



Kentucky Public Service Commission
Consumer Services Division
211 Sower Boulevard
Frankfort, KY 40601

October 13, 2010

Subject: KAWC Rate Increase for Commercial Fire Service

Name: Frank Mattone
Address: 3120 Wall Street Suite #300
City: Lexington
State: KY
Zip Code: 40513
Phone number where you can be reached: (859) 685-3036
Home phone: (859) 266-4816
Utility Name: KAWC
Have you contacted the utility about the problem: Yes

State the nature of your concern: The pending KAWC water rate increase of 44% for commercial property FIRE SERVICE is of great concern.

First, it is of concern because the increase has been imposed before approval by the PSC.

Secondly, it is of concern because of the magnitude of the increase.

FIRE SERVICE expense is for water held in a building standpipe. It is available in an emergency, but is static as far as usage. The actual amount of the increase, as shown on the most recent billing, increased by \$27.21 per month. This is an increase of 44%, from \$61.80 per month to \$89.01 per month. This is unacceptable.

We manage a number of commercial buildings in Lexington that have FIRE SERVICE and we are appealing for relief of this extreme increase, particularly on behalf for the 9-buildings listed below, in the following locations:

- Beaumont Shoppes; 3061 Fieldstone Way
- Commerce Lexington Building; 300 East Main Street
- AT&T Building; 3120 Wall Street
- Pinnacle Centre; 1733 Harrodsburg Road
- Office Suites Plus; 2333 Alexandria Drive
- Medical Office Condos; 1745 Alysheba Way
- One Hamburg Place; 1795 Alysheba Way
- Crowe Horwath Building; 144 North Broadway
- One Plaza East; 101 Prosperous Place

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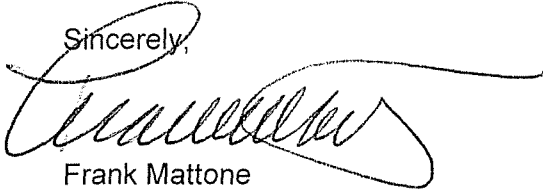
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**PUBLIC SERVICE
COMMISSION**

We are also appealing for relief of this extreme increase for all other commercial properties served by KAWC.

I have called to inquire about the timing and magnitude of the increase in the cost of FIRE SERVICE with the KAWC and there is no explanation of how or why this increase has been imposed or why it should be applied to the commercial building FIRE SERVICE monthly cost. We strongly object to this increase.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Mattone', with a large, sweeping flourish extending to the right.

Frank Mattone
REMMCO Services, Inc.
Agent for Owners