

**February 4, 2021**

Chairman Gooch and Members of the Committee,

My name is Brydon Ross and I'm the Vice President of State Affairs for Consumer Energy Alliance (CEA). On behalf of CEA and our more than 5,500 members across Kentucky, thank you for the opportunity to speak today and share our strong support of HB 207. We believe this legislation will offer important consumer protections for hard-working families, seniors, and those struggling to get by – especially as the Commonwealth recovers from the COVID-19 pandemic.

Unfortunately, dozens of irresponsible local mandates have been passed across the country that would deny homeowners and businesses from receiving the energy service they need and want to power their lives, heat their homes and run their operations. These reckless local bans and mandates have targeted natural gas, propane and other fossil fuels often with little or no community input, much less voter approval.

These harmful policies could lead to huge sticker shocks, higher surprise bills in the future as well as serious and significant service interruptions or outright prohibitions for our neighbors and manufacturers across Kentucky.

If forced onto families, the cost to consumers would be astronomical. According an analysis done by CEA, the cost to just replace major gas appliances in homes nationwide would cost households over \$250 billion.

Here in Kentucky over 40 percent of our households use natural gas or propane for home heating needs. Depending on the models chosen, mandates requiring the replacement of major appliances like hot water heaters, furnaces, gas stoves, gas dryers, installing a heat pump and other wiring and labor costs could top out at more than \$10,300 for a Kentucky household. As you know, Kentucky has one of the highest poverty rates in the country with roughly 16% of our neighbors living at or below the poverty line.

Before the COVID-19 Pandemic, a January 2020 survey by CNBC found only 41% of Americans had enough savings to cover a \$1,000 emergency. For a Kentucky homeowner or household that relies on natural gas or propane for heating, cooking and their daily needs, a service moratorium or mandate could be potentially ruinous. When considering the ramifications to our homebuilders, energy-intensive manufacturing base and small businesses – the impact to many in the Commonwealth would be catastrophic.

I want to reiterate and be clear – CEA wants to see a clean future with lower emissions. We believe that responsible policies always consider the needs of consumers while leveraging and supporting the development of state-of-the-art technologies to improve our environmental stewardship, aiding in the continued reductions of all emissions. However, misguided attempts to ban natural gas and propane service by forcing mandates onto consumers will lead to astronomical costs and jeopardize energy resources that are helping our nation reduce harmful emissions.

The objective of HB 207 is simple, but its importance and timeliness can't be understated. The legislation prevents a municipality from prohibiting the right of a consumer to use any utility service that is allowed and regulated by our Public Service Commission. It should be up to consumers to decide what types of appliances they want, not activists. We can get to a cleaner future without obtrusively dictating the energy choices to families, seniors and neighbors along the way.

Unfortunately, consumer protections like HB 207 are needed to prevent our neighbors and communities from being hit with surprise bills and service disruptions – especially as they try and recover from the incredible economic harm of COVID-19. Our neighboring states like Tennessee and Indiana and many across the country are working to address these issues with similar legislative efforts. Further, we need to have one uniform state energy policy that is developed with state legislators and regulators rather than an unworkable patchwork of local prohibitions and rules that would make service and distribution almost impossible to figure out and with much greater cost to consumers.

On behalf of CEA I urge you to support this commonsense measure that will help shield our neighbors from intrusive and unrealistic mandates as well as preserve Kentucky's economic competitiveness.

#### **Cost Calculator**

Heat Pump: \$5,700 (national average) <https://www.homeadvisor.com/cost/heating-and-cooling/install-a-heat-pump/>

Electric Panel Upgrade (200 Amps): \$1,020 (national average)

<https://www.homeadvisor.com/tloc/Louisville-KY/Electrical-Wiring-or-Panel-Upgrade/>

Hot Water Heater Replacement: \$1,027 (national average)

<https://www.homeadvisor.com/tloc/Cincinnati-OH/Water-Heater-Install-or-Replace/>

Installing an outlet/switch: \$360 per outlet <https://www.homeadvisor.com/tloc/Louisville-KY/Install-or-Repair-Electrical-Switches-and-Outlets/>

Hot water heater removal: \$36-\$155

[https://www.homewyse.com/services/cost\\_to\\_remove\\_water\\_heater.html](https://www.homewyse.com/services/cost_to_remove_water_heater.html)

Electric Stove: \$700 <https://www.fixr.com/comparisons/gas-vs-electric-stove>

Electric Dryer: \$600-\$700 (mid-range avg) [https://www.homedepot.com/p/Maytag-7-0-cu-ft-240-Volt-White-Electric-Vented-Dryer-with-Wrinkle-Control-MEDC465HW/304751694?irgwc=1&cm\\_mmc=afl-ir-29332-456723-1083244&clickid=Uj2XtL1v5xyLUBBwUx0Mo3ZwUkERBr0aSSLDyU0](https://www.homedepot.com/p/Maytag-7-0-cu-ft-240-Volt-White-Electric-Vented-Dryer-with-Wrinkle-Control-MEDC465HW/304751694?irgwc=1&cm_mmc=afl-ir-29332-456723-1083244&clickid=Uj2XtL1v5xyLUBBwUx0Mo3ZwUkERBr0aSSLDyU0)

Installing Electric Clothes Dryer: \$700 (national average) <https://www.fixr.com/costs/dryer-installation>