

Association of Community Ministries
10617 Taylorsville Road
Louisville, Kentucky 40299

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PUBLIC SERVICE
COMMISSION

August 17, 2023

Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RE: Case No. 2022-00402 Comments of Association of Community Ministries

Joint Application of KU and LG&E for Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of a Demand Side Management Plan and Approval of Fossil Fuel-Fired Generating Unit Retirements

Dear Chairman Chandler, Vice-Chair Hatton and Commissioner Regan:

The Association of Community Ministries (“ACM”) submits these comments regarding the Income-Qualified Solutions component of LG&E and KU’s proposed Demand-Side Management and Energy Efficiency Program Plan. The purpose of these comments is to state ACM’s support for the Income-Qualified Solutions Program and to offer a suggestion regarding the proposed increase in eligibility to 300% of the federal poverty level for this program.

The Association of Community Ministries is a Kentucky nonprofit charitable corporation comprised of thirteen independent community ministries that administer and distribute emergency assistance funds to low-income LG&E customers who cannot afford their utility bills. Its principal office is located at 10617 Taylorsville Road, Louisville, Kentucky 40299. Each of ACM’s member ministries directly assists LG&E ratepayers who have received disconnection notices by making payments to LG&E sufficient to maintain service for thirty days and also by helping to reconnect customers who have been disconnected.¹ Each year ACM distributes over one million dollars to help LG&E customers with their utility bills.

¹ Each community ministry is a 501(c)(3) nonprofit agency serving a separate portion of the entire Louisville Metro area and works in partnership with Louisville Metro government as well as member churches, faith-based groups and local businesses located in its service area. In addition to assistance with LG&E bills, the ministries help with Louisville Water Company bills, rent and prescription medications. Many provide additional services to those in need including food pantries and clothes closets.

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As a network of agencies working with low-income utility customers, ACM recognizes the vital importance of energy efficiency programs that are accessible to low-income customers. ACM agencies often see clients with high utility bills that the agencies do not have sufficient funds to cover. Our clients cannot afford to maintain service without assistance and do not have the funds to invest in energy efficiency measures to reduce usage. Energy efficiency programs that assist low-income customers to lower their bills can help stretch assistance dollars and reduce the threat of service disconnections for nonpayment.

As a longtime supporter of the Companies' existing Low-Income Weatherization (WeCare) Program, ACM supports the Companies' proposed continuation of WeCare and addition of a Whole-Building Multifamily subcomponent, both of which will be under the new name Income-Qualified Solutions. These programs offer efficiency improvements not available in any of the Companies' other programming at no cost to eligible customers. In ACM's view, the Whole-Building Multifamily subcomponent is an important part of the program, as a large percentage of ACM's clients live in multifamily housing. Further, ACM believes that the proposed increases in the budget and participation goals are warranted as there are many more low-income customers who could benefit from weatherization and increased energy efficiency than the current capacity of the existing WeCare program allows.

With respect to the proposed expansion of eligibility for Income-Qualified Solutions to serve customers who are at or below 300% of the federal poverty level, ACM suggests that the Companies be required to track the income levels of participants on an annual basis and report the aggregate numbers to the Commission, so as to ensure that Income-Qualified Solutions

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continues to mainly serve customers at lower income levels.² Without such tracking, there will be no way for the Companies to know whether or to what extent the addition of higher income participants is starting to limit lower income customers from the opportunity to participate in Income-Qualified Solutions. There is a great difference in the ability of a LIHEAP-eligible customer (currently 150% of the federal poverty level), and a customer at 300% of the federal poverty level to afford energy efficiency measures. For example, the monthly income of a family of four at 150% is \$3,750; for a family of four at 300%, the monthly income is \$7,500.³ Because Income-Qualified Solutions is the only program specifically targeted to low-income ratepayers, ACM would not want to see lower income clients lose the opportunity to participate in these programs. Most of ACM's clients have incomes below 200% of the federal poverty level and are in need of the services that Income-Qualified Solutions can provide. When an ACM agency sees through its LG&E assistance portal that a client is eligible for WeCare, the agency recommends that the client contact LG&E to sign up. A simple annual tracking report would allow the Companies to monitor any trends in participation indicating that lower income customers are being displaced by higher income customers and help them to address any issues in a timely fashion.

Finally, in the Commission's Order approving LG&E and KU's last DSM/EE Program, the Commission stated "LG&E/KU shall continue encouraging participation in programs that

² Prior to the Commission's approval of the Companies' 2019-2025 DSM/EE Plan, eligibility for WeCare was the same as for the Federal Low-Income Home Energy Assistance Program (LIHEAP). See PSC Case No. 2017-00441, Commission Order entered October 5, 2018 at page 5. In that case, the Commission approved an expansion of eligibility for WeCare from 130% of the poverty level, (the LIHEAP eligibility limit at that time) to 200% of the poverty level (the eligibility limit for the Weatherization Assistance Program). Commission Order entered October 5, 2018 at page 30.

³ See <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines> for information about the U.S. Federal Poverty Guidelines including a chart with percentages of the 2023 guidelines.

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help low-income customers to reduce energy consumption, thereby reducing monthly energy bills.”⁴ ACM appreciates both the Commission’s recognition of the importance of programs to assist low-income customers and LG&E/KU’s efforts in that regard through the WeCare Program.

Thank you for the opportunity to comment on this important matter.

Respectfully,



Marion Cummings,
Treasurer, Association of Community Ministries

⁴ PSC Case No. 2017-00441, Commission Order entered October 5, 2018 at page 35.