

September 27, 2013

Public Service Commission of Kentucky
P.O. Box 615
Frankfort, KY 40602-0615

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PUBLIC SERVICE
COMMISSION

TO WHOM IT MAY CONCERN:

The following comments are submitted regarding the Public Service Commission's proposed regulations (807 KAR 5:001 and 807 KAR 5:076).

807 KAR 5:001

- Section 4(8) should provide that when e-mail service is made upon a party, the documents or papers served electronically should comply with the formatting rules set forth in Section 8(4). A size limit should be specified to ensure that e-mail service can be made.
- Section 4(12). The Public Service Commission should consider requiring the requesting party to provide the party subject to the request an electronic copy of the request in text format or rich text format to reduce the time and expense of preparing the response to the requests for information. This requirement should also apply to Commission Staff.
- Section 12(1)(b) does not address what an applicant should do if material changes have occurred since the end of the 12-month period. The regulation should be revised to do so.
- The Public Service Commission should clarify Section 16(7)(v) regarding the \$5 million threshold. Is the threshold applicable to gross annual revenues or to revenues from the utility division that is seeking the rate adjustment? When establishing a threshold for eligibility to use the alternative rate filing procedures (807 KAR 5:076) the Public Service Commission has distinguished between divisions of a utility and considered each separately, not jointly.
- Section 17 relates to an aspect of applications for general rate adjustments and, therefore, should be part of Section 16 rather than a different section.

807 KAR 5:076

- Section 3(3) should also refer to requests for information submitted by Commission Staff. The regulation currently refers only to requests from the Commission. Proposed revisions to 807 KAR 5:001 make clear that Commission Staff may request information. The Public Service Commission should consider whether a separate section is needed in light of the proposed revisions to 807 KAR 5:001 or whether 807 KAR 5:076, Section 3(3) should expressly reference 5:001.

- The Public Service Commission should make clear whether whether "adjustment for rates" in Section 4(4) includes adjustments to non-recurring charges.
- The Public Service Commission should revised Section 11 to provide that Staff Report shall include any documents that are referenced in the report or relied upon by Commission Staff to make a finding or recommendation and that are not included in the applicant's application or response to information requests or is otherwise not in the case record and cannot be incorporated by reference into the case record.
- The Public Service Commission should revise ARF Form 1 to reflect proposed changes in 807 KAR 5:076. The form does not contain any place to indicate whether a water district has contacted its county fiscal court regarding the proposed rate adjustment or has provided testimony as HB 1 requires.
- The Public Service Commission should also revise ARF Form 1 to contain a "not applicable" check box for its questions/statements. Currently the questions/statements on ARF Form 1 must be answered either "yes" or "no". In some instances, "not applicable" would be more appropriate and less confusing.
- The Public Service Commission should revise Section 1(4) to define "gross annual revenue" to mean total utility operating income only for the calendar year. This change would eliminate income from non-utility operations, interest income, and other non-utility sources.
- The Public Service Commission should revise ARF Form 3 to require the utility owners/officials to report the employment of family members. As currently written, utility payments for wages and salaries to family members are not reportable.
- The Public Service Commission should revise Section 7 to clearly provide that, by filing under 807 KAR 5:076, the applicant has waived any right to place its proposed rates into effect earlier than six months from the date the application is accepted by the Public Service Commission for filing.
- The Public Service Commission should revise Section 4(3) to cover not only the application but all documents filed by any party.

Thank you for your consideration of these comments.

Sincerely,

A CONCERNED KENTUCKIAN

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