky Power using an automated system.

About three (3) years ago, our power was out for three (3) days because Kentucky Power employees failed to follow proper procedures. A power outage occurred when a circuit breaker was tripped. When the circuit was restored, a circuit breaker servicing my house was tripped. AEP procedures require the repairmen to check the area to insure that this type of situation did not occur. This was not done. When we called the Kentucky Power call center, we were told that they showed our power had been restored. Three (3) days later, we finally had our power restored.

In conclusion, I again request that the Public Service Commission deny Kentucky Power Company's request to increase its residential rates by thirty-five (35) percent. The people of Eastern Kentucky have suffered needlessly because of Kentucky Power's failure to operate its business in a proper manner. In making this decision, the members of the Public Service Commission should ask themselves if they would be willing to put up with this type of service. If they are not, neither should the people of Eastern Kentucky.

Should you have any questions or wish to discuss these comments further, please contact me at the above telephone number or e-mail address.

Sincerely,

A handwritten signature in cursive script that reads "William A. Headen".

William A. Headen