2014-00371

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JAN 5 2014

PUBLIC SERVICE
COMMISSION

6035 Riva Ridge Road
Versailles, KY 40383

Public Service Commission
211 Sower Boulevard
PO Box 615
Frankfort, KY 40602
December 29, 2014

RE: Major Concern about the Kentucky Utilities Proposed Rate Increase

Dear PSC executive,

I recently received a "Notice to customers of KU" in my December bill. KU included this flyer to explain it will seek another rate increase over the one in 2010. I would like to express my concern with KU's proposed rate increase of 9.6 percent which will increase KU's revenues approximately 9.6 percent annually. I would like to put in writing my protest of this event for several reasons.

- KU still exacts a fuel adjustment charge every month – in the last year it has been negative five of the last 12 months.
- KU continues to push for Demand Conservation (which seems to be a good thing) using programmable thermostats and sensors to turn off the air conditioners in the summer.
- KU offers paid assessments of an individual's home and they provide low wattage fluorescent bulbs in return.

It seems quite unusual to offer Demand Conservation (which drives down electric usage) and then turn around and raise rates negating any efforts by customers to drop their electrical energy usage. Granted, in the recent bill, KU spoke about the new NGCC generating unit that will replace the Cane Run coal fired generation plant and that KU has asked you for approval to build a new 10-megawatt solar facility. I think the EPA is behind both of these efforts.

When KU and LG&E merged there were promises of rates decreasing - I have not seen that. Perhaps a letter explaining this situation might be appropriate instead of a rate increase. From an end user perspective this rate increase is not substantiated. When those my age and the new millenials are unable to get jobs because a majority of corporations (and utilities) are driven by bottom line bonuses, I am hesitant to accept the reasons given for such an increase.

I would highly recommend the PSC research this proposed rate increase and provide the real reasons why this increase needs to be accomplished now. The economy is just now recovering and salaries are stagnant with little incentive to give raises – even to account for cost of living increases.

With thoughts that you will make the right decision

Michael Huster

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