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Steve Karstens 550 Shamrock Road Brandenburg, KY

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PUBLIC SERVICE COMMISSION

June 16, 2025

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

RE: Formal Objection - Case #2025-00114 (LGE/KU Proposed Rate Increase)

Dear Members of the Public Service Commission:

I am writing as a concerned citizen and ratepayer to formally and strongly object to the proposed rate increase outlined in Case #2025-00114. After reviewing the notification issued by Louisville Gas and Electric (LGE), I must challenge both the necessity and the justification for this increase, particularly as it pertains to supposed "tariff-related" cost pressures.

LGE has cited "increasing tariffs on imported goods" as a reason for escalating rates. However, this rationale is not supported by current economic conditions. The majority of utility infrastructure materials, operational tools, and energy sources are either produced domestically or sourced through long-standing supply chains that are not meaningfully affected by new or existing tariffs. Therefore, invoking tariffs as justification appears disingenuous.

This rate hike seems to be a reflexive response to broader political shifts rather than a measured response to actual financial hardship. Allowing utilities to raise rates in reaction to speculation—not documented need—only drives unnecessary inflation and erodes consumer confidence.

Of particular concern is the effect this increase will have on fixed-income households, for whom any added burden can lead to significant hardship. There has been no evidence provided by LGE that alternative measures, such as operational efficiencies or deferral of non-critical capital expenditures, have been fully explored prior to this request.

Accordingly, I respectfully urge the Commission to:

- Demand a detailed breakdown of the specific tariffs LGE claims are affecting their cost structure, and evidence of direct impact;
- Require transparency into the utility's budget management and cost containment efforts;

3. Deny or delay this rate increase until such evidence can be independently verified and clearly demonstrates necessity over speculation.

Public utilities are entrusted with serving the people, not exploiting economic narratives to boost revenues or protect profit margins. This proposal reflects short-sighted financial opportunism rather than responsible stewardship.

Thank you for your time, your service, and your attention to the best interests of Kentuckians.

Sincerely,

Steve Karstens