From: Melnykovych, Andrew (PSC)

To: "josh"

**Subject:** your comments in case number 2016-00370 - Kentucky Utilities rate case

Date: Wednesday, February 08, 2017 2:22:00 PM

## Dear Mr. Lancaster:

Thank you for your comments on the application of Kentucky Utilities Co. for an adjustment in rates.

Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration.

For your future reference, the case number in this matter is 2016-00370. It would be helpful if you would please refer to it in any further correspondence.

The application and other documents in this case are available at <a href="http://psc.kv.gov/PSC">http://psc.kv.gov/PSC</a> WebNet/ViewCaseFilings.aspx?case=2016-00370

Thank you for your interest in this matter.

## **RECEIVED**

By Kentucky PSC at 2:33 pm, Feb 08, 2017

## Andrew Melnykovych

Director of Communications Kentucky Public Service Commission 502-782-2564 (direct) or 502-564-3940 (switchboard) 502-330-5981 (cell)

From: josh

Sent: Wednesday, February 01, 2017 10:30 PM

**To:** PSC - Public Information Officer <PSC.Info@ky.gov>

**Subject:** case # 2016-370

Andrew.Melnykovych@ky.gov

Dear,

**Public Service Commission** 

Rate Case 2016-370

I, Josh Lancaster, am a managing partner of L. Hust Farms General Partnership in Slaughters, KY. I am an electric customer of KU with many accounts. Our on farm grain elevator that is operated seasonally for only our own grain is located within the KU serviced area of Slaughters.

Electrical use site history:

1. Farm has been operating at this site since before 1950

- 2. Many upgrades throughout the years including Lawrence Hust paying for 3 phase service to be installed to the farm.
- 3. 2010 upgraded from 400 amp service to a 1200 amp service including new ground transformer and below ground incoming service lines. All new switch gear and controls installed at this time as well. At this time we asked if service rate would remain the same as in the past, and the answer was yes.
- 4. In 2014 we built a new grain dryer. We considered the electrical load before purchase and asked KU if rates for the site would remain the same and the answer was yes.

After operating the dryer at our elevator for the 2014 crop harvest season we were informed in the summer of 2015 our rates would change and we would be charged a different rate as well as a demand charge going forward. Our rates did change and we are charged a demand charge based upon the highest 15 min average of use. Even in months of very little use we are charged a large demand rate. Our electric bills have more than tripled. The problem is we are a seasonal load demand (typically 2.5 months) and requiring us to pay the demand year around is very hard on our profitability.

KU came to us with this change implying it was the law they just had not been enforcing it and must do it now. It sounds like a way to raise revenue by only affecting a few customers. Let's be honest I'm a very good customer because I am a single source of much more current than a house and I'm in one location that is easy to service and work with.

KU offered to allow us to get around the issue by installing other meters and splitting the load to lower the average load per meter per year. This requires additional cost and really does not affect any real load demand on the electric transmission system. Any site this has been done is not fare to the other customers, the public service commission, or the people put in place to enforce what is right or wrong within the laws of the electric utility companies in the state.

I along with others in the area are experiencing the problem and enduring very high cost. I filed a complaint on the KPSC website and was contacted by a representative from KU about the complaint. I received an email from PSC stating that KU's stance is they did not advise me to spread the load across multiple meters. That is a lie and I'm willing to go to court and prove that if necessary by putting those on the stand that have told me to do it and it would work to change the rate.

I understand this is the correct rate according to the law but that needs to change. Seasonal load need to be considered different and it was not considered in the previous rate cases.

I would also like to request a public hearing and also be informed when any meeting takes place involving case 2016-370.

Thanks
Josh Lancaster

L. Hust Farms
PO Box 128
Slaughters, KY 42456

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