

HAZARD PERRY COUNTY COMMUNITY MINISTRIES, INC.



ISI Miss Edna Lane • Hazard, Kentucky 41701 • Phone: (606) 436-2662 • Fax: (606) 439-1160 • www.hpccm.org TTY Relay #711

February 2, 2010

Public Service Commission P.O. Box 615 211 Sower Blvd. Frankfort, KY 40602-0615

Re: Case No. 2009-00459

To Whom It May Concern:

On behalf of Hazard Perry County Community Ministries and those we serve, I am writing to request leave to intervene in Kentucky Power Company's proposed rate increase. We object to the proposal for several reasons.

Since 1976, Community Ministries has served families and individuals in need. We currently operate a homeless shelter, rental housing for homeless families, homelessness prevention assistance, and two childcare centers. We object to this proposed rate increase because we know little to nothing about its justification. Kentucky Power has not explained how this will improve its service, or why they cannot make ends meet with the current rates in place. We believe it is their social responsibility to make its customers aware of the reasoning behind this rate increase of astronomical proportions.

Most of the people who live in our rental housing are furthering their education and/or working low wage jobs. They can barely afford to pay their electricity bills now. With a proposed rate increase of 33.43%, they will be faced with an untenable choice – whether they can keep the lights on or keep their children fed.

In addition, we believe we have a unique perspective on the utility market in Perry County. When families come to us with electric bills in arrears or shutoff notices, we can step in with our homelessness prevention assistance. We estimate that in 2009, we served approximately 100 individuals with \$5,000 toward Kentucky Power bill assistance. With the proposed rate increase, we can expect the number of people requesting assistance to double. And we will not have the funds to intervene. Both the families who are unable to pay their bill will lose, and so will Kentucky Power, as they spend even more money on labor to conduct shutoffs.

Finally, we also object as a 501(c)3 nonprofit organization and small business. Our funding is limited to that which we can obtain through grants, donations, and fees for service. When we composed our 2010 budget, we were barely able to make it break even. Then we received notice of this proposed rate increase, which would literally break our budget and give us, like our

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FEB 03 2010 PUBLIC SERVICE COMMISSION clients, an impossible choice – whether we can keep the lights on or pay our staff. We would like to do both.

I would be happy to discuss this matter with you in further detail. Should you need additional information, please feel free to contact me at 606-439-1122 or <u>dwbouchard@hpccm.org</u>.

Sincerely,

DW Borcherd

D.W. Bouchard Executive Director

DWB/asb