



**COUNCIL for
CITIZENS
AGAINST
GOVERNMENT
WASTE**

Thomas A. Schatz, *President*
317 Massachusetts Ave., N.E., Suite 300
Washington, D.C. 20002
ccagw.org

March 15, 2024

Kentucky House of Representatives
700 Capitol Avenue
Frankfort, Kentucky 40601

Dear Representative,

On behalf of the 15,539 members and supporters of Council for Citizens Against Government Waste (CCAGW) in Kentucky, I urge you to oppose SB 349, which would create a new appointed 18-member commission external to the Kentucky Public Service Commission (KPSC) with discretionary review over energy utilities' applications to KPSC for retiring aging or inefficient fossil fuel generation assets and building replacement generation. This new commission would add a redundant layer of bureaucratic review over utilities that would raise costs for consumers and impede Kentucky's push for energy reliability.

The additional review would prop up inefficient generation facilities by delaying regulatory approval of cheaper, more efficient energy generation capacity. The bill would also put the government's hand on the scales in favor of one fuel source picking winners and losers to the detriment of consumers. "Investing in natural gas generation is the least expensive option to heat our homes," [explained](#) Andrew McNeill, president of Kentucky FREE. "Coal-fired generation can be just as vulnerable as natural gas during extreme cold, and policy shouldn't be based on rare occurrences. ... Kentuckians want our coal industry to succeed but don't want to pay excessive energy prices to prop it up."

Kentuckians currently enjoy the [fourth-lowest](#) energy prices of any state in the nation thanks to the pro-growth policies that have allowed the Commonwealth's utility companies the freedom to assess their own technological and investment needs independent of any bureaucratic entity outside of the KPSC. This regulatory environment continues to attract businesses and investors to Kentucky, [including](#) Congo, LLC, which plans to expand its Louisville headquarters with an \$8.25 million project; Rivian, LLC, which is planning to invest \$10 million to build a remanufacturing plant in Bullitt County; and Castellini Co., LLC, which has planned a \$16.6 million expansion of its Wilder facility for warehousing, co-packing and transportation services for the food industry. However, SB 349 threatens this success and raises barriers to efficient private investment in Kentucky's energy infrastructure, doing a disservice to every energy ratepayer in the Commonwealth.

More government red tape will not lead to lower energy prices or greater reliability. Lawmakers should facilitate private investment by empowering Kentucky's energy providers to replace and upgrade aging infrastructure to keep pace with other ongoing investments in the Commonwealth. Again, I urge you to oppose SB 349.

Sincerely,

Tom Schatz