01:50 PM OCT



EXEC SEC DIV

ROGER HANSHAW Speaker of the House 304-340-3210 Roger.Hanshaw@wvhouse.gov

STATE CAPITOL, ROOM M-228 1900 KANAWHA BOULEVARD, EAST CHARLESTON, WV 25305

October 23, 2025

Chairwoman Charlotte Lane Commissioner Bill Raney Commissioner Renee Larrick Public Service Commission of West Virginia 201 Brooks Street Charleston, West Virginia 25301

Protest Original (s)

Re:

Letter of opposition to proposed consolidated power purchase

surcharge by Black Diamond Power Company,

Case No. 25-0702-E-P

Dear Commissioners:

As a representative of the citizens, residents, and business owners of Clay County, West Virginia and the municipality of Clay, I submit this opposition to the proposed consolidated power purchase surcharge proposed by Black Diamond Power Company in Case No. 25-0702-E-P. Black Diamond Power Company has failed to honor its obligations as a public utility in the State of West Virginia. Its request for the consolidated power purchase surcharge proposed in this case should be denied, and the Public Service Commission should order the sale of Black Diamond Power Company to another entity capable of providing adequate electric utility service to the customers in the service territory served by Black Diamond Power Company.

As you know, the system under which electric utilities are regulated in the State of West Virginia grants electric utilities a regulatory monopoly and the exclusive privilege of providing electricity service to the entirety of a service territory as defined by this Commission's orders. In exchange for this grant of exclusivity and the privilege of operating as a monopoly within a service territory, public utilities are bound to provide adequate service at reasonable rates as approved by this Commission. Black Diamond Power Company has failed to satisfy these expectations. Accordingly, its petition for a consolidated power purchase surcharge should be denied and this Commission should order the company sold to another entity.

To be clear, this objection is not simply an objection to the financial implications of increased electricity rates within the service territory of Black Diamond Power Company. This objection is an objection to the attempt by Black Diamond Power Company to charge its customers higher rates for what is certain to be a continuation of substandard service. This Commission should reject the petition by Black Diamond Power Company.

Chairwoman Lane, Commissioners Raney and Larrick October 23, 2025 Page 2

Citizens of Clay County and the residents and business owners of Clay, West Virginia have been forced to tolerate inadequate and substandard performance by Black Diamond Power Company for far too long. The company has failed to maintain its infrastructure and refused to make needed investments and repairs in a timely manner when assets are damaged. Residents and businesses frequently experience service interruption following routine weather events. Healthcare facilities have been forced to rely on backup power alternatives when transformers experienced damage and were not timely replaced by Black Diamond Power Company. This neglect of duty and inattention to the needs of customers is inexcusable under a regulatory system that guarantees a monopoly and an operating profit.

The failure of Black Diamond Power Company to deliver adequate and reliable electric service in its territory has contributed to the departure of businesses from Clay and the failure of economic development projects in Clay County. Few areas of West Virginia are more in need of economic growth and expansion, yet without a reliable electric utility serving the area, economic opportunities are limited. The people and the community deserve better, and Black Diamond Power Company has consistently demonstrated its inability to deliver on its obligations. This Commission should deny the request by Black Diamond Power Company for a consolidated power purchase surcharge and order the company sold.

This Commission should reject any argument by Black Diamond Power Company that it is entitled to the requested surcharge to recover its cost of power. By failing to provide adequate service within its defined service territory and refusing to maintain its infrastructure as required to meet its legal obligations, Black Diamond Power Company has forfeited any rights or privileges it may have otherwise had under the law.

This case has nothing to do with population density or customer volume in Clay County. It is entirely about Black Diamond Power Company's failure to deliver adequate service in a protected territory over which it has been granted a monopoly. That failure is unacceptable. The citizens and businesses in Clay County deserve better. This Commission should deny the request by Black Diamond Power Company for a consolidated power purchase surcharge and order the company sold.

Regards,

Roger Hanshaw

Speaker of the House

C: David B. Hanna Keith D. Fisher