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Office of Mayor

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PUBLIC SERVICE COMMISSION

Kentucky Public Service Commission Gwen R. Pinson, Executive Director P.O. Box 615 211 Sower Boulevard Frankfort, KY 40602-0615

December 19, 2019

Re: Case No. 2019-00271 Electronic Application of Duke Energy Kentucky, Inc. for 1) An adjustment of the Electric Rates;

2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and 4) All Other Required Approvals and Relief

Dear Ms. Pinson:

On behalf of the City of Villa Hills, Kentucky (the "City"), and its council, I am writing to request the Kentucky Public Service Commission (the "Commission") to consider our concerns in light of the above referenced matter. Council entertained the option of intervening in this proceeding, but the expense and commitment of such intervention exceeds council's ultimate intent and hopes that this letter will serve to achieve its purpose.

Villa Hills is a small community of approximately 7500 residents located in Kenton County in Northern Kentucky. One of the services that we provide our residents is the provision of street lights on our roads, primarily for the safety of our residents. Our council and administration have been engaged in conversations with Duke Energy for over a year now for an LED street light replacement program. Last fiscal year, the city paid over \$60,000 a year in electric and associated regulatory fees and taxes related solely to the provision of street lights throughout the city. Our council has expressed a desire to reduce its electric consumption while improving the raw light output throughout the city with a conversion of existing street lights to LED. We have estimated that the city could experience rate savings of approximately 75% or better under and LED replacement effort.

The City has approached Duke Energy ("Duke") numerous times requesting options and rates for a light replacement program, but those talks have yielded no real options and only exorbitant costs for replacement. The concern is that Duke's only real option is for removal and replacement of all our

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existing light poles at a cost of over \$470,000. If that option was chosen, the City would still pay approximately \$10,000 or more in electric rates, excluding fees and taxes. We have been informed that a straight replacement of existing light bulbs in the current street light structure runs the risk of either not working at all, depending on the structure in place today, or in the event that the LED light would work, cause a degradation of the light socket itself that will require replacement in time. Duke offers no retro-fit option that would maintain the existing street light structures while replacing only a full removal and replacement of the entire City's in-place street lights with new street lights structures at a cost of over \$470,000.

Council finds it hard to believe that in today's highly technological age that a retro fit option isn't available to replace now antiquated light systems in the street lights of our city. Council has attempted to initiate a green policy throughout its purchases and practices city-wide and believes a LED street light replacement program benefits our citizens from a safety standpoint as well as a significant electric savings.

The City comes before this Commission at this time to request that it use the above referenced rate proceeding to investigate, require and approve a LED street light program that allows cities to improve safety while reducing their carbon footprint through substantial electric. Savings. I'm sure the Commission understands the ripple effect such a program would have across the entire Commonwealth and the electric consumption savings to be realized through such a program. It is in the best interests of the Commonwealth, the 120 counties, and the hundreds of cities that such a program can be initiated. Villa Hills council urges the Commission to consider such a revamping of the street light program and pricing during this current rate proceeding.

On behalf of the citizens and council of the City of Villa Hills, we appreciate your consideration in this matter.

Sincerely,

Heather Jansen Mayor, City of Villa Hills

Cc: Rocco O. D'Ascenzo and Debbie Gates Duke Energy 139 East Fourth Street Cincinnati, Ohio 45201

> Kent Chandler' Asst. Attorney General Office of the Attorney General Office of Rates 70 Capital Avenue, Suite 20 Frankfort, KY 40601-8204

William Don Wathern, Jr. Dir. Of Rates & Reg. Strategy Duke Energy Kentucky, Inc. 139 East Fourth Street Cincinnati, OH 45201