August 27, 2013

SEP 5 2013

PUBLIC SERVICE
COMMISSION

Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

Re: Water Service Corporation of Kentucky

Case No. 2013-00237

Dear Sir or Madam:

I live in Middlesboro, Kentucky; I am a customer of the Water Service Corporation of Kentucky ("WSCK"), and I am strongly opposed to the proposed 10.87% rate increase requested by the WSCK.

PSC Director of Communications Andrew Melnkovych has said that if the Commission went strictly by public comments then every time we'd have a proposed rate increase and people said they didn't want a rate increase then the utilities would go bankrupt. I am saying to the PSC again that residential customers are bankrupt with utility increases and high food and gas costs. Our economy needs to improve greatly before any kind of rate hike should be granted.

I personally do not think that the Middlesboro economy can handle this proposed rate increase:

- 1. <u>Bell County's unemployment rate for June, 2013 of 15.5%</u> was the seventh highest in the state, a rate that climbed from 14.5 percent only a month earlier and from 13.8 percent recorded one year ago.
- 2. The 109 Board (collects trash and garbage) is proposing a tax increase. (It has been alleged that people are "bundling" their trash and garbage with perhaps family and/or friends to save on cost.)
- 3. The Middlesboro School Board is seeking a proposed tax increase for homes and businesses.

- 4. Organizations like the Cooperative Christian Ministry are getting more requests for assistance with payment of utilities that people can't pay even now.
- 5. Recently, we have had two robberies with weapons involved. (It has been many years since we experienced such.)
- 6. Food prices are climbing, and gas prices remain the surprise of the day.

To the Public Service Commission, I plead with you to not give the WSCK another rate hike. You have granted them rate hikes in 2009 and 2011. Income in our community is not keeping up with the rate hikes you are granting.

Please do not approve this rate hike and continue to place the burden on the backs of those who can least afford it.

Thank you.

Yours truly,

Larry D. Honeycutt 1026 Doncaster Avenue

Middlesboro, Kentucky 40965