

Public Service Commission Files Amendment to 807 KAR 5:076
With Legislative Research Commission

On June 14, 2011, the Public Service Commission filed with the Legislative Research Commission a proposed amendment to 807 KAR 5:076, the administrative regulation that establishes a simplified and less expensive procedure for small utilities to apply to the Commission for rate adjustments. A copy of the proposed amendment is available for download and viewing at psc.ky.gov and smallutilities.ky.gov and will be published in the July 1, 2011 edition of *Administrative Register of Kentucky*.

A public hearing on the proposed amendments will be held on July 25, 2011 at 9:30 a.m., Eastern Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky. Persons that wish to attend should submit a notice of intent to attend the meeting to the Commission no later than July 18, 2011. If no notices of intent to attend are received by that date, the Commission may cancel the hearing.

Any member of the public wishing to submit written comments on the proposed amendment should submit such comments no later than August 1, 2011 to Gerald Wuetcher, Kentucky Public Service Commission, Post Office Box 615, Frankfort, KY 40602-0615.

The proposed amendment includes the following revisions:

- Eligibility requirements. The proposed regulation expands the class of utilities eligible to use the simplified procedures. The current regulation limits the use of alternative rate filing (ARF) procedures to utilities with 500 or fewer customers or \$300,000 or less in gross annual revenues. The proposed regulation would allow utilities with \$5 million or less in annual revenues to use the procedures. The proposal would increase the number of utilities eligible to use the ARF procedures from 107 utilities to 240.
- Record upon which the decision is based. The proposed amendment revises the regulation to specifically provide that, in the event a hearing is not held, the Commission may consider stipulations and agreements between the parties and Commission Staff and comments and information that the parties provide in response to Commission Staff reports.
- Application. The proposed amendment specifically lists the documents that must be included with a completed application form. It also reduces the number of copies that must be filed with the Commission and places the burden upon the applicant to redact certain sensitive information. The application form has also been revised.

- Notice. Proposed revisions modify existing notice provisions of 807 KAR 5:076 to conform with 807 KAR 5:001 and 807 KAR 5:011. It amends publish notice to refer to the Commission's website and requires utility to post notice of any rate adjustment on its website, if it has such site.

- Effective Date of Proposed Rates. Proposed regulation would not allow applicants to place rates into effect subject to refund until 6 months after application is filed or the Commission orders the rates into effect, whichever occurs first. The utility would not need to file a tariff sheet with its application to charge the rates after 6 months have run. Proposed revision would eliminate the possibility of missed suspension date on the part of the Commission. The 6-month period is based upon 30 days notice to the Commission and a normal 5-month suspension period.

- Discovery. Proposed amendment authorizes intervenors to serve discovery requests upon an applicant within 21 days of intervention. It eliminates the need for Commission to establish a procedural schedule or to specifically grant an intervenor the right to conduct discovery. The proposed regulation allows the Commission to establish a different schedule for discovery if it so desires.

- Commission Staff. Proposed amendment requires Commission Staff to file a report of its recommendations and findings regarding the proposed rates unless the Commission directs otherwise. It also establishes a time period for parties to submit comments and objections to the recommendations and findings. It further provides that failure to object constitutes agreement with the finding or recommendation.

- Utility personnel participation in Commission proceedings. Proposed regulation addresses the level of non-attorney participation in the proceeding. It authorizes a non-attorney to submit the application and responses to Commission orders and information requests and to attend informal conferences. Proposed regulation further provides that the utility must be represented by an attorney at any hearing.

- Use of Electronic Filing Procedures. Proposed regulation establishes electronic filing procedures for ARF cases. These procedures are voluntary and may be invoke by applicant.