From: PSC Public Comment

To: Kentuckians ForEnergyDemocracy

Subject: RE: Public Comment: Case #'s 2025-00114 and 2025-00113

Date: Wednesday, November 12, 2025 9:29:00 AM

## Case No. 2025-00113

Thank you for your comments on the application of Kentucky Utilities Company. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2025-00113 in any further correspondence. The documents in this case are available at View Case Filings for: 2025-00113 (ky.gov).

Thank you for your interest in this matter.
From: Kentuckians ForEnergyDemocracy
Sent: Tuesday, November 11, 2025 10:40 AM  To: PSC Public Comment <psc.comment@ky.gov></psc.comment@ky.gov>
<b>Subject:</b> Public Comment: Case #'s 2025-00114 and 2025-00113
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Please find the public comment from Kentuckians for Energy Democracy attached. Thank you

Cara Cooper Coordinator, Kentuckians for Energy Democracy



## Case #'s 2025-00114 and 2025-00113

Kentuckians need electric utilities which prioritize affordable energy, energy efficiency, distributed generation, and grid resiliency. Unfortunately, the existing business model is oftentimes at odds with those needs. That is why we rely on the Public Service Commission to ensure that our utilities are headed in the right direction and making the choices that are best for customers and our energy system both now and in the long-term.

Decisions about utility rates must reflect the realities of utility customers. Many Kentuckians already struggle to pay their electric bills and we can not afford to pay for utilities' bad business decisions. When utility bills increase, it places a heavier financial burden on families, particularly those with lower incomes. In fact, the Southeast region of the US, has the greatest percentage of households with high energy burdens (38%, or 2.81 million households). Nearly 1 in 3 Kentuckians' spend more than 6% of their income on utilities alone. Across Kentucky, the average household spends approximately \$2,100 per year, or about \$175 per month, including electricity, natural gas, and any other utility fuel costs (Metropolitan Housing Coalition, 2025).

Thus, high energy rates are a significant threat to the health, safety and economic well being of many customers: many people must make difficult and unsafe choices between their essential needs, such as food, medicine, heating, and housing. Approximately 1 in 3 US households forgo necessary expenditures, such as food or medicine, to pay household energy bills (RMI Disconnection Handbook, 2025). If the inability to pay bills persists, families risk disconnection, eviction and precarious living conditions, putting vulnerable members of households at risk and continuing the cycle of poverty. Unaffordable bills and energy insecurity are a reality that must be recognized as part of the utilities' operating environment and recognized when setting rates. Shockingly, a 2023 report found that investor-owned utility companies could have prevented all disconnections for less than one percent of the dividends they paid to their shareholders (Center for Biological Diversity, 2023).

Another reality for LG&E and KU customers is that our energy is supplied primarily from fossil fuels. Fossil fuel pollution and climate change are recognized,

serious threats to public health and safety. We must have rate structures that do not feed these threats. Rate structures must encourage, not discourage, energy conservation, energy efficiency, and investments in distributed energy resources, like rooftop solar and battery storage. These investments not only protect our health and climate, but increase grid resilience by reducing load, and survivability of homes during extreme temperatures.

LG&E and KU's applications for a rate increase of an average - *not a total* - of 11.5%. LG&E and KU are requesting residential rate increases averaging 11.8%, but this appears to be just the beginning. These proposals do not include cost recovery for the \$900 million+ gas plant that was approved in 2023 or any of the \$3.7 billion in new gas plants and other infrastructure proposed to the Commission in case no. 2025-00045. The current requests also include increases to the mandatory "meter charge" or "basic service charge", a regressive practice that especially harms low-income customers and reduces the benefits of conservation.

The Companies are also requesting to recover the costs of installing AMI "smart" meters, even though the Companies keep the savings from reduced labor costs AND earn a return of 10.9% for their shareholders.

The proposal devalues rooftop solar by changing net metering rates (rooftop solar), a proposed reduction from ~\$0.075/KWhr to ~\$0.038/KWhr. This change would impact many existing rooftop solar owners who made the decision to buy solar under the expectation of \$0.075/KWhr compensation. The companies want to make more profit for their shareholders through big investments in large-scale power plants instead of allowing us to make the smartest choices for our homes.

The companies have proposed a "large-load tariff" to try and determine who pays for new energy infrastructure built for specific industrial purposes (ie. when a new data center is proposed and they want to build a whole new gas plant to power it). The tariff is only proposed for "extremely large loads" and would not offer enough protection for residential and small business ratepayers. We need strong protections, now! Not after new gas plants are built.

Finally, LG&E and KU are asking for more money to maintain the grid and clean up after storm damage. However, they are failing to acknowledge the role that their bad investments in fossil fuels are playing in fueling increased extreme weather. Plus, they want to treat basic grid maintenance like an investment and earn a 10.9% return for their shareholders, instead of handling weather-related repairs as part of normal operations.

We need to ensure that utility rates remain affordable, that utility companies make significant efforts to reduce customer bills with energy efficiency programs, that there is equitable access to efficiency programs and renewables, and that rates encourage conservation and investments that protect the health and safety of all Kentuckians.

LG&E and KU should be investing directly in Kentuckians through energy efficiency, demand-side management and inclusive financing. They should be exploring innovative ways to lower demand and our power bills through innovative technologies, like virtual power plants. Utilities should be looking internally at where they can cut costs before asking hardworking Kentuckians to scrape up more money for their electric bills at a time when the cost of living is skyrocketing and wages are stagnant. The utilities should clearly analyze the impacts a rate increase would impose on affordability and equity. Several states have enacted legislation to require or explicitly authorize utility regulators to consider equity, for all decision-making or for specific types of decisions. For example, the Illinois Climate and Equitable Jobs Act requires their utility regulator to conduct a comprehensive study assessing low-income discount rates for utilities, ultimately allowing the commission to authorize low-income discount rates. Several other states have adopted rules for the consideration of how to best provide equity, minimize impacts, and prioritize benefits to disproportionately impacted communities (Grid Modernization Laboratory Consortium, 2021). We should take note of these other state's plans for addressing affordability and energy insecurity. We should also be asking the utilities to clearly analyze how price signals will impact customer adoption of energy efficiency measures listed in their Demand Side Management program, adoption of rooftop solar, and adoption of electric vehicles.

LG&E and KU customers need healthy, safe, resilient homes with affordable electric bills. Raising rates will do nothing to ensure that customers have more reliable electricity if we allow LG&E and KU to continue to pass along the costs of their bad decisions and poor planning. If approved, residential rates will have gone up 40% and meter fees 81% in the past 10 years. Small Commercial rates will have gone up 41% and meter fees 86%. The Commission should deny the proposed rate increases and order LG&E and KU to make smart, long-term plans for the future that prioritize demand side management, energy efficiency programs that benefit low-income customers, and distributed renewable energy resources (like rooftop solar and battery storage) that will protect our health and climate and make the grid and our homes more resilient.

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