

From: [Melnykovich, Andrew \(PSC\)](#)
To: [REDACTED]
Subject: your comments in case 2009-00548 - Kentucky Utilities Co. rates
Date: Monday, March 22, 2010 9:58:00 AM

Dear Mr. Jenkins:

Thank you for your comments regarding the rate increase proposed by Kentucky Utilities Co. Your comments will be placed into the case file for the Commission's review as it considers this matter. As you noted, the case number in this matter is 2009-00548. Please cite it in any future correspondence regarding this case so that your comments may be readily directed to the case file.

Thank you again for your interest.

RECEIVED

By Public Service Commission at 10:03 am, Mar 22, 2010

Andrew Melnykovich
Director of Communications
Kentucky Public Service Commission
502-564-3940 x208

From: PSC - Public Information Officer
Sent: Monday, March 22, 2010 9:25 AM
To: Melnykovich, Andrew (PSC)
Subject: FW: Case # 2000-00548

From: DJenkins Jr[S [REDACTED]]
Sent: Sunday, March 21, 2010 9:38:45 AM
To: PSC - Public Information Officer
Subject: Case # 2000-00548
Auto forwarded by a Rule

March 20, 2010

Kentucky Public Service Commission
PO Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Subject: Case # 2000-00548 KU

Dear Committee Members:

This letter is in opposition to the proposed 14% increase in electric rates by Kentucky Utilities to cover the damage from the ice storms in 2009.

A public business can purchase insurance covering catastrophic loss, however they must balance the cost of the insurance premium with the potential cost of such a loss. I am confident that KU has similar insurance policies in place. If the loss is greater than the insurance covers, a company has a right to increase prices to cover the loss when there is true market competition for the goods / services provided.

However, there is no competition for electric service and the proposed rate increase far exceeds any economic performance factors that would necessitate such a large increase. If there were competition, what increase would KU think they could add without losing customers?

The second question is; how is increasing rates to build a new generating plant a sound business decision? If the plant is a replacement, it must be built in order to maintain service. If it is being built to expand service, then doesn't the increasing revenue provide and solid ROI for the investment?

I urge the committee to reject this proposal from KU.

Respectfully,

David J. Jenkins, Jr.
Shelby County - Kentucky