



March 14, 2024

Members of the Kentucky House of Representatives:

Commerce Lexington is writing to express our concerns with SB 349 related to energy policy in Kentucky.

While Commerce Lexington supports having a broad-based discussion about Kentucky's energy future, we are concerned the bill adds an additional layer of unnecessary bureaucracy to the energy regulatory process that will be costly to business customers, harmful to reliability and potentially move Kentucky away from the current least-cost standard model regulated by the Public Service Commission.

Commerce Lexington supports the least-cost planning principles that has served Kentucky well and helps the Commonwealth maintain a low-cost energy advantage. Maintaining low costs and grid reliability are critical to future economic growth.

We support the formation of a working group during the interim with diverse stakeholders to develop a reasonable approach to Kentucky's energy policy strategy and create an environment that preserves reliability and affordability. Rather than creating an energy policy through piecemeal legislation year after year, a working group could develop an overall strategy with buy-in from all stakeholders, ensuring that the Commonwealth has a clear strategy for the future.

Kentucky's low-cost energy is a critical competitive economic advantage as we work to recruit and retain businesses in the Greater Lex region. Commerce Lexington urges the General Assembly to ensure we fully comprehend the implications of SB 4 from the 2023 legislative session before making further changes that will diminish our low-cost energy advantage.

Best Regards,

A handwritten signature in black ink that reads "Robert L. Quick".

Robert L. Quick, CCE
President & CEO
Commerce Lexington