

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AN ADJUSTMENT OF ITS) CASE NO: 2014-00371
ELECTRIC RATES)

**DIRECT TESTIMONY OF MALCOLM J. RATCHFORD ON BEHALF OF
COMMUNITY ACTION COUNCIL FOR LEXINGTON-FAYETTE,
BOURBON, HARRISON, AND NICHOLAS COUNTIES, INC.**

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Comes the Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. (hereinafter "CAC"), by counsel, and hereby tenders the pre-filed Direct Testimony of Malcolm J. Ratchford in support of its position in this matter.

Respectfully submitted,



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COUNSEL FOR CAC

Q: Please indicate your name, address and describe your current position and professional background.

A: My name is Malcolm J. Ratchford and I have served as Executive Director of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. ("CAC") since 2013. CAC operates 32 neighborhood and community centers, child development centers in six counties, and Administrative and Support Services offices located at 710 W. High Street in Lexington, Kentucky.

I have worked in the Community Action Network for a total of 18 years. Before my appointment as Executive Director, I held the position of Senior Manager for Neighborhood and Community Services for CAC. In that position, I implemented self-sufficiency programs for the low-income populations of the areas we serve.

I graduated from the University of Kentucky with a Masters degree in Family Studies, Early Childhood Education and hold a Bachelors degree in History Pre-Law from Talladega College. As Executive Director, I have participated in other cases before the Kentucky Public Service Commission on behalf of utility customers with low-incomes. Based upon my experience at CAC and within the Community Action Network, I am well-informed of the issues and concerns of the low-income populations for which we are advocating in this matter.

Q: Please describe the purpose of your testimony.

A: The purpose of my testimony is to state the position of CAC with respect to the proposed Kentucky Utilities (KU) rate increase and to provide information as to the effectiveness of current and proposed solutions to problems of rate affordability. In summary, we do not believe that a rate increase of 9.57 percent for an average residential electric bill, as currently proposed by Kentucky Utilities, is a reasonable or appropriate expectation for customers with low-incomes

especially as poverty levels remain at near-record high levels. My intent is to demonstrate that a rate increase, as proposed, will have a crippling effect on the low-income customers within KU's territory. I will also raise questions regarding the proposed customer charge and its negative effect on low-income customers due to higher monthly utility bills and the lack of incentive to conserve energy.

My testimony will provide a perspective that represents issues that should be given full consideration in rendering a decision on this case. I am an advocate on behalf of customers with low-incomes. CAC is a low-income services, development, and advocacy organization.

Q: Please describe the organization of Community Action Council and give a brief description of its activities.

A: CAC was established in 1965 as a not-for-profit community action agency of the Commonwealth of Kentucky. CAC is the designated community action agency for Lexington-Fayette, Bourbon, Harrison, and Nicholas counties in Central Kentucky. The Council's governance includes a Board of Directors representing low-income, public, and private sectors of the community. Its mission states "Community Action Council prevents, reduces and eliminates poverty among individuals, families and communities through direct services and advocacy."

Approximately 280 employees operate and administer CAC's primary programs and services including:

- self-sufficiency
- child development
- homeless programs
- volunteer programs
- youth development
- transportation services
- clothing bank
- housing
- energy assistance and conservation programs

- emergency assistance
- community outreach and referrals.

Although CAC's core service territory includes Lexington-Fayette, Bourbon, Harrison and Nicholas counties, CAC also provides services in other Kentucky counties. For example, CAC administers the WinterCare Energy Fund providing services across most of the state; child development services extend into Scott and Madison counties; and the Retired and Senior Volunteer Program extends into Jessamine County. The Columbia Gas Energy Assistance Program and WarmWise program and Kentucky Utilities' Home Energy Assistance Program each provide services throughout the service territory of their respective utilities.

CAC is uniquely positioned to speak on behalf of low-income populations with utility-related problems as staff members have extensive contact with and knowledge of this population. Additionally, CAC staff members are able to help participants access other CAC assistance programs as well as other community resources to address the multiple obstacles and barriers that most households with low-income face. This comprehensive approach provides greater stability and self-sufficiency to these households, supporting a family's ability to afford necessities such as utility service.

CAC is a member of Community Action Kentucky (CAK), a membership organization that represents Kentucky's 23 community action agencies throughout the state. While CAK has not intervened in this case, as a member of the organization CAC is able to communicate regularly and as needed to discuss matters impacting customers with low-income served by other community action organizations, and thus, representing a broader geographic area.

Q: Please describe in detail CAC's programs and services, especially those which partner with public utilities.

A: CAC creates opportunities for individuals and families to become self-sufficient members of the community, and serves the low-income population through advocacy, service delivery and community involvement.

CAC operates **Head Start**, **Early Head Start** and **Migrant Head Start** child development programs that have been recognized nationally. The organization also operates several housing programs, including five **Continuum of Care** projects funded by the Department for Housing and Urban Development. These projects help homeless families reconstruct their lives by working with the families to determine and address the causes of homelessness. Another housing program offered is **Tenant Based Rental Assistance (TBRA)**, which provides rental assistance to Section 8-eligible households throughout CAC's service area.

To support economic independence, CAC offers a **Financial Fitness** consumer education program that provides training on financial management and offers families the chance to save for a home, small business or higher education. CAC's **PREPared Workshops** offer participants training in job readiness and workplace communication. Also, each year CAC provides tax preparation and education for thousands of households on the **Earned Income Tax Credit (EITC)** and how to obtain the benefit.

Other programs include senior volunteerism projects **Retired and Senior Volunteer Program (RSVP)** and the **Foster Grandparents Program (FGP)**. CAC also operates a number of utility assistance programs in partnership with local utilities, public and private funding sources, and other community action agencies across the state. These programs are described below.

In 1983, CAC initiated, with Kentucky Utilities, the establishment of the **WinterCare Energy Fund**. CAC has provided administrative services, financial management and marketing support for the Fund since that time. CAC has also managed the federal **LIHEAP** program

(Low-Income Home Energy Assistance Program) serving low-income customers in Fayette, Bourbon, Harrison, and Nicholas counties since its inception.

Since 1978, CAC has operated the Federal **Weatherization Assistance Program** designed to help low-income individuals and families conserve energy. Weatherization services include caulking, weather-stripping, replacement of thresholds and door sweeps, re-glazing windows and replacing broken glass, outside wall repair, minor roof repair, attic insulating, repairing and replacing skirting around the foundation, under-floor insulation including wrapping pipes and insulating heat ducts, venting the attic and crawl spaces, and repairing or replacing heating equipment and venting systems. CAC operates several additional weatherization and furnace replacement programs including Kentucky Utilities' **WeCare** and Columbia Gas of Kentucky's **WarmWise** high-efficiency furnace replacement program for their customers with low-income.

CAC administers a utility-funded energy subsidy program serving 2,000 low-income households in partnership with the **Columbia Gas of Kentucky Energy Assistance Program (EAP)** and the network of community action agencies serving the Columbia Gas service territory.

CAC implemented and administers the **Kentucky Utilities Home Energy Assistance (HEA) Program**, which serves 2,600 KU customers whose primary heat source is KU electricity by providing regular monthly subsidies throughout the winter and summer peak usage months.

Q: Are there initiatives in which CAC partners with KU or LG&E? Please discuss.

A: CAC operates the WeCare demand side management program for low-income residential KU customers in its core counties providing intake, energy audits, and installation of weatherization measures.

As described above, CAC also partners with KU on the Home Energy Assistance program that provides monthly subsidies for eligible low-income customers during peak heating and cooling months.

CAC administers contributions from KU customers and matching corporate funds from KU for WinterCare energy assistance. The funds are available throughout the KU service territory through the community action agency network.

Also, CAC and Kentucky Utilities annually co-sponsor the Winterblitz event in Lexington, which provides minimal weatherization measures in low-income homes. The Winterblitz program recruits and trains volunteers who then install low-impact weatherization measures for low-income individuals and families.

Q: Please describe the low-income population in the Kentucky Utilities service territory.

A: Based on 2013 five (5) year estimates from the American Community Survey – the most recent county-level poverty data available – the following chart provides poverty status by county for KU service counties in Kentucky. The chart is in alphabetical order by county.

Poverty Status of Kentucky Utilities Service Counties			
County	Number of KU Customers	Percent of Poverty	Number of KU Customers Living in Poverty
ADAIR	1,993	19.1%	381
ANDERSON	5,659	11.3%	639
BALLARD	1,854	14.4%	267
BARREN	1,086	20.8%	226
BATH	2,003	28.0%	561
BELL	11,061	33.5%	3,705

BOURBON	4,421	17.2%	760
BOYLE	9,091	18.3%	1,664
BRACKEN	2,141	16.8%	360
BULLITT	598	10.2%	61
CALDWELL	1,043	21.4%	223
CAMPBELL	467	13.0%	61
CARLISLE	13	16.2%	2
CARROLL	2,923	29.9%	874
CASEY	1,300	26.8%	348
CHRISTIAN	712	20.5%	146
CLARK	11,754	15.4%	1,810
CLAY	1,490	37.7%	562
CRITTENDEN	2,143	20.8%	446
DAVISS	1	15.2%	-
EDMONSON	19	16.1%	3
ESTILL	2,467	27.2%	671
FAYETTE	126,312	18.9%	23,873
FLEMING	1,639	22.2%	364
FRANKLIN	2,576	16.6%	428
FULTON	21	22.2%	5
GALLATIN	1,177	20.7%	244
GARRARD	3,186	19.1%	609
GRANT	196	18.0%	35

GRAYSON	2,699	23.3%	629
GREEN	1,054	21.9%	231
HARDIN	17,373	15.8%	2,745
HARLAN	11,059	31.3%	3,461
HARRISON	3,147	23.1%	727
HART	2,891	26.6%	769
HENDERSON	2,379	17.7%	421
HENRY	3,307	17.1%	565
HICKMAN	724	18.3%	132
HOPKINS	9,923	18.8%	1,866
JESSAMINE	4,206	16.9%	711
KNOX	2,704	34.7%	938
LARUE	2,490	16.9%	421
LAUREL	8,902	21.8%	1,941
LEE	563	37.2%	209
LINCOLN	3,256	25.4%	827
LIVINGSTON	410	16.9%	69
LYON	2,072	16.8%	348
MADISON	19,381	16.2%	3,140
MARION	3,329	30.3%	1,009
MASON	5,516	18.8%	1,037
MCCRACKEN	758	21.4%	162
MCCREARY	1,388	17.0%	236

MCLEAN	1,966	19.3%	379
MERCER	6,452	16.8%	1,084
MONTGOMERY	7,214	25.0%	1,804
MUHLENBERG	11,136	20.4%	2,272
NELSON	2,754	18.2%	501
NICHOLAS	1,457	16.0%	233
OHIO	3,831	19.7%	755
OLDHAM	5,561	6.8%	378
OWEN	1,596	16.2%	259
PENDLETON	687	15.6%	107
PULASKI	8,059	23.3%	1,878
ROBERTSON	279	22.8%	64
ROCKCASTLE	2,383	25.5%	608
ROWAN	3,991	28.6%	1,141
RUSSELL	2,126	27.3%	580
SCOTT	16,778	12.4%	2,080
SHELBY	10,934	12.4%	1,356
SPENCER	1,648	7.7%	127
TAYLOR	3,505	21.7%	761
TRIMBLE	1,164	17.2%	200
UNION	4,335	25.7%	1,114
WASHINGTON	1,499	14.2%	213
WEBSTER	2,101	14.8%	311

WHITLEY	2,910	26.0%	757
WOODFORD	10,211	11.6%	1,184
TOTAL RESIDENTIAL CUSTOMERS - KY	423,454	19.4%	82,068

Many of these counties report some of the *highest poverty rates* in Kentucky. *Thirty-four counties – nearly half of the counties served by KU – report poverty rates above 20%*, a rate that the Census Bureau defines as *extremely high*.

The Census Bureau uses income and family size as the basis for determining poverty. Poverty and need affordability illustrates the economic equation of income versus the ability to afford the basic needs of a family. *By definition, families with incomes at or below the poverty line cannot meet their basic needs.*

Focusing on current energy affordability, thousands of families already cannot meet their basic energy needs as evidenced by the data below from CAC’s energy assistance programs in Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties administered by CAC. Between November 2014 and February 25, 2015, CAC completed 11,152 energy assistance applications, paying out \$1,738,045.52 in energy assistance. During this same time, CAC paid Kentucky Utilities \$900,671.71 to help KU customers with low-incomes keep electricity coming into their homes.

This data effectively highlights the challenges families with low-incomes already face in meeting their basic needs. For a senior citizen on a fixed income, utility service is not only a basic need, it is a survival need. With more money needed for utilities, there is less for other basic needs like food, housing, medication, etc. These demands stretch a family’s resources beyond what can be sustained. The energy assistance needs cited above represent the *current situation* (based on current KU rates). With the proposed rate increase, the affordability gap will

greatly widen, especially when accounting for recently approved increases in other utility rates such as water and gas.

Q: Describe other challenges faced by customers with low-incomes.

A: *Unemployment rates:*

Currently, Kentucky is ranked 28th among all states with an unemployment rate at 5.7 percent. Kentucky's rate is higher than the national average at 5.6 percent. While less people are currently unemployed than at any time since 2008, those living in persistent poverty still have difficulty earning enough money to meet their essential needs. The people who are, and continue to be unemployed, struggle to pay necessary bills, including electricity bills.

Food security:

Food security is an issue that impacts many families. According to the United States Department of Agriculture Economic Research Service (USDA ERS), 14.3 percent of households in America reported having low or very low food security in 2013. This means that nearly 17.5 million households in America lacked the resources to access enough healthy and nutritious foods for all members of the family to enjoy an active and healthy life. 5.6 percent of American households reported very low food security, meaning that the normal eating habits of at least one member of the household were disrupted or reduced due to lack of resources. In other words, at least one member of 6.8 million American households went hungry at some point in 2013 because he or she could not access the food needed. In Kentucky, the picture of food insecurity is even more harrowing. In 2013, 16.4 percent of all households in Kentucky reported low or very low food security. 6.7 percent of Kentucky households reported very low food security meaning that at least one member experienced hunger at some point during the year.

Families with low-income may face a number of barriers in providing enough food to feed their families, such as lack of access to transportation, distance to food retailers, and rising

food costs. “Food desert” is a term that refers to a geographical area, often in rural or poorer urban neighborhoods, where the quality and quantity of nutritional food items are limited or are available but likely unaffordable for at least some members of the community. For rural communities, this may mean that households must travel 10 or more miles to the nearest food retailer, while those in low-income urban areas must travel one or more miles. For those that lack safe and reliable transportation, this distance can create a significant hardship.

The rising cost of food is a reality for us all, but for households with low-income, the increased cost of food is a very serious burden. According to the federal Bureau of Labor Statistics, one pound of ground beef has increased 20.4 percent in the last two years, while many families have not seen a rise in their income to offset this increase.

Health Insurance:

The cost of healthcare is a significant barrier for many families with low-income. Under the Patient Protection and Affordable Care Act, individuals and families with low income between 100 and 400 percent of the federal poverty level purchasing health insurance through a health care exchange (health plan that is standardized and state-regulated) will be eligible for a federal subsidy. While having access to appropriate health care providers is important, many families with low-income forego care due to financial constraints. Families with low-income that choose a basic or Bronze level health insurance plan may be required to pay approximately \$50 per month in premiums for a family of four. While this may be affordable for some, the out-of-pocket expenses associated with such plans are not. Families may be required to spend as much as \$13,200 in out-of-pocket costs each year. For many families faced with increasingly difficult decisions about how and where to spend their hard earned dollars, the cost of health care presents a burden.

The alternative to health care costs is also costly. Those who choose not to purchase health insurance coverage may be forced to pay a penalty. For example, families that did not have health coverage in 2014 could have been assessed a penalty of 1.0 percent of household income or \$95 per person (a maximum of \$285 per family), whichever was greater. Families without health insurance coverage in 2015 will owe the greater of 2.0 percent of annual household income or \$325 per person (maximum of \$975 per family.) The cost per person is a 242.1 percent increase from 2014 to 2015. In 2016, the costs will be even higher. Families that opt out of health coverage will face a 2.5 percent of annual income or \$695 per person penalty.

Education & Child Care:

The high costs of education and child care substantially affect many families, especially low-income families. The cost of early childhood and post-secondary education has risen nearly three-fold since the 1980s. The cost of early childhood education, or child care, in Kentucky is nearly \$6,594 per year, a rate almost comparable to the average undergraduate tuition of most in-state colleges at \$7,963 per year. For many families, these costs are too high.

In 2013, the Kentucky legislature cut one of the most critical programs for families with low-income: the Child Care Assistance Program (CCAP). CCAP helps families with low-income by providing access to quality child care so that parents have the opportunity to work and/or attend education and training programs. The decision in 2013 to freeze enrollments and lower the income guidelines for eligibility was devastating for many Kentucky families. At the time of announcement, it was estimated that 8,700 families and 20,000 children from across the Commonwealth would be immediately affected by these cuts. While income eligibility guidelines will be restored in Fiscal Year 2016 to what they were prior to 2013, thousands of families have been forced to make hard choices in the intervening years.

The discussion of the aforementioned challenges faced by low-income customers is not intended to draw any direct connection between a potential increase in the KU rate but to show how this increase coupled with other expenses can and will affect families with low-income in complex ways.

Q: Please describe how the proposed rate increase will affect people with low-income.

A: In response to data requests, KU reported 423,454 customers in 77 Kentucky counties. Using the 2013 five (5) year estimate poverty rates by county (see above); CAC has calculated that 82,068 of current KU customers have poverty level incomes. This represents **19.4 percent** of all KU customers.

As the chart below documents, the cumulative effect of the proposed KU increase of \$132.12 annually per household ($\$11.01 \text{ monthly} * 82,068 * 12 \text{ months}$) is to charge **\$10,842,824.16 more** each year to households with incomes at or below the poverty line.

# of Households with Incomes Below the Poverty Line	Proposed Annual Rate Increase Per Household	KU Cost to Households Living in Poverty
82,068	\$132.12	\$10,842,824.16

It is important to consider the context of these numbers. These 82,068 households have incomes *below basic survival needs* (housing, food, etc.). These households will now be expected to collectively find an additional \$10,842,824.16 to maintain an essential service: electricity. With many customers turning to energy assistance programs or simply not able to pay these higher bills, the Company is likely to see increased disconnections for nonpayment and uncollectible arrearages, thus impacting the overall costs to all customers.

In response to supplemental data requests from the Sierra Club, KU stated that 28,031 of its residential customers received assistance from a third party agency in 2013. With 82,068 families living at or below the poverty line, current energy assistance resources do not meet the

need. A 9.57% residential rate increase, as proposed, will result in an even greater number of persons seeking assistance.

This rate increase will have a devastating impact on the poor, those with already limited resources. If the energy affordability gap continues to widen as a result of the outcome of this case, families will be forced to make choices about which basic needs they can afford. Families are already struggling to make ends meet. Many have to make difficult choices between food, housing, medicine and other necessities. With a rate increase of this magnitude, the ability of these families to afford their basic needs will significantly deteriorate. The added stress of further stretching limited resources becomes an increasing barrier to economic opportunity and self-sufficiency. For those who have made some strides in increasing their incomes, many will be forced backwards in their efforts to meet the basic needs of their families. This rate increase will not only devastate poor households but it will also overwhelm those energy assistance agencies trying to keep these households from losing their homes to foreclosure and their apartments to eviction.

Q: Please describe how the proposed basic service charge increase will affect people with low-income.

A: The proposed basic service charge increase from \$10.75 per month to \$18.00 per month accounts for a large percentage of the proposed rate increase and will greatly add to its crippling effects on low-income customers. From 2009 until 2014, the basic service charge for customers increased from \$5.00 to \$10.75 per month. That amounts to a gradual increase of \$5.75 over the course of 5 years. The KU proposal to increase the basic service charge to \$18.00 per month would be a \$7.25 increase in just 1 year, which is a 40% increase from 2014. KU provided the monthly basic service charges for the years 2009 – 2014 in response to data requests:

Year	Monthly Basic Service Charge
2009	\$5.00
2010 (Jan-Jul)	\$5.00
2010 (Aug-Dec)	\$8.50
2011	\$8.50
2012	\$8.50
2013	\$10.75
2014	\$10.75
Proposed Charge	\$18.00

Such an unacceptably large and immediate increase in the basic service charge from \$10.75 to \$18.00 will be offensive to most all residential customers, but will be particularly onerous on low-income customers. And because the proposed basic service charge increase is so great, there is far less incentive for customers to conserve energy.

A low-income customer, who is forced to make difficult decisions about how to utilize sparse monies for basic needs, is less able to adjust his/her habits in order to affect the amount of a utility bill with such a large increase in the basic service charge. The proposed increase in the basic service charge to \$18.00 will penalize low-income seniors and other low-income customers by limiting their ability to control their bills through decreased usage and energy efficiency, thereby exacerbating their financial strains and discouraging energy conservation.

Q: Are resources for energy assistance sufficient to meet the needs of the population in the Kentucky Utilities service territory? Please discuss.

A: No, resources are not sufficient to meet the needs of the population. Federal LIHEAP funding to the state has been highly variable and Congressional support varies annually. The WinterCare Energy Fund, while showing some growth in revenue due to increased Company contributions, remains inadequate to bridge the gap between public assistance programs and actual need.

There continues to be a significant gap between the cost of utility service and the ability of the elderly, the working poor, and other low-income households to pay. Current energy assistance initiatives within the Kentucky Utilities area do not come close to addressing this gap. Each year, CAC is forced to turn away hundreds of families who urgently need energy assistance for lack of available funds.

Q: Is the Company's HEA subsidy program, operated in partnership with CAC, still an effective means for reducing the affordability gap? Why or why not?

A: In 2013, the HEA Subsidy amount was increased to \$88 per customer per month during the 7 peak months designated in the program. While this has been helpful to HEA participants, it has not been sufficient to ease the burden of utility costs for low-income customers.

As noted in the Company's response to data requests, the average monthly invoice in 2009 was \$87.84, and by 2014 that average had increased to \$118.72. The increase of \$30.88 in just 5 years nearly accounts for the \$44.00 increase in the subsidy amount per customer in 2013. In the event of a rate increase as proposed, an HEA subsidy that remains stagnant would make even less of an impact on the financial strain felt by low-income customers.

Additionally, the wait-list for low-income people seeking an HEA subsidy is substantial. As of February 26, 2015, over 1,108 eligible people were on the HEA subsidy wait-list for the CAC service territory. This demonstrates a great need for the HEA program to serve more participants.

Q: What do you propose as a solution in this case?

A: While CAC would prefer, from the perspective of customers with low-income, that the Commission reject KU's request in its entirety, it recognizes KU's right to receive a fair and reasonable return. Acknowledging the likelihood that some level of increase will be accepted, CAC asks the Commission to approve the lowest possible rate increase in order to avoid placing additional burden on families with low-income. Customers with low-income are already unable to meet minimum financial needs for basic services like food and medicine. Continuing to widen the affordability gap will place thousands of Kentuckians at risk of illness and death from exposure to extreme temperatures as shutoffs increase.

For the same reasons, CAC also urges the Commission to approve a lower basic service charge increase. While we understand the necessity of the basic service charge to support KU's operations, such a large, immediate increase poses a heavy burden on low-income customers who are faced not only with the prospect of a high energy bill, but also with a decreased ability to meaningfully impact their monthly bills.

In order to reduce the burden placed on families with low-income, CAC requests that KU increase the winter and summer monthly subsidy amounts and the number of customers served in the HEA program. This would allow those most vulnerable, including the elderly, those with disabilities, and families with children, to more effectively manage their heating and cooling costs. It would also serve to diminish the long wait-list of eligible customers seeking HEA subsidies.

Q: In summary, please state your position regarding KU's proposal for an increase in its electric rate?

CAC appreciates the efforts made by KU to assist its low-income customers and its efforts at keeping open communication with CAC. Significant KU shareholder contributions to

Wintercare, the installment plans afforded for the harsh winter of 2014, the FLEX program, waiver of late payment charges for customers who have pledges of assistance from CAC, and the increased per meter charge for HEA are noteworthy. However, the rate increase which KU seeks is too high and will negatively affect the ability of customers with low-income to pay for essential services. CAC urges a substantial reduction in the amount of any approved increase from the increase proposed. CAC also urges the Commission to disapprove KU's proposed substantial increase in its basic service charge. Where any increase cannot be avoided, CAC urges, at a minimum, increases in the amounts of the monthly subsidies in the HEA program and the number served, to prevent thousands of customers from being unable to afford their monthly bills.

CERTIFICATE OF SERVICE

I hereby certify that CAC's March 4, 2015 electronic filing, Direct Testimony of Malcolm J. Ratchford On Behalf of CAC, is a true and accurate copy of the document being filed in paper medium; that the electronic filing has been transmitted to the Commission on March 4, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; that an original and one copy of the filing is being filed at the Commission on March 4, 2015 and that on this date electronic mail notification of the electronic filing will be provided to the following:

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