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PUBLIC SERVICE COMMISSION

FAX

TO: Kentucky Public Service Commission

FAX # 502-564-3460

FROM Appalshop Inc

FAX # (606)633-1009 PHONE # (606) 633-0108

DATE: 11/13/17 PAGE NO. 1 OF 2

COMMENTS: Please find attached
letter.

The

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PUBLIC SERVICE
COMMISSION

Kentucky Public Service Commission
PO Box 615
Frankfort, KY 40602
Fax: 502-564-3460
Email: psc.info@ky.gov

RE: Case number 2017-00179

We are writing on behalf of Appalshop, Inc., our local and regional partners, and citizens affected by the rate increase proposal of AEP. Appalshop, Inc. is located in Whitesburg, Kentucky and was founded nearly 50 years ago. Located in the heart of the central Appalachian coalfields, Appalshop houses media production and training facilities in film and video, a community radio station, a 150-seat theater, art gallery, and regional archive of over 4000 hours of film, audio recordings, and still images. Appalshop is a private, non-profit organization (designated as a 501(c) 3 organization by the IRS) supported with funds from public agencies, foundations, corporations, and individual donors.

We are writing due to our deep concern regarding the impact of the proposed AEP rate increase on our organization, as well as the local, regional community, and economy at large. In recent years, fundraising for non-profit organizations has become a challenging and competitive venture, requiring us to make budget cuts to even the most essential programming. We adhere to tight budgets and conservative spending, thus we have analyzed how the AEP proposal will increase our utility bills and find the proposal disconcerting and financially troubling to us. Each year, Appalshop contributes between \$1.5 to \$2 million into the local economy through salaries and programming. To absorb these potential increases, Appalshop would have to make difficult decisions, impacting not only the organization but also the region, as we prioritize staffing and programming moving forward.

As a long-standing local non-profit, we are also concerned for our regional partners and citizens. Eastern Kentucky, and especially coal communities, is suffering from years of economic decline, resulting in increased unemployment, and difficult economic decisions for everyone. The AEP proposal is a deep cut to an already hurting economy. Monthly bills will soar, and to our many citizens who live on fixed incomes, it will become unbearable. AEP's utility bills are already unacceptably high; this proposal will undercut recent efforts to stabilize and improve regional economies.

The Kentucky Public Service Commission must ensure that AEP's rates are fair and necessary, and that they do not unfairly hurt the people, organizations, and businesses of Eastern Kentucky. **It is our strong recommendation that AEP's rate increase proposal is rejected.**

We thank you for your consideration and strong attention and deliberation to this concern.

Regards,

A handwritten signature in black ink that reads "Daryl Royse".

Daryl Royse

Financial Director, Appalshop

APPALSHOP; 91 Madison Avenue, Whitesburg, KY 41858
Phone (606) 633-0108 - FAX (606) 633-1009 - www.appalshop.org - info@appalshop.org
Appalshop Archive, Appalshop Films, Roadside Theater, Community Media Initiative, Appalachian Media Institute
Traditional Music, WMMT-FM, June Appal Recordings