



260 Democrat Drive
Frankfort, KY 40601
1-800-372-2962 • FAX (502) 695-5451
KSBA Website: www.ksba.org

December 21, 2016

BOARD OF DIRECTORS

President
Allen E. Kennedy
Hancock County
President-elect
David Webster
Simpson County

Directors-at-large

Dianne Mackey
Daviess County
Jeff Stumbo
Floyd County
Joe Brown
Garrard County
Ronnie Holmes
Graves County
Chris Brady
Jefferson County
James See
Lawrence County
Donna Wilson
Montgomery County
Ramona Malone
Newport Independent
Larry Dodson
Oldham County
Jo Sabol
West Point Independent

Regional Chairpersons

Karen Byrd
Boone County
Pat Hall
Campbellsville Independent
Kim Croley
Corbin Independent
Pamela Morehead-Johnson
Eminence Independent
Martie Templeton
Hickman County
William Owens
Lee County
Dr. John Inman
Meade County
Larry Yeager
Mercer County
Mona Vice
Nicholas County
Kerry Young
Warren County
Venita Murphy
Webster County
Susan Cable
Wolfe County

Dr. Anthony Orr, Superintendent
Nelson County Schools
288 Wildcat Lane
Bardstown, KY 40004

Dear Superintendent Orr:

On November 23, 2016 the Louisville Gas and Electric and Kentucky Utilities Companies requested the Public Service Commission for authority to increase electric and gas rates. If approved as submitted individual schools could experience the following average utility cost increases:

LGE Electric: 8.5 percent

LGE Gas: 4.2 percent

KU Electric: 6.4 percent

The PSC will suspend implementation of the proposed rates until July 17, 2017 to permit review of the request and for parties to voice their concerns. KSBA has intervened on behalf of districts, most recently in 2014 with contributions from affected districts to an intervention fund. In other prior proceedings funding was provided by the Council for Better Education ("CBE"). The CBS will be providing \$25,000 for the current proceedings. Because those funds may not cover all intervention costs your district is being asked to consider committing to contribute to a Supplemental Intervention Fund of \$10,000 to cover legal and professional witness costs should the need arise. Attached is a list showing the cost per district if all or half of the eighty-three affective districts participate.

As a first step, we are asking that you respond by email to Ron Willhite (ron.willhite@ksba.org) indicating **Yes** or **NO** that you will recommend to your board participation up to the amount shown in the "Half" participating column. We are asking for an up to commitment as we cannot predict if all districts will participate. In the 2014 proceeding only four districts declined participation. Next please insert that amount in the attached Resolution and present to your Board for authorization to participate in the intervention and committing the Board to reimburse KSBA for the Board's share of actual incurred costs that exceed the CBE contribution.

Your immediate attention to this matter is requested.

Sincerely,

Mike Armstrong
Executive Director

EXECUTIVE DIRECTOR
Mike Armstrong
ASSOCIATE EXECUTIVE DIRECTOR/
BOARD TEAM DEVELOPMENT
Kerri Schelling
CHIEF FINANCIAL OFFICER
Stephen B. Smith
GOVERNMENTAL RELATIONS
Eric Kennedy
MEMBER SUPPORT SERVICES
Brad Hughes
POLICY & PROCEDURES SERVICES
Katrina Kinman

**LGE-KU
RATE CASE INTERVENTION
COST by DISTRICT**

Attorney - Client Privilege
Work Product
Confidential - Do Not Distribute

DISTRICT	Share		DISTRICT	Share	
	District's Participating All	Half		District's Participating All	Half
Anchorage	\$27	\$41	Jessamine	\$51	\$77
Anderson	\$68	\$102	Knox	\$51	\$77
Augusta	\$17	\$26	LaRue	\$78	\$117
Ballard	\$51	\$77	Laurel	\$119	\$179
Barren	\$34	\$51	Lee	\$34	\$51
Bath	\$51	\$77	Lincoln	\$85	\$128
Bell	\$120	\$179	Lyon	\$51	\$77
Bourbon	\$86	\$128	Madison	\$204	\$306
Boyle	\$86	\$128	Marion	\$85	\$128
Bracken	\$51	\$77	Mason	\$68	\$102
Bullitt	\$201	\$300	McCracken	\$68	\$102
Burgin	\$17	\$26	McCreary	\$51	\$77
Campbellsville	\$51	\$77	McLean	\$51	\$77
Carroll	\$68	\$102	Meade	\$37	\$56
Casey	\$86	\$128	Mercer	\$51	\$77
Caverna	\$51	\$77	Middlesboro	\$68	\$102
Christian	\$17	\$26	Montgomery	\$102	\$153
Clark	\$120	\$179	Muhlenberg	\$153	\$230
Clay	\$34	\$51	Nelson	\$51	\$77
Crittenden	\$51	\$77	Nicholas	\$34	\$51
Danville	\$86	\$128	Ohio	\$68	\$102
Dawson SP	\$17	\$26	Oldham	\$339	\$509
East Bernstadt	\$17	\$26	Pendleton	\$17	\$26
Elizabethtown	\$86	\$128	Pineville	\$34	\$51
Eminence	\$34	\$51	Pulaski	\$136	\$204
Estill	\$51	\$77	Robertson	\$17	\$26
Fayette	\$856	\$1,275	Rockcastle	\$68	\$102
Fleming	\$51	\$77	Rowan	\$34	\$51
Gallatin	\$68	\$102	Russell	\$68	\$102
Garrard	\$34	\$51	Science Hill	\$17	\$26
Grayson	\$86	\$128	Scott	\$221	\$332
Green	\$68	\$102	Shelby	\$136	\$204
Hardin	\$294	\$438	Somerset	\$51	\$77
Harlan Co	\$137	\$204	Taylor	\$51	\$77
Harlan Ind	\$34	\$51	Trimble	\$27	\$41
Harrison	\$51	\$77	Union	\$85	\$128
Hart	\$103	\$153	Washington	\$34	\$51
Henderson	\$17	\$26	Webster	\$85	\$128
Henry	\$96	\$143	West Point	\$17	\$26
Hickman	\$34	\$51	Williamsburg	\$17	\$26
Hopkins	\$120	\$179	Woodford	\$119	\$179
Jefferson	\$3,218	\$4,805			

\$10,000 Allocated on K-12 Schools: **\$9,000** Electric LGE&KU **\$1,000** Gas LGE

Resolution of the Board

On November 23, 2016 the Louisville Gas and Electric and Kentucky Utilities Companies requested the Public Service Commission ("PSC") for authority to increase electric and gas rates. If approved as submitted individual schools could experience the following average utility cost increases:

LGE Electric: 8.5 percent

LGE Gas: 4.2 Percent

KU Electric: 6.4 percent

On _____ the _____ Board of Education ("Board") hereby authorizes the superintendent to provide funding support to the Kentucky School Boards Association ("KSBA") up to \$_____ to represent the interests of the Board before the PSC in Case Nos. 2016-00370 and 2016-00371. The Board will be billed and hereby commits to reimburse KSBA for its share of actual incurred intervention costs.

_____ Board of Education

_____ Chair

_____ Attest

_____ Title