

**TAXPAYERS
PROTECTION
ALLIANCE**

Kentucky House of Representatives
700 Capital Ave
Frankfort, KY 40601

Dear Representatives,

On behalf of the millions of taxpayers and consumers we represent – especially the many in the Commonwealth of Kentucky – the Taxpayers Protection Alliance (TPA) urges you to oppose SB 349 and the proposed creation of a new regulatory agency in Kentucky. The proposed Energy Planning and Inventory Commission (EPIC) is at best duplicative. At worst, it is an attempt by special interests to influence the legal processes of the state. SB 349 would use Kentucky taxpayer dollars to achieve predetermined outcomes on behalf of these same special interests while also raising their monthly energy costs.

Grid reliability is a complex issue involving more than just power plants and fuel sources. Bad federal policies continue to create challenges and add complexity. However, the creation of more bureaucracy at the state level is not the solution. Part of ensuring future energy reliability is ensuring that energy companies have the ability to invest in modern equipment. Burdensome regulation will discourage needed investments by inevitably making those investments more expensive. In the context of energy production, that will threaten reliability and result in higher costs for customers.

Under SB 349, if an electric utility wants to retire an outdated plant, it is required to submit a one-year notice to EPIC and trigger an expensive taxpayer-funded report. This will make abandoning inefficient infrastructure and technology prohibitively expensive and time-consuming. Further, it will add uncertainty, given the necessity for EPIC's approval.

Further, SB 349 does not provide for a spot on EPIC's executive committee for anyone from the natural gas, solar, or nuclear sectors. This sheds further light on the fact that this legislation – along with the processes it puts in place – are designed to protect entrenched players in the coal industry. However, any statewide approach to energy should have the best interests of taxpayers and families at heart.

Federal regulations on coal – as misguided as they may be – have made it so that coal is no longer the most affordable or efficient options for Kentuckians. The solution to the Biden administration's war on coal is not to create an ever-expanding state-level bureaucracy. This just further magnifies the burden these regulations place on taxpayers.

We would encourage the General Assembly to re-evaluate this unnecessary expansion of government. If the goal is to push back on bad federal policies, there are legal avenues to pursue those ends. Bigger state government is rarely, if ever, the solution to solving the problems of big government.

Respectfully,



David Williams
President

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