

August 18, 2008

Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40601

RECEIVED

AUG 21 2008

PUBLIC SERVICE
COMMISSION

Gentlemen:

On August 14 we received our current KU bill for service from July 14 to August 12. The bill was 110 kwh less than the bill a year ago for the same number of days. However, the total bill was \$29.13 more - right at a 21% increase. We realize KU has requested an adjustment of its rates and charges to become effective on and after September 1, 2008. That proposed increase has been stated to be approximately 2% overall. Also, the estimated amount of the annual increase for Residential service has been stated at 4.27%.

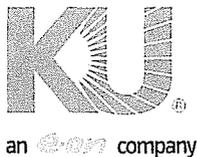
It is not even September, yet our current bill had an increase of almost 21 %. That is certainly more than the 4.27% or 2% overall increase requested by KU. WHY????

We have also noticed in KU's request that the flat RS customer charge will be changed from a flat \$ 5.00 to a flat \$ 8.49 each month. My calculations figure that to be right at a 70% increase, NOT 4.27% or 2 %. Residential Service customers are to be hit with the second largest % increase, and the largest total in dollars. This is the group of customer who can least afford big increases. Many of the RS customers are elderly and those on limited and fixed incomes!!!!

Please give the Residential Service customers relief from this increase.

Sincerely,

Sam J. and Linda C. Smith
409 N. Walker St.
Marion, Ky 42064



Customer Service: 1-800-981-0600 Mon-Fri 7AM-7PM
 Walk-in Center Hours: Mon-Fri 8AM-5PM
 Telephone Payments: (800) 807-3596
 www.eon-us.com

DATE DUE	AMOUNT DUE
08/23/07	\$138.85

Looking for an easy way to help the environment?
 Reduce the amount of paper you receive each month
 by enrolling in BillMail. Visit us at www.eon-us.com
 and sign up today to receive your future bills by e-mail.

ACCOUNT INFORMATION	
Account Number:	
Account Name:	Sam J Smith
Service Address:	409 N Walker St Marion, Ky

Averages for Billing Period	This Year	Last Year
Average Temperature	78°	79°
Number of Days Billed	29	29
Electric/kwh per Day	78.4	98.3

BILLING SUMMARY	
Previous Balance	132.09
Payments as of 08/13	(132.09)
Balance as of 08/13	0.00
Electric Charges	132.21
Taxes and Fees	6.64
Utility Charges as of 08/13	138.85
Total Amount Due	138.85

ELECTRIC CHARGES

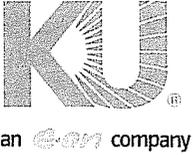
Rate Type: RS-RESIDENTIAL SERV		
Customer Charge	5.00	Meter Reading Information
Energy Charge	110.73	
Other Charges For Above Rates		
Fuel Adjustment (\$0.00496 x 2276 kwh)	11.29	Meter #W136971-A
Residential DSM (\$0.00061 x 2276 kwh)	1.39	Actual Reading on 08/10
Environmental Surcharge (4.860% x \$128.41)	6.24	94721
Merger Surcredit (1.589% CR x \$134.65)	-2.14	Previous Reading on 07/12
Value Delivery Surcredit (0.300% CR x \$132.51)	-0.40	92445
Home Energy Assistance Fund Charge	0.10	Current kwh Usage
Total Electric Charges	\$132.21	2276
		Meter Multiplier
		1
		Metered kwh Usage
		2276

TAXES AND FEES

Rate Increase For School Tax (3.00% x \$132.11)	3.96
Franchise Fee-Marion (2.03% x \$132.11)	2.68
Total Taxes and Fees	\$6.64

Please see reverse side for additional charges.

Please bring entire bill when paying in person.



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DUE DATE	AMOUNT DUE
08/25/08	\$167.98

Looking for an easy way to help the environment? Reduce the amount of paper you receive each month by enrolling in KU BillMail. Visit us at www.eon-us.com and sign up today, and we will send your future bills by e-mail.

+ 29.13

Averages for Billing Period	This Year	Last Year
Average Temperature	77°	80°
Number of Days Billed	29	29
Electric/kwh per day	74.6	78.4

\$167.98 + 29.13 = \$197.11

ACCOUNT INFORMATION	
Account Number:	
Account Name:	Sam J Smith
Service Address:	409 N Walker St Marion, Ky

BILLING SUMMARY	
Previous Balance	135.19
Payment as of 08/13	(135.19)
Balance as of 08/13	0.00
Electric Charges	159.85
Taxes and Fees	8.13
Utility Charges as of 08/13	167.98
Total Amount Due	167.98

ELECTRIC CHARGES

Rate Type: RS-RESIDENTIAL SERV		Meter Reading Information
Customer Charge	5.00	Meter # W136971-A
Energy Charge	+ 143.33	Actual Reading on 08/12 17228
Other Charges For Above Rates	+ 5.06	Previous Reading on 07/14 15062
Fuel Adjustment (\$.00755 x 2166 kwh)	+ 1.66	Current kwh Usage 2166
Residential DSM (\$.00186 x 2166 kwh)	+ 4.03	Meter Multiplier 1
Environmental Surcharge (7.120% x \$150.44)	+ 10.71	Metered kwh Usage 2166
Merger Surcredit (0.866% CR x \$161.15)	- 1.40	ly 2.38 value delivery surcredit
Home Energy Assistance Fund Charge	0.10	
Total Electric Charges	\$159.85	

TAXES AND FEES

Rate Increase For School Tax (3.00% x \$159.75)	+ 4.79
Franchise Fee-Marion (2.09% x \$159.75)	+ 3.34
Total Taxes and Fees	\$8.13

BILLING INFORMATION

Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

2190 increase