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JUL 1 3 2012 PUBLIC SERVICE COMMISSION

277 Bryson Way Richmond, KY 40475

July 12, 2012

Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40601

Dear Sir:

I would like to let it be known that we (my husband and I) oppose the rate increase Kentucky Utilities Company has filed. A residential increase of 8.03% would increase the average residential customer's bill by \$88.92 a year and would increase Kentucky Utilities revenue by over \$37 million a year. Seems to me Kentucky Utilities needs to cut their expenses before passing such a burden to their customers.

Let it be known that customer's like us who are on a fixed income and Social Security have not seen such a raise in our pay, matter-of-fact we've been told that cost of living has not gone up but slightly over the past three years.

We've been asked to conserve energy, change to energy saving light bulbs, live with less air conditioning and heat – why can't Kentucky Utilities cut their waste and not increase the cost to the customer. Sounds like they have a management problem.

PLEASE do not approve this increase.

Yours truly,

F. m. Kabalen

Mr. & Mrs. F. M. Kabalen