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Comments made by Suzanne Barker Griffith at the Kentucky PSC Public Comment Meeting, Jan. 8, 2026 at the Ashland Transportation Center, Ashland, KY

Thank you for coming today and listening to the concerns people in NEKY have about Kentucky Power's proposed rate hikes.

This is the third meeting I have attended and the public has spoken in unison that another rate hike is unreasonable and unaffordable. I hope you were listening and will rule accordingly.

Some facts to review; Kentucky Powers sells 48% less KWHs than what they did in 2010, Kentucky Power ratepayers currently pay the highest average bill in the state, use 22% less electricity than they did in 2010, have seen a 74% rise in rates since 2010 while the normal rate of inflation since 2010 is around 50%, and the proposed 14.9% increase will make it a 100% rate increase since 2010.

The rate hike path Kentucky Power is on at close to twice the rate of normal inflation is not sustainable and a correction must be made.

Another large expense as mentioned in case number 2025-00175, separate from the rate hike, that ratepayers will be responsible for is that one of the Mitchell plant's two concrete cooling towers is failing structurally and needs to be reinforced or replaced costing between $350 million to $375 million according to PSC records. That is a lot of money to invest in a coal plant set to be decommissioned in 2040. I would much rather see ratepayer money invested in EKY where it is so desperately needed.

As quoted from the Lexington Herald Leader on this case, "Yet, the PSC was "forced to either permit continued investment in a 54-year-old plant in another state or allow Kentucky Power customers to be at the mercy of a volatile market," PSC Chair Angie Hatton said in a written statement. "Neither option is good for customers, and we are forced to choose the least bad."

Frankly, I am tired of "least bad" decisions and straight up bad decisions that Kentucky Power has made, especially the decommissioning of Big Sandy 2. Our region needs and deserves positive decisions.

Our 606 family can't keep coming back every two to three years for devastating rate hikes that do nothing to attract population, industries, and businesses to our area. Solutions must be found. Economic development is key and this is the one point Cynthia Wiseman, COO of Kentucky Power and I agreed on when we met on Sept. 15.

I left you with homework at the Hazard meeting and I hope you have studied up on it.

The One East Kentucky Plan is vital to economic development in EKY. According to the material, "Since the COVID-19 pandemic, 95% of all new jobs incentivized in Kentucky have been in communities along or west of I-75," says Colby Kirk, President and CEO of **One East Kentucky.** "That leaves only 5% of incentivized job creation in 40 counties in the Eastern part of the state, where 16% of residents live."

The team at One East Kentucky proposes switching to a four-tier model, as opposed to a two-tier model to determine where economic development incentives are most needed. Legislation based on the One East Kentucky proposal will be coming up this session.

I know Kentucky Power has a strong relationship with One East Kentucky. I am asking them to support this legislation and the PSC to give input as well. If passed, this legislation may be used in the final order as a viable path forward as opposed to the rate hike. In addition, other suggested legislative goals to help EKY with economic development are being discussed.

I am asking the KY PSC to stand strong and deny in full this unjust, unreasonable, unaffordable, and morally indefensible rate hike especially knowing the big expense of the damaged cooling tower will be landing on ratepayers bills as yet another surcharge. Keep in mind just this year, a 6.37% securitization surcharge was added, and two more charges on average of $5.97 and $2.33 were added as well to the long list of bill add-ons.

I am taking this even further by suggesting a moratorium on any rate hikes for a period of five years in order for the Kentucky Power service area to work with the state legislature, Kentucky Cabinet for Economic Development and local entities to produce positive results that could ultimately address the two main reasons Kentucky Power uses over and over again for raising rates, population loss and industry loss.

The truth is, as the 606 tries to rise up from the ashes of the decline of coal, power, steel, and other industries, we need a hand up, not a hand out, and we sure as hell don't need the boot of high electrical rates on our neck.

I plan to speak more on this topic during the public comment section at the Jan. 13 hearing in Frankfort.

https://www.dailyindependent.com/opinion/suzanne-griffith-and-paula-bowling-perfect-time-to-speak-out-about-ky-power-rate-hikes/article_32f53ae2-c298-446e-90f7-ab3dd14a9399.html

Suzanne Griffith and Paula Bowling: Perfect time to speak out about Ky. Power rate hikes

Dec 16, 2025

SUZANNE GRIFFITH

PAUL BOWLING

In its most recent rate case, Kentucky Power clarified that population and industrial losses coupled with the need to increase revenue for investors, relative to its fixed costs, are significant reasons for the proposed 15% industrial rate hike, 14.9% residential rate hike, and 13% commercial rate hike.

Annual statistical reports kept by the Kentucky Public Service Commission (PSC) reflect a sad tale. More than 12,000 residential customers have been lost in the past 14 years in its 20-county eastern Kentucky service territory. In 2010, Kentucky Power sold 3,255,731,000 kWh of industrial power.

By 2024, that number dropped to 2,016,139,000 kWh, a 38% loss. No doubt, our region is in trouble.

Most people living in eastern Kentucky do not need numbers on a chart to tell us that industries once depended on to feed our families have declined or, worse yet, completely evaporated. Coal, steel and power — the bedrocks of our communities and local economies — have gone by the wayside.

Kentucky Power itself was a major player in declining power and coal jobs when it chose to decommission Big Sandy 2 in Louisa and invest millions of eastern Kentucky ratepayer dollars in the coal-burning Mitchell plant located just outside of Moundsville, West Virginia — a plant that does not burn Kentucky coal, employ Kentucky citizens or pay Kentucky taxes.

So here we are, looking for new industries to attract to our area and hoping the industries and businesses we do still have stay. None of this is for the faint of heart. To their credit, economic development teams across the region are aiming to create sustainable growth, foster innovation, and improve the quality of life in their communities. Adding another 15% to the industrial electrical rate, which is already one of the highest in the state, is not helpful.

More is needed, much more than just decently priced industrial electrical rates to attract and maintain industries and businesses providing good-paying jobs. Infrastructure is key as well.

As they say in the real estate market, our area of Northeast Kentucky has good bones. We have two major waterways, the Big Sandy and the Ohio River, rail services, and three major highways that pass through our area: I-64, U.S. 60, and U.S. 23. We are minutes away from the AA highway, a throughway to northern Kentucky and the industrial Midwest. We have regional airports nearby. Yet, we have failed to keep up.

Our electrical grid needs work. Extreme weather events due to climate change — hurricanes (the effects of which are felt here in Kentucky), ice storms, floods, and tornadoes are only growing in frequency and intensity. According to Climate Central, 83% of power failures can be attributed to weather changes. We must upgrade or suffer the dire consequences of inaction.

The aging grid in Eastern Kentucky requires a proactive approach to meet the needs of a region seeking a renaissance. Merely trimming trees and clearing brush does not guarantee a resilient power supply. Ratepayers deserve a reliable power supply that only comes from utilizing current technology.

Unfortunately, there has been a major issue at the Mitchell plant requiring significant capital and attention to address. One of Mitchell's two concrete cooling towers is failing structurally at the over-50-year-old coal-burning plant and needs to be reinforced or replaced.

According to KY PSC records, the options to address the failing tower would be $375,956,757 for a new mechanical draft or $356,031,775 to shorten the tower. Either way means money out of the ratepayers' pocket for an expense that is not long-term as the Mitchell plant, which Kentucky Power owns half of, is scheduled to be decommissioned in 2040. The amount needed will be in addition to the current proposed rate hike. Kentucky Power has stated it is seeking a federal grant to help with this expense; time will tell.

The complicated history Kentucky Power has with its ratepayers continues to lean toward customer rate unsustainability. A correction must take place.

We need companies providing good-paying jobs to locate in the service area to combat population loss, and those companies need fair electrical rates and adequate infrastructure. As a monopoly, ratepayers need Kentucky Power to manage its operations more effectively. The truth is, families in eastern Kentucky, who already pay the state's highest average energy bills, can no longer bear the burden of questionable decisions by Kentucky Power, compounded by a hard-hit regional economy.

Citizen voices are needed more than ever to address the unreasonable proposed rate hikes. The Kentucky PSC will be in Ashland at 5 p.m., Jan. 8, at the Ashland Transportation Center to hear from ratepayers.

In addition, the KY PSC accepts written comments by mail or email. To submit written comments, include your name, whether you are a Kentucky Power customer, and reference Case No. 2025-00257 in the subject line. Mail comments to: PSC, P.O. Box 615, Frankfort, KY, 40602, or email to psc.comment@ky.gov.

The time to speak up is now.

SUZANNE BARKER GRIFFITH and **PAULA BOWLING** are guest columnists. Both are members of The Daily Independent's community advisory board.

Fact: Kentucky Power Customers pay the highest average monthly bill in the state.

Fact: Kentucky Power's rates went up 74% between 2010 (0.08641 per KWH) to 2025 (0.1507 per KWH) ; the new rate of 0.01732 proposed by KPCO would make it a 100% rate hike since 2010. The normal rate of inflation for this time period is around 50%.

Fact: Kentucky Power decommissioned coal burning Big Sandy 2 in Louisa in 2015 while purchasing ½ of the Mitchell Plant in WV with Wheeling Power owning the other ½. The Mitchell Plant burns WV coal, pays no Kentucky taxes and employs no Kentucky citizens. AEP is the parent company to both companies.

Fact: Kentucky Power customers use 22% less electricity than they did in 2010.

Facts: History of rate/bill cases since 2010

- **2010**: +16.84% settlement increase.
- **2015**: +$45.4M revenue request approved. The average residential bill raised $11.
- **2017:** Kentucky Power sought an 11% increase, public concern was strong. The PSC and KY Attorney General Beshear found ways to reduce costs by cutting back on demand-side management programs and the amount to customers' bills was negligible.
- **2021**: +15.46% increase on average residential bills.
- **2024**: +5.66% added, 18.3% was requested and the PSC found this amount to be "excessive and disturbing"
- **2025**: +6.37% securitization surcharge, plus 14.9% [*PSC Case No. 2025-00257*] base-rate filing pending requesting another $96 million from ratepayers. Average of $5.97 added to bill on Oct. 15 per court order in order for KPCO to recover $14.9 million, Average $2.33 added on Dec. 30 for investment in Mitchell
- In addition Kentucky Power customers have other charges on their bill including Fuel Adjustment, DSM Adjustment, Residential Energy Assistance, Purchased Power Adjustment, Environmental Adjustment, and the School Tax. These add-ons can add anywhere from 20% to 40% to ratepayers monthly bill.

Fact: Kentucky Power customers' energy burdens are significantly above the normal energy burden of 3% [(Annual Energy Costs/Annual Household Income) x 100 = Energy Burden %] compared to the rest of the state according to Kentucky Energy Affordability Data Summary. Boyd County has an average burden of 6.3%, Greenup's is 6.37%, Lawrence's is 8.32%, Carter's 7.61%, Elliott's is 9.25%

Fact: Counties in Kentucky Power's service area have high poverty rates. The overall poverty rate for Kentucky in the 2020 census was 16.4%.

Boyd - 17.7%, Breathitt - 28.2%, Carter - 24.9%, Clay - 31.8%, Elliott - 27.2%, Floyd - 28.3%, Greenup - 15.1%, Johnson - 23.4%, Knott - 24.9%, Lawrence - 20.6%, Leslie - 27.3%, Letcher - 26.8%, Lewis - 22.6%, Magoffin - 33.4%, Martin - 29.2%, Morgan 18.2%, Owsley - 24.9%, Perry 25.5%, Pike 25.0%, Rowan - 24.5%

Commonwealth of Kentucky
Public Service Commission
ANNUAL REPORT STATISTICS - 2010

Investor-Owned Electric Utilities		Residential	Commercial	Industrial	Other	Total
Kentucky Power Company						
	Customers	142,971	29,791	1,426	494	174,682
	Revenues	$225,937,614.00	$129,946,413.00	$183,743,138.00	$152,713,874.00	$692,341,039.00
	KWHs	2,613,510,000	1,468,960,000	3,255,731,000	3,864,464,000	11,202,665,000
	Cost Per KWH	0.0864	0.0885	0.0564	0.0395	0.0618
	Monthly Bill	$131.69	$363.49	$10,737.68	$25,761.45	$330.29
	Monthly Usage	1,523	4,109	190,260	651,900	5,344

Commonwealth of Kentucky
Public Service Commission
ANNUAL REPORT STATISTICS - 2024

Investor-Owned Electric Utilities		Residential	Commercial	Industrial	Other	Total
Kentucky Power Company						
	Customers	130,852	30,390	958	311	162,511
	Revenues	$279,997,957.00	$190,932,900.00	$167,644,587.00	$26,003,145.00	$664,578,589.00
	KWHs	1,858,160,000	1,438,141,000	2,016,139,000	474,053,000	5,786,493,000
	Cost Per KWH	0.1507	0.1328	0.0832	0.0549	0.1148
	Monthly Bill	$178.32	$523.56	$14,582.86	$6,967.62	$340.79
	Monthly Usage	1,183	3,944	175,377	127,024	2,967

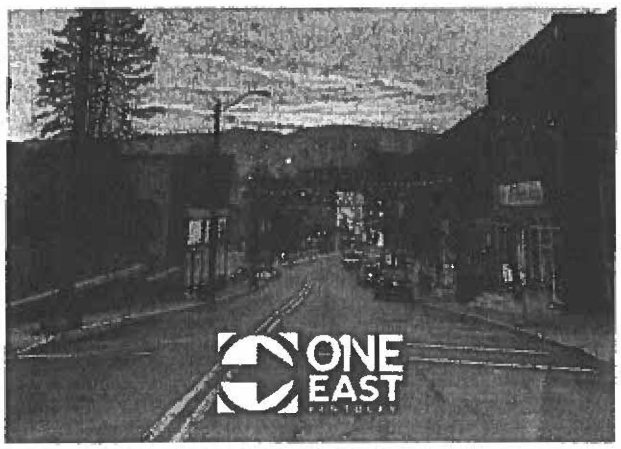
The new rate would be 0.1732 for a 100.463% increase

Change from 2010-2024

Customers	-8.40%	+2.0%	-32.82%	-37.04%	-6.97%
Revenues	+23.9%	+46.9%	-8.76%	-83%	-4.0%
KWHs	-28.9%	-2.09%	-38.07%	-87.73%	-48.35%
Cost per KWH	+74.42%	+50.06%	+47.52%	+38.99%	+85.76%
Monthly Bill	+35.4%	+44.04%	+35.81%	-72.95%	+3.18%
Monthly Usage	-22.32%	-4.015%	-7.82%	-80.51%	-44.48%

ONE EAST KENTUCKY

KENTUCKY CAN SPUR ECONOMIC GROWTH AND RESILIENCE WITH CHANGES TO INCENTIVE PROGRAMS



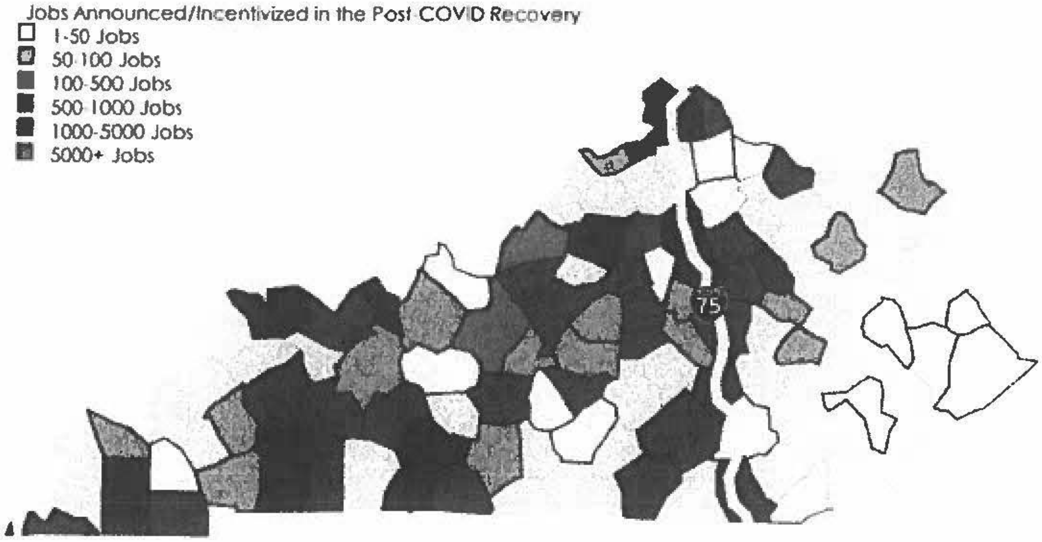
9 DEC 2025 News

Kentucky has an opportunity to create brighter futures in counties with the highest rates of unemployment and poverty, while simultaneously making it easier for the state to rebound from economic shockwaves. Kentucky currently has a two-tier system for economic development tax incentives. If it expands to a four-tier model, it can better allocate resources to the counties that need resources most.

Through the proposed plan, which One East Kentucky President & CEO, Colby Kirk, **presented to Kentucky's Interim Committee on Economic Development and Workforce Innovation**, annual reviews of tier placement will ensure any county affected by business closures has immediate access to resources, allowing them to rebound faster.

"Since the COVID-19 pandemic, 95% of all new jobs incentivized in Kentucky have been in communities along or west of I-75," says Colby Kirk, President and CEO of **One East Kentucky.** "That leaves only 5% of incentivized job creation in 40 counties in the Eastern part of the state, where 16% of residents live."

Kentucky lawmakers have an opportunity to support the entire state while specifically investing in regions with low median household income and high unemployment levels. Reducing poverty will benefit every resident, regardless of location and financial situation.

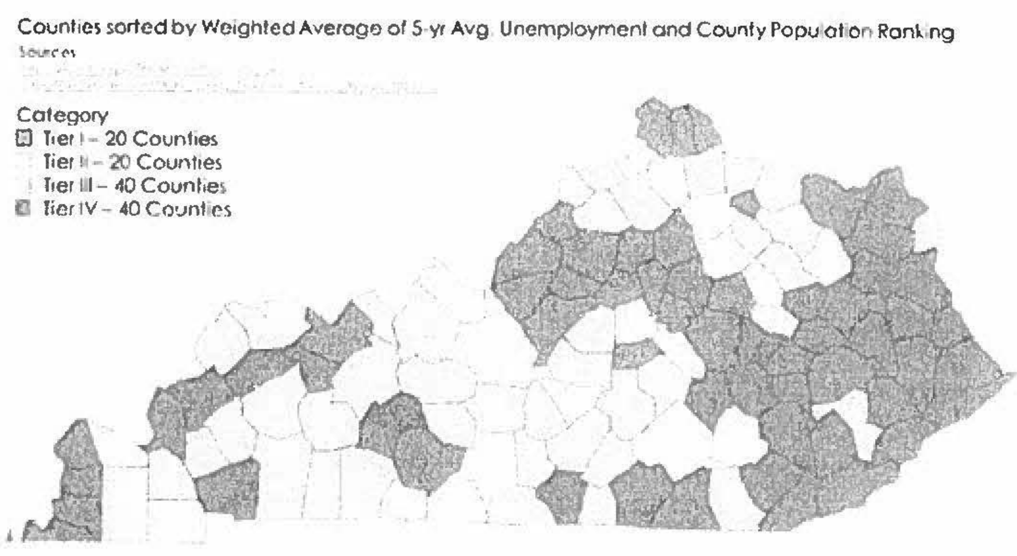


The Current Incentive Strategy is Inefficient

Kentucky has a **two-tier system** for **economic development tax incentives**: enhanced and non-enhanced counties. The enhanced counties allow companies to receive incentive benefits for five additional years. However, 90 Kentucky counties are currently enhanced, which is 75% of the state. This doesn't separate the communities with the highest need levels from their more affluent counterparts, and is a contributing factor to why most post-pandemic job creation has occurred in wealthier areas.

A Four-Tier System is Detailed and Responsive

The team at One East Kentucky proposes switching to a four-tier model to determine where economic development incentives are most needed. Counties would be ranked from 1 to 120 by median household income, unemployment, and population. Tier One counties would have the highest incomes and populations with the lowest unemployment rates, while Tier Four counties would have the highest rates of unemployment and the lowest median household incomes and populations.



"Other states have made this move and are seeing results," says Kirk, referring to the multi-tiered systems of South Carolina and Tennessee. "In fact, the states we compete against directly have switched to a four-tier system."

The four-tier model would also make Kentucky more resilient because the county placement within the tiers is reviewed annually. Counties facing economic shocks would receive a different tier rating, allowing them to take advantage of incentives to build back. For example, if a natural disaster hits or if a major employer leaves an area and unemployment spikes, the county could access additional incentives for job creation in as few as 12 months.

Economic Development Reduces Poverty

One East Kentucky exists to foster economic investment that leads to job creation in the region, helping residents out of poverty. The **World Bank** believes job creation provides the best opportunity to reduce poverty rates and build up states and countries. Women reinvest 90% of their earnings into their families and communities, so even the creation of a few jobs can spread ripple effects across a region.

Specifically, job creation in Kentucky can reduce the need for government assistance. **Kentucky is one of seven states** where more than 25% of the population is on Medicaid. Eastern Kentucky also has high rates for SNAP participation, also known as food stamps. Most Eastern Kentucky counties have **SNAP enrollment rates ranging from 20% to 25%, while the state average is 12.9%.**

The four-tier system could help Kentucky legislators allocate resources where they are needed most, so that the most vulnerable residents receive job opportunities and the ability to reach a point of financial stability, allowing them to move away from dependency on programs like Medicaid and SNAP.

"The government can support residents living in poverty forever, or it can make short-term investments that will move people off government assistance in the long run," says Kirk. "A lot of people don't want to use these programs but have to because there aren't enough high-quality job opportunities."

Kentucky Can Become More Competitive and Resilient Now

Kentucky has a chance to improve how it supports our communities by creating opportunities for them to invest in economic development. Job creation, new business investment, and infrastructure improvements can go further than assistance programs. To the legislators meeting in Frankfort, consider a four-tier system to incentivize economic development projects. Vote to make your counties more resilient while building a better future for the commonwealth.

Learn more about the four-tier system to incentivize economic development projects.

More Topics

Eastern Kentucky Improves Industrial Sites Through the Product Development Initiative

NOV 4 2025

Kentucky Product Development Initiative (KPDI) has been invaluable in securing funding to develop sites that will attract businesses to the region. The state allocated $35 million per fiscal year in the last biennial budget, and the counties supported by One East Kentucky have received more than $9 million since the...

Hazard is Building a Diverse Economy & Community With a High Quality of Life

OCT 29 2025

The communities of Eastern Kentucky have plans for the future. Each of the counties and cities represented by One East Kentucky is working to attract residents, increase job opportunities, and modernize local economies. The City of Hazard is leading the way, and its business development efforts are paying off."We keep...

One East Kentucky uses ResearchFDI to Generate Leads

JUL 14 2025

One East Kentucky Works With ResearchFDI to Generate Business Attraction LeadsBusiness attraction is one of the top goals of One East Kentucky, as new business in the region creates employment opportunities and fosters a diverse economy. ResearchFDI, an investment attraction firm, streamlines the business recruitment process through lead generation. This...

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AVAILABLE WORKERS

One East Kentucky
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Paintsville, KY 41240
Phone: (606) 886-7333