



CONSUMER ACTION for a STRONG ECONOMY

March 13, 2024

Dear Representative Flannery:

My organization, Consumer Action for a Strong Economy (CASE), advocates for U.S. consumers by promoting the principles of free-market competition and consumer choice, the pillars which uphold our economic system of expanding prosperity and opportunity for all. Today I write in opposition to Senate Bill 349 (SB 349), which, if enacted, would burden Kentucky residents and businesses with less reliable and higher costing energy.

This legislation locks in existing inefficiencies and hinders innovation and dispatchable baseload power. The beneficiaries of this protectionist proposal are outmoded infrastructure, not Kentucky consumers. That is the primary -- but by no means the only -- rationale sufficient to dispense with any further consideration of this bill.

With aging power plants that have long ceased to be economically competitive, Kentucky is especially susceptible to the negative effects of SB 349. By circumventing both the free market and the Commonwealth's Public Service Commission, SB 349 would force Kentuckians to bear the increasingly higher costs of mandated sources of energy production.

For the benefit of consumers, small business, and workers, energy must be both reliable and affordable. Kentucky has prioritized energy affordability through the lowest cost generation standard. Yet SB 349 would abandon this enormously successful standard. By creating an Energy and Planning Commission that would usurp and undermine the authority of the Public Service Commission, the legislation guarantees the interests of consumers would no longer be a priority. This shift embodies centralized planning at its worst, eschewing state-of-the-art production methods in favor of outmoded ones.

More than any other commodity or industry, the cost of energy and energy production has the greatest effect on the price of goods and services throughout the economy. By effectively mandating more expensive methods of energy production, SB 349 is inherently inflationary. Kentuckians should not be compelled to shoulder the burden of unnecessarily higher costs.

Sadly, SB 349 follows an unfortunate trend of anti-consumer, anti-free-market legislation that benefits the very few at the expense of nearly everyone else. We would be hard-pressed, however, to identify an individual bill so clearly intended to penalize consumers and hinder economic progress.

On behalf of the well-being and interests of Kentucky consumers, I urge you to vote "No" on Senate Bill 349.

Respectfully yours,



Gerard D. Scimeca
Chairman
Consumer Action for a Strong Economy

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