

1 A RESOLUTION affirming the role of coal mining and petroleum refining in
2 Kentucky's economic development and prosperity during the past two centuries.

3 WHEREAS, Kentucky's best energy producing industries, coal mining and
4 petroleum refining, have been the Commonwealth's economic engines over the past two
5 centuries; and

6 WHEREAS, Kentucky has the lowest industrial power costs among states east of
7 the Mississippi River, and Kentucky is recognized for having a reliable, resilient electric
8 grid; and

9 WHEREAS, on September 29, 2021, Ford Motor Company, in partnership with SK
10 Innovation, announced two new electric battery plants to be built in Hardin County,
11 creating approximately 5,000 jobs and investing \$5.8 billion in Kentucky over the next
12 five years; and

13 WHEREAS, in order to maintain Kentucky's high tech advantage and attract other
14 high tech business opportunities, Kentucky must support actions to ensure it remains a
15 low-cost energy provider, maintains a resilient power grid, and retains a competitive price
16 advantage over neighboring states; and

17 WHEREAS, these policy actions would support firming up the electric power grid
18 with baseload fossil fuel energy suppliers that provide sufficient capacity to balance
19 intermittent energy suppliers and ensure Kentucky can meet energy production demands
20 at both summer and winter peaks; and

21 WHEREAS, firming the electric grid will safeguard against power outages caused
22 by intermittent or variable power suppliers such as wind and solar whose energy output
23 depends on favorable weather conditions; and

24 WHEREAS, firming the electric grid will make it more resilient and less
25 susceptible to disruption by unforeseen circumstances such as plant decommissioning and
26 idling;

27 NOW, THEREFORE,

1 *Be it resolved by the House of Representatives of the General Assembly of the*
2 *Commonwealth of Kentucky:*

3 ➔Section 1. The members of the House of Representatives, individually and
4 collectively, hereby urge the Kentucky Public Service Commission to:

5 (a) Support an energy supply portfolio that prevents intermittent power suppliers
6 from reducing the reliability and resiliency of the electric grid, eroding Kentucky's
7 affordable energy prices, and compromising Kentucky's ability to meet peak energy
8 demands of the Commonwealth;

9 (b) Establish a fossil-fuel based planned reserve margin of not less than 15
10 percent of the combined total electric generating capacity to ensure meeting peak median
11 load while maintaining the reliability of the electric grid;

12 (c) Require the minimum reserve margin to be the primary consideration when a
13 regulatory agency with jurisdiction over the state's electric generating units retires or adds
14 additional capacity; and

15 (d) Encourage public utilities to provide regulatory agencies with adequate notice
16 before power plants are decommissioned or placed into a longer-term idling status.

17 ➔Section 2. The clerk of the House of Representative shall send a copy of this
18 Resolution to Kent A. Chandler, Chair of the Kentucky Public Service Commission, and
19 to Ms. Amy D. Cabbage, Vice Chair of the Kentucky Public Service Commission, at 211
20 Sower Boulevard, Frankfort, Kentucky 40601-0615.