

August 3, 2023

RECEIVED

Public Service Commission Hearing Comments

AUG 03 2023

Mr. Chairman,

PUBLIC SERVICE
COMMISSION

Thank you for coming to Harlan County to hear our comments about case, 2022-00402, in which Louisville Gas and Electric and Kentucky Utilities (LG&E/KU) companies request to retire four coal-fired electric generating units and three natural gas simple cycle units.

I am Dan Mosley, Harlan County Judge/Executive. I am here tonight to speak in opposition of this case and respectfully request that the plan submitted be denied.

LG&E/KU's proposal includes replacing the current systems with two natural gas combined cycle facilities, two solar facilities, one battery storage facility, and four solar power purchase agreements. It is my understanding that if approved, the replacement generation would be online between 2026 and 2028 and would cost \$2.09 billion.

I am personally opposed to this plan for several reasons and I would like to explain my position in the next few minutes.

1. I fear this new plan will cost rate payers more money on monthly electric bills. Coal has consistently been the cheapest form of electricity and Kentucky was known for years for having some of the lowest utility rates in the nation. Retiring coal plants and replacing with other sources will negatively impact rates, in my opinion, just as has been the trend since 2013. Since that year, it is a proven fact that 11 coal fired plants have been shutdown and rates have still gone up on ratepayers in Kentucky. Utility companies that argue to close these plants argue that costs will only increase if they don't eliminate these plants. Some of the plant closures that were supposed to save ratepayers money have not since closures occurred from 2013-2022. Over that timeframe, rates have increased as utilities have decreased the use of coal by closing down plants. Also, over that timeframe, 2013 to 2022, Kentucky went from the #3 state for cheapest electricity to #21 . This undoubtedly has caused us to lose industry and added to the complexities of recruiting new industry to our county and region.
2. I have another serious question. Who will pay the \$2.09 billion to do this? That answer is all of us in this room, the ratepayers. As you are aware, our region of this state has been poverty stricken for many many years. Our people, especially those on a fixed income, CAN NOT afford this burden to be added to utility bills. My question as well related to this issue, is the \$2.09 billion cost including the decommissioning or will that be another expense and burden our people would have to pay, just like our neighbors in other parts of Eastern Kentucky are having to do regarding the Kentucky Power Big Sandy Coal plant shutdown? Does the \$2.09 billion account for decommissioning of these plants? Is that going to show up as another fee on ratepayers?

3. I am also seriously concerned about reliability if this plan is approved. We saw rolling blackouts this past winter because the demand for electricity could not be met during sub-zero temperature periods. My concern is that demand will get even higher as we transition to electric vehicles in this nation and without the reliability that coal generation plants provide, this could cause more unannounced rolling blackouts in the future. Rolling blackouts are dangerous, especially to people who depend on electricity for health needs such as oxygen.
4. We mine coal in Harlan County and Eastern and Western Kentucky that provide jobs and a way for people to live the American dream. We should utilize more coal, not less, in our energy portfolio in this state for that simple reason. If old coal fired plants are going to be retired, more new coal fired plants should be built or old plants should be retrofitted. Germany and other countries converted to other sources of energy and are now converting back to coal because the other sources didn't keep up with demand. China is building a record number of coal fired plants because it's reliable and cost efficient.

Our state and nation should learn from what others are doing and not turn away from coal, that provides energy in a cost effective way that is mined by Kentuckians that are living and paying taxes in this state.

Utilities argue that rate increases are necessary because of lost customers in our regions of Eastern and Western Kentucky. They're complicit in that loss by turning away from the very resource that has provided jobs for thousands of people and indirect jobs for thousands more. Utility Companies have become jaded by an agenda to turn away from coal. They've become bright eyed at federal incentives to reduce the carbon footprint. The invisible box utilities have been put in is what I would commonly refer to as extortion.

In this case, we must push back against this notion. We must stand with Kentucky and for Kentucky's people, the ratepayers.

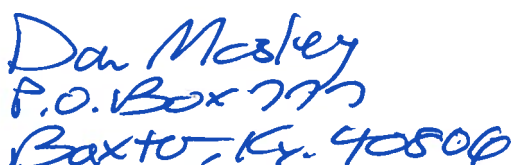
Once again I thank you for your service to this commission, thank you for coming to Harlan County this evening, and humbly ask this plan be rejected once the hearing process concludes.

Thank you and may God bless each of you.



Dan Mosley
Harlan County Judge/Executive

Attachment



Dan Mosley
P.O. Box 777
Baxton, Ky. 40506

KY Electricity and Coal Plant Closure Summary 2013 -2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
KY Coal Production (1,000 tons)										
EKY	39,708	37,332	28,071	16,817	18,146	16,560	13,866	8,361	10,368	12,048
WKY	40,879	39,969	33,424	25,858	23,606	22,665	22,374	15,912	16,296	16,430
Total	80,587	77,301	61,495	42,674	41,752	39,224	36,240	24,273	26,664	28,478
<i>% reduction from 2013 level</i>		-4%	-24%	-47%	-48%	-51%	-55%	-70%	-67%	-65%
										Preliminary EIA Data
<i>(Sources EIA-861, EIA-861M, EIA 923)</i>										
Coal % of Generation Mix	92.8%	92.0%	86.9%	83.2%	78.2%	75.1%	72.0%	68.7%	71.3%	66.6%
Natural Gas % of Generation Mix	1.6%	2.7%	7.1%	10.3%	14.2%	18.5%	21.4%	22.6%	20.8%	26.1%
Solar % of Generation Mix	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%
Hydro/Petroleum/Other % of Generation Mix	5.6%	5.3%	6.0%	6.5%	7.6%	6.3%	6.6%	8.6%	7.8%	7.2%
KY Avg Residential Rates(\$/kWh)	\$0.098	\$0.102	\$0.102	\$0.105	\$0.109	\$0.106	\$0.108	\$0.109	\$0.115	\$0.127
KY Avg Commercial Rates(\$/kWh)	\$0.086	\$0.094	\$0.094	\$0.096	\$0.099	\$0.097	\$0.102	\$0.103	\$0.108	\$0.118
KY Avg Industrial Rates(\$/kWh)	\$0.057	\$0.057	\$0.055	\$0.057	\$0.057	\$0.057	\$0.056	\$0.053	\$0.060	\$0.076
KY Avg Total Elec Rates(\$/kWh)	\$0.077	\$0.082	\$0.081	\$0.084	\$0.086	\$0.085	\$0.086	\$0.086	\$0.091	\$0.105
KY Residential Rank Nationally	8th	8th	8th	9th	9th	8th	9th	10th	16th	17th
KY Commercial Rank Nationally	13th	19th	20th	22nd	22nd	23rd	27th	29th	30th	30th
KY Industrial Rank Nationally	6th	3rd	5th	6th	6th	7th	7th	6th	4th	21st
KY Total Elec Rank Nationally	4th	7th	7th	8th	8th	9th	10th	11th	13th	18th
# of Kentucky Coal Plants	20	19	15	13	12	12	11	10	10	9

