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Michael J. Schmitt Chairman, Public Service Commission P.O. Box 615 Frankfort, Ky. 40602

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COMMISSION

RE: Case #2016-00370

Dear Chairman Schmitt:

I am writing to object to KU's proposal to increase the basic service charge. I have three children who attend the University of Kentucky. They live near campus and have electric service through KU. They will see an increase in the cost of electric under KU's proposal. Each of my children works during the school year and in the summer to pay their tuition and living expenses. This increase will hurt them.

KU wants to charge a flat fee all residential consumers will be required to pay no matter how much energy is used, while slightly lowering the rate charged for energy use. That's not right. It hurts people with low and moderate incomes. And it makes it harder for my children to manage their bills by being careful about how much energy they use.

The proposed charges will also discourage people from taking steps to make their homes more energy efficient or to use renewable energy. Recently my utility, the RECC, offered me an opportunity to invest in a solar farm. I was interested in the opportunity and am considering buying into the RECC proposal. However if, after I invested in solar energy, RECC were to increase the base rate in the manner KU is proposing, my investment in solar energy would not yield the expected savings – my monthly rate would be increased despite my investment. Likewise if I increased the insulation and improved the energy efficiency of my house, the return on my investment would not as great if the base rate for service was significantly increased. The KU proposal sends the wrong message regarding consumer investment in renewable energy and efficiency.

Please reject KU's proposal. Insist that KU come up with a fair plan and one that values investments in renewable energy and efficiency.

Sinderely,

Stephen A. Sanders

3620 Timberwood Lane Lexington, KY 40515