



June 28, 2026

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

Chair Angie C. Hatton
Commissioner Marie Pat Regan
Commissioner Andrew W. Wood
Commissioner Barry L. Mayfield
Executive Director Linda C. Bridwell

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Dear Chair Hatton and Members of the Kentucky Public Service Commission:

The Appalachian Citizens Law Center, Kentuckians for the Commonwealth, the Kentucky Chapter of the Sierra Club, Kentucky Conservation Committee, Kentucky Solar Energy Society, Metropolitan Housing Coalition, and Mountain Association are writing to respectfully ask the Kentucky Public Service Commission to open an administrative case on utility affordability, as states like Indiana have recently done. An administrative case focused on utility affordability would allow the PSC to conduct an investigation into the drivers of rising energy costs across our Commonwealth and to solicit and consider a wide range of durable solutions to address affordability. Affordability is an important issue to all Kentuckians, from residential customers to energy-sensitive industries to the small businesses that are the mainstay of our economy. While there may not be an easy fix, we know that the Commission and ratepayers across the various customer classes share these concerns.

As residential energy bills continue to rise, low- and moderate-income Kentucky families in particular face increasing financial strain in a state with the fourth-lowest per capita income in the nation. Nationally, average residential electricity prices increased nearly 9.5% between January 2025 and January 2026, while utilities sought or received approximately \$95 billion in rate increases. Kentucky families need durable solutions that will lower energy burdens and monthly costs.

We believe that an administrative case which includes robust public outreach in all areas of the state, solicits feedback from all stakeholders, and brings together representatives from Kentucky's utilities, energy sectors, and all ratepayer classes would be timely and productive. We hope that the following issues could be included:

- Fair allocation of costs for new demand
- Performance-based ratemaking

- The role of energy efficiency and DSM in reducing energy insecurity
- Lifeline rates
- On-bill financing of durable energy efficiency measures
- An examination of the least-cost combination of generation and demand-side resources for meeting the needs of ratepayers
- An assessment of the costs of recent legislation in extending the life of older fossil-fuel generation resources.
- An assessment of the allocation of risks and costs for recent capital investments.
- Consideration of the current and future costs and risks associated with hosting data centers, including interconnection, behind-the-meter generation, large-load tariffs, and measures that could be taken to assure protection of ratepayers from risks and stranded costs of new generation assets serving large load customers.
- Measures that should be adopted to assure that all resource options including efficiency, renewables, and distributed generation are fairly and fully evaluated and modeled in order to assure selection of all-in, least-cost options for ratepayers.

We believe the Commission, the only executive branch agency tasked with providing our legislature information on how to keep utility costs fair, just and reasonable, is ideally situated and statutorily empowered to provide legislators, the public, and other stakeholders with actionable information on how to address the crisis of rising energy prices in our state. An administrative case focusing on affordability would provide a forum for the Commission, utilities, and members of the public to explore these critically important issues before ratepayers are saddled with decades of additional energy costs, including for new large loads for data centers.

We would hope that any administrative case would be open to all stakeholders, and would use both informal and formal convenings in order to encourage community participation and intervention of interested representatives of various interests, including low-income ratepayers, as well as residential, commercial, and industrial interests. We would also hope that the case would focus on both direct costs and the societal costs, including environmental, health, and community impacts from energy decisions. We know that you agree that Kentucky's residential ratepayers, small businesses, and other price-sensitive ratepayers, need and deserve an open forum to voice their experiences with rising energy costs. Thank you in advance for your consideration of this request.

Sincerely,

Appalachian Citizens Law Center, Rebecca Shelton Director of Policy
 Kentuckians for the Commonwealth
 Kentucky Chapter of the Sierra Club, Joey Shadowen Chapter Chair
 Kentucky Conservation Committee, Lane Boldman Executive Director
 Kentucky Solar Energy Society, Andy McDonald Chair
 Metropolitan Housing Coalition, Tony Curtis Executive Director
 Mountain Association

*Electronically signed by all groups and, in some cases, their representatives on June 28, 2026
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