

# Appalachian, Wheeling Power Companies Proposal Will Cause Significant Rate Increases for Low-Income West Virginians

WASHINGTON—Today, representatives from 15 West Virginia and national organizations, including **Mountain State Justice**, **WV Center for Budget and Policy**, and the **National Consumer Law Center**, submitted a letter to the Public Service Commission of West Virginia (PSC) urging it to reject the request by the Appalachian and Wheeling Power Companies to place the entire costs of environmental mitigation measures necessary to keep three coal burning power plants operating until 2040 on West Virginia ratepayers. Instead, the PSC should either close the plants in 2028—which would avoid the necessity for the costs—or require the Companies’ shareholders to bear them.

“Many West Virginians are already struggling to make ends meet, to feed their families, to keep the lights on, and to find their way out of poverty,” **said Margot Saunders, an attorney at the National Consumer Law Center.** “The rate increases proposed would have potentially devastating consequences to impoverished West Virginians. We urge the Public Service Commission to protect West Virginia ratepayers and reject the relief requested by Appalachian and Wheeling Power Companies.”

The proposal by Appalachian and Wheeling (the Companies) would saddle West Virginia ratepayers with the costs for implementing environmental mitigation measures necessary to keep the power plants running until 2040. The plants provide power to three states: West Virginia, Kentucky and Virginia. After regulators in Kentucky and Virginia rejected requests to saddle their ratepayers with the costs, the Companies are seeking to impose the whole burden on the ratepayers of West Virginia. The Companies originally projected that the allocated cost of these projects to West Virginia ratepayers would total \$169.55 million and have a rate impact of \$23.5 million annually. But testimony provided by a representative of the Companies estimates the combined true cost of the projects to be closer to \$346 million.

“This request would increase—by over 100%—the total cost to be borne by West Virginia ratepayers,” **said Kelly Allen, Executive Director of the WV Center on Budget and Policy.** “The annual impact on rates charged to West Virginia ratepayers would be more than double the original estimate of \$23.5 million per year, to a total of \$48 million per year.”

Since 2011, the monthly cost for a residential customer of Appalachian or Wheeling, using 1,000 kWh, has already increased from \$91.32 to \$153.38, an increase of almost 60%. This rate of increase is among the fastest in the nation, and is almost 3 times greater than the rate of inflation over the same period.

Rate increases in these amounts dramatically impact low-income ratepayers, who will receive absolutely nothing additional in return, except more pain. Charging households even more to keep the lights on, the water pump running, and the heat working will directly reduce access to food, medicine, and other necessities.

Commissions in Virginia and Kentucky have already determined that it is not appropriate to ask ratepayers in those states to pay for any of the potential costs at issue in this proceeding. The West Virginia Public Service Commission should also protect the ratepayers in this state; especially from

the costs associated with providing power to households in Virginia and Kentucky.

The letter submitted to the Public Service Commission of West Virginia was signed by:

- Good News Mountaineer Garage
- Manna Meal
- MountainHeart Community Services
- Mountain State Justice
- PRIDE Community Services
- WV Alliance for Sustainable Families
- WV Center for Budget and Policy
- WV Community Action Partnerships, Inc.
- WV Interfaith Power and Light
- WV Covenant House
- WV NAACP Conference of Branches
- Consumer Federation of America
- National Consumer Law Center on behalf of its low-income clients
- National Consumers League
- National Legal Aid and Defender Association