

RECEIVED

A-APR 6 2015

PUBLIC SERVICE COMMISSION

Submitted by Certified Mail Item 7001 0320 0005 6653 9128

From: Daniel Cobble • 3401 Lesway Ct., #12 • Louisville, KY 40220 • 502-632-0200

TO: C/o David Tandy, President • Louisville Metro Council
601 W. Jefferson St. • Louisville, KY 40202

April 2, 2015

RE: LG&E & KU Service-fee Hikes NOT LEGALLY PROPER;

COPY

- Service-fees Cannot Be Used For Raising Capital Investments

Dear Metro Council,

Please recall that, on Feb. 12, 2015, I spoke before the Metro Council on the unlawful rate hikes proposed by Louisville Gas & Electric Co. (LG&E). That LG&E and Kentucky Utilities (KU) cannot legally use rate hikes for raising money for their capital investments, because "we are not investors." We are only customers that purchase natural gas and electricity. Wherefore, rate hikes can only legally be based on LG&E and KU's costs / market prices for natural gas and electricity. Because prices for natural gas and coal (for electricity) are down, there is "no legal justification" for raising rates. - Thus, since 2-12-2015, LG&E has backed-off its proposal for rate hikes.

However, on March 31, 2015, LG&E and KU announced respective proposals to raise their "service fees" for residential ratepayers, again for the purpose of capital investments (to build a power plant). LG&E proposes a \$7.25 increase in service-fees; and KU proposes an \$11.00 increase for service-fees.

Again, Metro Council, these service-fee hikes are not legal for raising investment capital, for the same legal reasons for raising rates on gas and electricity. **Service-fees cover "administrative costs" for LG&E and KU, and thus cannot be applied to investment capital.**

LG&E and KU must stop this manner of raising capital through its ratepayers, but must use their own capital gains, and financing, for investments. - Wherefore, Louisville Metro Government and other municipalities **have a constitutional duty to protect ratepayers** by preventing these fee hikes.

Metro Council, please let me hear from you on this matter. *Thank you!*

Daniel Cobble

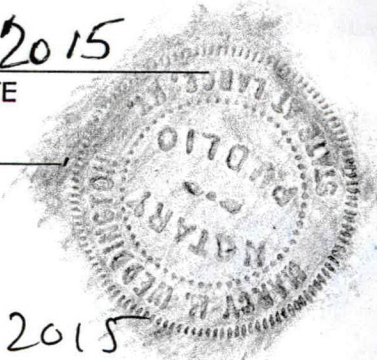
APRIL 2, 2015

Daniel Cobble

DATE

Subscribed and affirmed before me, this 2 day of April

2015 by Daniel Cobble (Print Name of Signer)



Mary Beeler

4-2-15

My Comm.

Expires: Sept 22, 2015

NOTARY

DATE

Copies to: all Council Members, KY Public Service Comm., Public Distribution