

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO.: 2009-00459**

In the Matter of:

**APPLICATION OF KENTUCKY
POWER COMPANY FOR A
GENERAL ADJUSTMENT
OF ELECTRIC RATES**

RECEIVED

FEB 26 2010

**PUBLIC SERVICE
COMMISSION**

MOTION FOR INTERVENTION

Comes now Hazard Perry County Community Ministries, by and through counsel, and for its Motion for Intervention in the above matter states as follows:

Hazard Perry County Community Ministries objects to the proposal for several reasons. It's interests differ from those of the Pike County Senior Citizens Program in that it serves a wider array of individuals and runs a number of different programs that would be placed in jeopardy with the rate increase. Since 1976, Community Ministries has served families and individuals in need. It currently operates a homeless shelter, rental housing for homeless families, homelessness prevention assistance, and two childcare centers. Hazard Perry County Community Ministries is the last bastion of shelter for many in the community and keeps many others from being homeless. It also allows many individuals the chance to work or continue their education by providing affordable and reliable child care. The scope of its coverage is far broader than that of the Pike County Senior Citizens Program and it has interests that will not be addressed by their intervention. Thus, Hazard Perry County Community Ministries should be allowed to intervene and voice its objection to the

proposed rate increase.

Hazard Perry County Community Ministries objects to this proposed rate increase because little to nothing is known about its justification. Kentucky Power has not explained how this will improve its service, or why they cannot make ends meet with the current rates in place. Because Kentucky Power basically has a monopoly on their industry in this region, it is imperative that they be required to make its customers aware of the reasoning behind this rate increase of astronomical proportions. Without proper checks and balances such as requiring Kentucky Power to provide the basis for the requested increase and allowing affected entities to address them, the potential for abuse is great.

Hazard Perry County Community Ministries serves mostly low income individuals. Most of the people who live in its rental housing are furthering their education and/or working low wage jobs. These individuals can barely afford to pay their electricity bills now. With a proposed rate increase of 33.43%, they will be face with an untenable choice—whether they can keep the lights on or keep their children fed.

In addition, Hazard Perry County Community Ministries has a unique perspective on the utility market in Perry County. As part of the services provided, families come to Hazard Perry County Community Ministries with electric bills in arrears or shutoff notices. Hazard Perry County Community Ministries then can step in with its homelessness prevention assistance. In 2009, Hazard Perry County Community Ministries served approximately 100 individuals with \$5,000 toward Kentucky Power bill assistance. With the proposed rate increase, it is estimated that the number of people requesting assistance will double. However, Hazard Perry County Community Ministries will not have the funds to intervene on behalf of all of those seeking assistance. Both the families who are

unable to pay their bill will lose, and so will Kentucky Power, as they spend even more money on labor to conduct shutoffs and lose customers.

Finally, as a 501(c)(3) nonprofit organization and small business the rate increase would have dire effects. The funding of Hazard Perry County Community Ministries is limited to that which can be obtained through grants, donations, and fees for service. In the recently composed 2010 budget, Hazard Perry County Community Ministries was barely able to make it break even. The proposed rate increase would literally break the budget and leave the agency, like its clients, an impossible choice—whether to keep the lights on or pay the staff. Hazard Perry County Community Ministries can only be effective if it can do both. An increase of one third in the utilities costs would require programs or positions to be cut in order to meet operating expenses with the limited available funds of the agency. It would truly be a sad day if homeless individuals were turned away from the shelter because it could no longer operate or if motivated individuals had to quit school or their jobs because child care was no longer available.

Based upon the foregoing reasons, Hazard Perry County Community Ministries should be allowed to intervene to protect its interests that are distinct from those of the Pike County Senior Citizens Program.

Respectfully submitted,

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CERTIFICATE OF SERVICE

This is to certify that the foregoing has been served by mailing a true copy thereof,
postage prepaid, on this the 25th day of February, 2010, to the following:

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Motion to Intervene 2-25-10.wpdMotion to Intervene 2-25-10.wpd