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PUBLIC SERVICE
COMMISSION

March 2, 2018

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Dear Commission Members:

Please accept this letter of protest regarding the proposed rate hike by Kentucky Utilities (KU), Case No. 2017-00483. Last year during the month of January I used (according to KU) 3627 Kwh for a total of \$338.99. This year I was billed in January for 5732 Kwh for a total of \$545.83. That is an increase of \$.01 over the course of one year. Not much, but still an increase.

If the information provided by KU regarding the proposed environmental surcharge of Case No. 2017-00483 is correct, it appears that KU is intending to pass along to their customers the additional cost of \$2.8 million dollars on a project that was originally estimated to be \$11.9 million. However, it seems that KU missed the expiration date of the Certificate of Public Convenience and Necessity authorization. Their failure to comply with the expiration date amended the cost of the project to an estimate of \$14.7 million. A difference of \$2.8 million dollars that they intend to pass along to their customers as a rate increase in the form of an environmental surcharge.

I would argue it is not an environmental surcharge but rather poor planning on the part of KU. It doesn't seem that KU is accepting their responsibility of missing the expiration date, knowing full well they didn't have to as they always can pass along additional cost in the form of a rate increase. That's a sweet deal for KU and an additional burden to KU customers. As a KU customer, can I just miss a monthly payment and just let other customers pay the difference without any penalty on my part? As I used to tell my employees, "poor planning on their part, does not necessitate an emergency on my part".

I also think it would be wise for KU to research what the new federal guidelines, that are designed to loosen up federal regulations, will do to their bottom line BEFORE they seek ANY rate hike. Such information should be a part of the literature that they are disseminating.

If I am interpreting the information provided by KU correctly, coupled with new federal guidelines, added to an additional .01 increase over the past year, suggests to me that they are too premature in requesting any type of additional rate hike. Therefore, I would ask that you deny their request.

Respectfully,

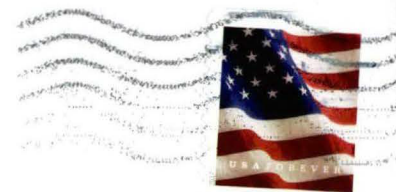


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