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RECEIVED
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PUBLIC SERVICE COMMISSION

To: Public Service Commission
Commonwealth of Kentucky
P.O. Box 615
211 Sower Blvd.
Frankfort, KY 40602-0615

Re: Duke Energy Residential Gas Service Rate Increase Proposal Case # 2017-00249

Dear Commissioner:

As a shareholder of Duke Energy, I stand to benefit from the proposed rate increase. In spite of that, I find the amount of the fee increase for the "Accelerated Service Line Replacement Program" to be obscene. It may only be $1.02 a month, but it's more than a 100% increase!

The service lines should have already been accounted for in their operating budget and capital planning. If the company chose poor materials or shoddy contractors last time, they should pay for the moral hazard of having done so. This huge increase amounts to a small-scale bailout of a publicly traded company. It fits nicely into the thought of "privatizing profits and publicizing losses" we saw in the financial sector a few years ago.

Additionally, there are several things to consider about granting a rate increase for an "accelerated" replacement for any component of their system. If I drive a few miles north, I pass the "Duke Energy Center." There is simply no valid reason for a monopoly to advertise; consumers have no choice but to use their service or go without. That advertising money should be redirected towards their necessary business expenses.

Having lived in and still owning property in areas of the state that are serviced by KU, I am aware Duke Energy is not offering rebates on more energy efficient appliances. Their energy efficiency program offerings simply do not compare to what KU has, meaning consumers do not see the benefits as much, putting money back into the company via increased usage of their product.

Duke Energy has been noted as making large commitments to political causes, ostensibly to gain access and favorable treatment for their own benefit. The average American and Duke Energy user has little to no chance for their voice to be heard as well and as clearly by our government.

The CEO, Lynn Good recently received a raise from about $6.5 million per year to over $13 million per year, per the Charlotte Observer. Average CEO pay has recently been reported by CNBC to be around 271 times what the average American makes. Even worse, these large salaries have not been found to result in superior leadership and performance according to several studies I have read. More astonishing, in the face of a rate increase request for less fortunate Americans, Duke Energy paid a CEO

$44 million to leave after only mere days on the job. This action by the publicly traded company caused a shareholder lawsuit and Duke paid another $27 million to settle that case. If the company is so poorly managed as to end up paying those amounts out, it reasons they should be thankful to be allowed to do business in our state, as well as pay to maintain their system from existing revenue streams.

With these thoughts in mind, I respectfully ask the PSC to review not only these items, but the fact this company pays out a healthy dividend to shareholders and reject their proposed increase. Not just reject the full amount and award a reduced sum, but I believe it should be blocked altogether. This is the only way consumers can have a blow struck back at the handsomely paid administrations of for profit enterprises granted the privilege of a monopoly.

Thank You,

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