

RW Enterprises, LLC  
P.O. Box 305  
Stearns, KY 42647

RECEIVED

APR 09 2019

PUBLIC SERVICE  
COMMISSION

To Whom It May Concern,

I am writing in regards to the application recently filed by Citipower, LLC for the purpose of adjusting rates for natural gas service. I own and operate a The Whistle Stop Restaurant, a casual dining restaurant located in Stearns, Kentucky. We rely on Citipower, LLC to provide us with gas for the purpose of operating the business. According to the proposed adjustment in gas rates I estimate that my current bill would increase very drastically, resulting in loss of profits for the business as well as a loss of value for the guests of this poverty stricken area, as this increase would result in increased costs to our guests.

At present the gas bill for the restaurant is typically \$460 to \$600 per month. With the proposed increase in the base rate, increase in gas cost, I estimate that the gas bill for the restaurant would increase to \$690 to \$900. At The Whistle Stop Restaurant we specialize in a variety of menu items, which if possible are sourced locally within our county. Our average sales per month here are \$20,000. The average net profit margin in the majority of restaurants is approximately 5%. The drastic increase in gas rates would cut tremendously into potential profit, operating capital, and decrease the value that the restaurant is currently able to offer to our guests. As a native to McCreary County I can assure that operating a business in one of the poorest counties in the nation, one without an incorporated city, extremely low median household income, etc... is difficult enough as it is. The increase in gas rates would make it nearly impossible to justify operating a restaurant that uses gas purchased from Citipower, LLC.

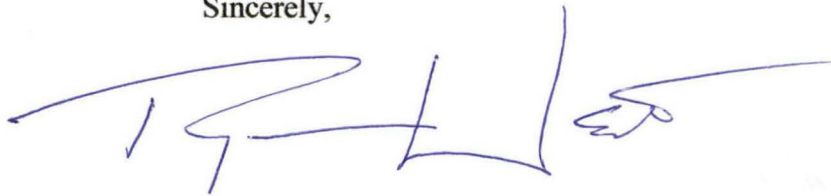
I appreciate the efforts of Citipower, LLC to acquire a "certain natural gas pipeline that will ensure they are able to maintain a reliable, long-term gas supply." That is an absolute necessity and is a sound business decision. However, I find that not the increase itself to be unjustified, rather the amount of the increase is absurd. An estimated 47.44% increase for commercial and industrial, 68.67% for institutional, and 28.87% for residential, seems completely outrageous. Upon further examination, the majority of any commercial business in this county are operated by individuals, not corporations. Individuals who are trying to make a living operating a business in a poor county. The only institutional customers, would have to be

RW Enterprises, LLC  
P.O. Box 305  
Stearns, KY 42647

limited to the federal prison USP McCreary, and schools, if schools fall under this category. Undoubtedly the 28.87% increase on residential rates will create hardships for many and serve to further cripple the economy in this area. The majority of the population of this county our on fixed income and barely make ends meet as it is. By increasing the rate on the general population I fear that many elderly people will suffer the consequences. Furthermore I would expect an increase in crime as those individuals that live off government checks will struggle to pay their bills.

I strongly petition on behalf of all Citipower, LLC customers, regardless of commercial, industrial, institutional, or residential, that this increase be adjusted to a more manageable rate. Justification for such a drastic increase in base rate and gas rate could not possibly be rationalized given the current economy of McCreary County. I greatly appreciate your time and ask that this increase not be cancelled, but reevaluated to a more reasonable increase that provides a win/win situation for Citipower, LLC as well as their customers and this community

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ryan West', with a stylized flourish extending to the right.

Ryan West

NOTICE OF APPLICATION OF CITIPOWER, LLC TO ADJUST RATES FOR NATURAL GAS SERVICE BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

Pursuant to the Kentucky Public Service Commission's regulation 807 KAR 5:076, Citipower, LLC gives notice that an application has been filed on or before April 1, 2019, with the Kentucky Public Service Commission seeking approval to adjust its rates for natural gas service for the purpose of acquiring a certain natural gas pipeline, ensuring Citipower, LLC will have access to a reliable, long-term gas supply. This rate adjustment will apply to all of Citipower, LLC's customers. The increase is to be effective October 1, 2019, or sooner, if approved by the Kentucky Public Service Commission. If Citipower, LLC's application is approved, monthly natural gas bills from Citipower, LLC will increase as follows:

Customer Class	Existing Base Rate (customer charge)	Proposed Base Rates (customer charge)	Proposed Increase Amount	% of Proposed Increase
Commercial	\$15.00	\$20.00	\$5.00	33.33%
Industrial	\$15.00	\$20.00	\$5.00	33.33%
Institutional	\$20.00	\$25.00	\$5.00	25.00%
Residential	\$8.00	\$8.00	\$0.00	0.00%

Customer Class	Existing Gas Cost Rates	Proposed Gas Cost Rates	Proposed Increase Amount	% of Proposed Increase
Commercial	\$7.80/mcf	\$11.50/mcf	\$3.70/mcf	47.44%
Industrial	\$7.80/mcf	\$11.50/mcf	\$3.70/mcf	47.44%
Institutional	\$8.30/mcf	\$14.00/mcf	\$5.70/mcf	68.67%
Residential	\$7.76/mcf	\$10.00/mcf	\$2.24/mcf	28.87%

Customer Class	2018 average usage per customer	Average monthly customer usage	Average monthly cost per customer	Cost increase based on average usage
Commercial	144.50	12.04	\$171.81	\$49.56
Industrial	717.13	59.76	\$793.19	\$226.12
Institutional	1,441.76	120.15	\$1,644.59	\$689.84
Residential	35.62	2.97	\$46.53	\$6.65

The cost increase is if the proposed rates are approved by the Kentucky Public Service Commission. The rates contained in this notice are the rates proposed by Citipower, LLC however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request to intervene to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request and including the status and interest of the party. If the Kentucky Public Service Commission does not receive a request to intervene within thirty (30) days of the initial publication or mailing of this notice, the Kentucky Public Service Commission may take final action on the application. Any comments regarding this application may be submitted through the Commission's Web site at <http://psc.ky.gov/> or by mail to P.O. Box 615, Frankfort, Kentucky 40602.

Copies of Citipower, LLC's application may be obtained or viewed from Citipower, LLC at 37 Court Street, Whitley City, Kentucky 42653 Monday through Friday from 8:30 a.m. to 4:30 p.m. The application and all documents filed with the Kentucky Public Service Commission may be viewed and downloaded at the Kentucky Public Service Commission's Web site at <http://psc.ky.gov/> or a copy can be obtained from the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 between the hours of 8:00 a.m. to 4:30 p.m.