

STEVEN L. BESHEAR GOVERNOR 700 CAPITOL AVENUE SUITE 100 FRANKFORT, KY 40601 (502) 564-2611 FAX: (502) 564-2517

March 20, 2009

The Honorable Steven Chu Secretary U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585

Re: State Energy Program Assurances

Dear Secretary Chu:

As a condition of receiving Kentucky's share of the \$3.1 billion funding for the State Energy Program (SEP) under the American Recovery and Reinvestment Act of 2009(H.R. 1)(ARRA), I am providing the following assurances.

I have written to the Kentucky Public Service Commission and requested that they consider actions to promote energy efficiency, consistent with the Federal statutory language contained in H.R. 1 and their obligations to maintain fair, just and reasonable rates.

I have received assurance from the Secretary of the Kentucky Public Protection Cabinet, which is authorized to adopt building codes for the Commonwealth, that it will initiate actions to improve building energy codes consistent with Kentucky law, Kentucky Constitutional requirements and the statutory language contained in ARRA.

Kentucky will, to the extent practicable, prioritize its energy investments to take advantage of existing programs and to expand programs. As is set forth in our recently released *Intelligent Energy Choices for Kentucky's Future*, Kentucky is committed to a balanced energy policy and a robust improvement in energy efficiency and renewable energy.



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I want to assure you that, within the limits of my authority as Governor, I will provide the leadership that moves Kentucky forward in these critical areas. We look forward to immediate distribution of the Federal SEP funds to permit Kentucky to make progress in energy efficiency and renewable energy.

Sincerely,

Steven L. Beshear

cc: Gil Sperling

Director, Office of Weatherization and Intergovernmental Programs U.S. Department of Energy