

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR A DECLARATORY)	CASE NO.
ORDER AND A DEVIATION FROM CUSTOMER)	2018-00404
NOTICE REQUIREMENTS SET FORTH IN 807)	
KAR 5:011, SECTION 8(4)(B)-(D))	

O R D E R

The matter is before the Commission upon a motion filed by East Kentucky Power Cooperative, Inc. (EKPC) requesting a declaratory order and deviation from certain notice requirements associated with a series of tariff filings that EKPC and its 16 distribution cooperatives¹ anticipate making on or about January 30, 2019. The tariff filings will modify the terms and conditions of six demand-side management (DSM) programs and eliminate five other DSM programs. With respect to customer notice required to be provided by the distribution cooperatives pursuant to 807 KAR 5:011, Section 8, EKPC states that the costs of preparing customer bill inserts and also providing a separate mailing or newspaper publication for filing substantially similar tariffs, would be enormous and cost prohibitive.

¹ The distribution cooperatives are: Big Sandy Rural Electric Cooperative Corporation, Blue Grass Energy Cooperative Corporation, Clark Energy Cooperative, Inc., Cumberland Valley Electric, Inc., Farmers Rural Electric Cooperative Corporation, Fleming-Mason Energy Cooperative Corporation, Grayson Rural Electric Cooperative Corporation, Inter-County Energy Cooperative Corporation, Jackson Energy Cooperative Corporation, Licking Valley Rural Electric Cooperative Corporation, Nolin Rural Electric Cooperative Corporation, Owen Electric Cooperative, Inc., Salt River Electric Cooperative, Inc., Shelby Energy Cooperative, Inc., South Kentucky Rural Electric Cooperative Corporation, and Taylor County Rural Electric Cooperative Corporation.

Although each distribution cooperative could publish customer notice in the Kentucky Living magazine, EKPC avers that such individual notice would displace other updates and features that could be important to their customers due to limited space within the magazine that is available to each distribution cooperative.

In lieu of each distribution cooperative providing bill inserts, separate mailing, or publishing notices in newspapers or in Kentucky Living, EKPC proposes that it will provide notice for all of the distribution cooperatives by publishing a full-page-advertisement in the February 2019 edition of the Kentucky Living magazine, which will be delivered immediately after January 28, 2019. The full-page-advertisement will include a description of the nature of the changes to the DSM programs, including an itemization of which programs will be eliminated. EKPC states that the cost of the full-page-advertisement is approximately \$5,950.

EKPC requests a declaratory order confirming that publication of the full-page-advertisement is an acceptable form of publication of notice under 807 KAR 5:011, Section 8(2). EKPC also requests a deviation from 807 KAR 5:011, Section 8(4)(b)–(d), which requires that a customer notice contain information describing the present rates and proposed rates for each customer classification to which the proposed rates will apply; the amount of change requested in both dollar amounts and percentage change for each affected customer classification; and the amount of the average usage and the effect upon the average bill for each affected customer class. EKPC states that the proposed DSM tariff changes do not affect rates that retail customers pay for electricity consumption and thus the required notice content is not applicable.

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that EKPC's proposal to publish customer notice on behalf of its distribution cooperatives as provided herein would satisfy the requirements of 807 KAR 5:011, Section 8(2). Kentucky Living is a trade publication of Kentucky's rural electric cooperatives and is provided to customers of those electric utilities, including EKPC's 16 distribution cooperatives. Thus, EKPC publishing notice on behalf of its distribution cooperatives of the various upcoming DSM-related tariff filings would comport with 807 KAR 5:001, Section 8(2)(b)(4) to the extent the regulation allows for notice to be published in a trade publication. We note, however, that the regulation also requires that the notice be made no later than the date the tariff filing is submitted to the Commission. EKPC states that the proposed customer notice would be provided in the February 2019 edition of Kentucky Living, which would be mailed out beginning January 28, 2019. EKPC also states that it anticipates filing the revised DSM tariffs on or about January 30, 2019. In the event the February 2019 edition of Kentucky Living is delivered after the revised DSM tariffs have been filed, EKPC should notify the Commission as soon as practicable and request a deviation accordingly.

The Commission also finds that EKPC has established good cause to permit a deviation from the notice content requirements of 807 KAR 5:011, Section 8(4)(b)–(d). Given that the proposed revisions to the DSM tariffs would not impact any rates that retail customers of EKPC's distribution cooperatives would pay for electricity usage, EKPC's request for a deviation from the notice content requirements set forth in 807 KAR 5:011, Section 8(4)(b)–(d) should be granted.

IT IS THEREFORE ORDERED that:

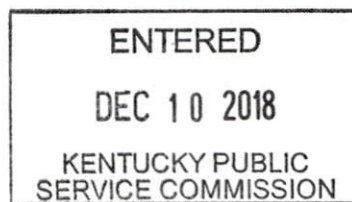
1. EKPC's request for a declaration confirming that its proposed publication of a single full-page-advertisement as customer notice on behalf of all of its distribution cooperatives in the 2019 edition of Kentucky Living is an acceptable form of notice under 807 KAR 5:011, Section 8(2) is granted.

2. EKPC's request to deviate from the notice requirements of 807 KAR 5:011, Section 8(4)(b)–(d) is granted.

3. In the event the February 2019 edition of Kentucky Living is delivered after the revised DSM tariffs have been filed, EKPC shall notify the Commission as soon as practicable and file a formal application requesting an appropriate deviation from the relevant requirement of 807 KAR 5:011, Section 8(2) regarding the timing of the publication of the notice.

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By the Commission



ATTEST:


Executive Director

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