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PSC approves Ky Power, Community Action effort to help more customers in need

ASHLAND, Ky. – The Kentucky Public Service Commission issued an order Tuesday approving Kentucky Power’s plan to help more families in need with their bills this winter. The PSC approved a joint proposal filed in September by Kentucky Power and Community Action Kentucky (CAK) to revamp and rename the company’s existing Home Energy Assistance Program. The program will now be called the Home Energy Assistance in Reduced Temperatures (HEART) program. The Commission also approved a new limited assistance program called Temporary Heating Assistance in Winter (THAW) to assist customers temporarily in need of help. Community Action will approve and administer assistance of both through their regional agencies.

“Kentucky Power and CAK have sought to broaden these programs in order to provide more meaningful assistance during the winter season to low income residential Kentucky Power customers,” the Commission said in its order. “In this proceeding, the joint applicants have shown how focusing the bill credits on the winter heating months provides customers with assistance when they most require it and also enables Kentucky Power to provide larger bill credits, thereby making a bigger impact on the customers’ monthly bills when they are most likely in need of assistance. Providing the increased bill credits during the winter heating season to a larger number of participants appropriately serves the needs of Kentucky Power’s most vulnerable customers.”

HEART assistance will be available in the months of January to April when people use more electricity because of cold weather. To participate, customers must apply through their local community action agency. Approved participants with electric heat receive \$115 each of the four designated months. Customers with non-electric heat qualify for \$58 a month for four months. Under THAW, participants can receive up to \$175. THAW is designed to assist customers, such as single parents, seniors on fixed incomes, the recently unemployed, or other customers who need temporary assistance to get through the winter months. The program also would be administered by Community Action on a first come, first served basis or until designated funds are depleted.

“Kentucky Power wholeheartedly believes in assisting low- and fixed-income customers to manage their energy usage and we will not waiver from this commitment,” said Matt Satterwhite,

Kentucky Power president and chief operating officer. "By focusing the funds on the winter months, we can provide more customers with greater assistance when they most need it." Both HEART and THAW are funded with customer and company contributions. Customers pay 30 cents a month into the program. Kentucky Power matches those funds dollar for dollar with shareholder money. Together, the contributions generate about \$1 million a year to provide heating assistance to about 2,500 customers in eastern Kentucky. Money is divided among customers who heat with electric and non-electric sources, including wood and coal.

Kentucky Power also received permission to create a voluntary assistance fund. Under the donation HEART program, customers can elect on their bill to make a special contribution that also would assist neighbors in need. Kentucky Power will match customer contributions up to \$20,000 a year.

Customers seeking heating assistance should contact their local community action agency. Community Action of Kentucky agencies are:

Big Sandy Area Community Action Program. Counties: Floyd, Johnson, Magoffin, Martin and Pike. <http://bsacap.org>. 606-789-3641.

Daniel Boone Community Action Agency. Counties: Clay. <http://danielboonecaa.org>. 606-598-5127.

Gateway Community Action Agency. Counties: Morgan and Rowan. <http://gatewaycaa.org>. 606-743-3133.

Licking Valley Community Action Agency. Counties: Lewis. <http://lvcap.com>. 606-796-3893.

LKLP Community Action Council. Counties: Knott, Leslie, Letcher and Perry. <http://www.lklp.org>. 606-436-8853.

Middle Kentucky Community Action Partnership. Counties: Breathitt and Owsley. <http://www.mkcap.org>. 606-666-2452.

Northeast Kentucky Community Action Agency. Counties: Boyd, Carter, Elliott, Lawrence and Greenup. <http://nkcaa.net>. 606-286-4443.

Kentucky Power customers who receive assistance will be enrolled in the budget billing option called Average Monthly Payment (AMP). AMP is 12-month average bill to even out bill spikes. The average residential Kentucky Power customer uses about 1,300 kWh a month with an average bill of about \$168 a month, or about \$5.40 a day.

"Overall, our residential rates have stabilized and bills are down for the average customer," Satterwhite said. "However, there are customers who need help and both HEART and THAW will assist many families. The most important thing customers who are experiencing difficulties can do is contact us or their local Community Action Agency. We make every effort to assist all customers."

Kentucky Power, with headquarters in Ashland, provides electric service to about 168,000

customers in 20 eastern Kentucky counties. Kentucky Power is an operating company in the AEP system, based in Columbus, Ohio. AEP is focused on building a smarter energy infrastructure and delivering new technologies and custom energy solutions to customers. AEP's more than 17,000 employees operate the nation's largest electricity transmission system and more than 219,000 miles of distribution lines to deliver safe, reliable power to nearly 5.4 million regulated customers in 11 states. AEP also is one of the nation's largest electricity producers with approximately 32,000 megawatts of diverse generating capacity, including 4,300 megawatts of renewable energy.

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