



June 8, 2020

The Honorable Daniel Cameron
Attorney General
700 Capital Avenue, Suite 118
Frankfort, KY 40601

Dear Attorney General Cameron,

First, thank you for continuing to support Kentuckians during an unprecedented global emergency.

COVID-19 has adversely impacted industries, small businesses, families, and individuals across Kentucky. Kentuckians from all socioeconomic statuses are finding themselves struggling to pay bills to keep utilities on and rent and mortgages paid. Thankfully, the Public Service Commission (PSC) ordered all utilities under its jurisdiction to suspend disconnections and late payment fees on March 16. As you know, initially this order was effective for 30 days but has been extended. Additionally, Gov. Beshear has issued an [executive order](#) to clarify this protection covers all municipal utilities, in addition to the ones governed by the PSC.

LG&E/KU is requesting both a rate increase (requested February) and a bonding capacity increase (requested in March) in response to COVID-19. LG&E/KU have pointed to a need to take on more debt in response to customer's lack of payment during the COVID-19 pandemic. However, we must stress that it is not the responsibility of Kentuckians, especially low-income Kentuckians, to take on the burden of supplementing LG&E/KU's lost revenue during a global pandemic. Many Kentuckians within LG&E/KU's service territory already struggle with [unsustainable energy burdens](#)—with bills as high as 13% of household income in some census tracts—and it is likely that energy burden in the service territory have increased even without a rate increase, as households have less access to income during the COVID-19 crisis. Granting LG&E/KU their requested rate increase would only exacerbate this problem and force more Kentuckians to choose between paying their bills or paying for food or medicine.

As customers are able, they will pay. As businesses begin to reopen and more Kentuckians are able to return to work or alternatively, better navigate unemployment systems, more LG&E/KU customers will pay their bills. This means neither a rate increase nor an increased bonding capacity are necessary for LG&E/KU.

Moreover, we must consider what will happen when the suspension of disconnections ends. The state must take proactive measures to ensure that there is not a surge of disconnections when that time comes. Families need support to enable them to make it through this crisis - rate increases will exacerbate the current crisis and simply increase the risk of families losing utility services in the future. Disconnections are costly for utilities as well as their customers.

Kentuckians must be reassured their utility bills will not increase in the midst of a global pandemic. They must know utility companies will not pass the buck on to those who are struggling to put food on the table and keep a roof over their heads. LG&E/KU should be doing what it can to *help* its ratepayers through well-designed energy efficiency programs like on-bill financing—not making it harder for them to make ends meet. We urge you to ensure there is not a rate increase or a bonding capacity increase.

Thank you again for supporting Kentuckians in the midst of COVID-19.

Sincerely,

100% REAL

Advocacy Action Network
Apogee Climate & Energy Society
Avery and Sun Solar
Coalition for the Homeless
Emergency Shelter of Northern Kentucky, Inc.
Gateway Homeless Coalition, Inc.
Homeless and Housing Coalition of Kentucky
Kentucky Center for Economic Policy
Kentucky Coalition Against Domestic Violence
Kentucky Conservation Committee
Kentucky Equal Justice Center
Kentuckians For The Commonwealth
Kentucky Interfaith Power & Light
Kentucky Solar Energy Society
Kentucky Student Environment Coalition
Kentucky Voices for Health
Mental Health America of Kentucky
McNary Group
Metropolitan Housing Coalition
Mountain Association for Community Economic Development
Olive Branch Ministries
Shelter of Hope, Inc.
Sierra Club, Kentucky Chapter
Sunrise Movement – Bowling Green
Sunrise Movement – Murray