Readers' Forum
The Courier-Journal
P.O. Box 740031
Louisville KY 40201-7431

July 18, 2012

RECEIVED

JUL 2 0 2012

PUBLIC SERVICE COMMISSION

Via email: cjletter@courier-journal.com

Subject: Proposed LG & E Gas Rates

A few months back, while in the process of replacing the gas mains in our neighborhood, LG&E's contractor, using a really neat tunneling device, replaced in a few hours the feeder line to our older house to permit relocating the gas meter from our basement to the outside, to the mutual convenience of the gas company and ourselves. The new line is of a thick hard plastic which the workers assured me would last as long or longer than the metal pipe it replaced, which I know had been there for at least 40 years without any problem at all.

In its notice of request to the Public Service Commission for rate increases recently published in the Courier-Journal, LG&E, in addition to increases in its basic service and gas charges, requests a monthly charge to all residential customers for maintenance and replacement, on an as-needed basis, of the house feeder lines and "risers", which I take to be the vertical pipes from the lines to the meters. If I understand the notice, the rate would be \$2.35 per month beginning January 2013 and would increase incrementally each year thereafter, reaching \$6.76 for 2017. I figure we would pay for that first 5-year period total additional charges of \$278.76, which doesn't seem like much, but nothing is said that I can see about the monthly charge thereafter. Experience however makes it pretty certain the rate will not decrease, and if replacement is necessary only every 40 or 50 years, the profit potential seems high. While I have no data to back it up, I'm pretty confident that there are a number of qualified plumbers in the area who would charge less than these proposed rates to all customers for a monopoly to replace and maintain these lines and risers only as needed, and perhaps PSC should seek an input from such businesses in reviewing the reasonableness of LGE's request.

David W. Gray
4021 St. Ives Court

Louisville KY 40207

cc regular mail to:

Louisville Gas & Electric Company

Attn: Lonnie E. Bellar

Vice President, State Regulation and Rates

220 West Main Street Louisville, KY 40232

Public Service Commission 211 Sower Boulevard Frankfort KY 40601