



HAZARD-PERRY COUNTY ECONOMIC DEVELOPMENT ALLIANCE

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PUBLIC SERVICE
COMMISSION

Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Case number 2017-00179

Dear Public Service Commissioners,

This letter is in support of the KPEGG Program currently available through AEP Kentucky Power.

First, let me set the stage:

1. The downturn in the coal industry has devastated the economy in eastern Kentucky.
2. City and county governments in eastern Kentucky have diminishing funds for their operating budget much less funds to promote economic development.
3. Private funds from various sources, including AEP Kentucky Power, have been used to create a 9-county regional effort to market eastern Kentucky and recruit industries to the region called One East Kentucky. This regional effort has provided more funds to hire an experienced Economic Developer to guide the organization.
4. Few areas in eastern Kentucky have an Economic Developer in their communities to have their areas ready when One East Kentucky brings an industry to visit.

In my opinion, Kentucky Power has tried to fill the gap for eastern Kentucky by being the glue to hold the economic development efforts together. With their current program funded by electric customers of a mere 15 cents per month matched by AEP Kentucky Power shareholders, everyone makes an investment in rebuilding the economy. This is probably the fairest way to collect funds across the board. As for raising the 15 cents to 25 cents, basically \$1.80 to \$3.00 per customer annually, even the people on a very strict budget will not likely feel the effect of the increase.

I am the Executive Director for the Hazard-Perry County Economic Development Alliance (HPCEDA). HPCEDA hired me as the first ever full-time economic developer in Hazard and Perry County. Our organization is a group of businesses and elected officials who took the initiative to invest their time and resources because local governments did not have the funds to make the hire. (The Mayor of Hazard and the County Judge Executive are members of my board of directors.)

We are marketing our area as "open for business," and we are positioning our area to compete for industries looking to expand and/or relocate to bring jobs to our people. We are concentrating on Hazard and Perry County but we also are here to assist our neighboring areas – a rising tide floats all boats. The addition of jobs anywhere within an hour drive will help our economy by employing our friends and neighbors.

AEP Kentucky Power is one of our major investors in HPCEDA which allows us to do this work. They have also supported the Coalfields Regional Industrial Park by granting funds to help our industrial park put its best foot forward in beautification, landscaping and signage upgrades. We are competing with other areas of Kentucky as well as other states.

I really don't know what would happen if this program with AEP Kentucky Power went away. They see the need to support building the local economy in eastern Kentucky and they have the clout to get the work done by matching funds collected in a very fair way for all to share in the investment in our future. AEP Kentucky Power's investing in economic development is helping to create jobs and more customers which will help control the costs for everyone.

Thank you,


Tonita Goodwin, Executive Director