

1 ENERGY AND ENVIRONMENT CABINET

2 Public Service Commission

3 (Amended After Comments)

4 807 KAR 5:006. General Rules.

5 RELATES TO: KRS Chapter 278, 49 C.F.R. Part 192, 49 U.S.C. 60105

6 STATUTORY AUTHORITY: KRS 278.230, 278.280(2), 49 C.F.R. Part 192

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.230(3) provides that every  
8 utility shall file with the commission any reports, schedules or other information that the  
9 commission reasonably requires. KRS 278.280(2) provides that the commission~~[Public~~  
10 ~~Service Commission (hereinafter referred to as "commission")]~~ shall prescribe rules for  
11 the performance of any service or the furnishing of any commodity by any utility. This  
12 administrative regulation establishes general rules which apply to electric, gas, water,  
13 sewage and telephone utilities.~~[This administrative regulation includes the substance of~~  
14 ~~807 KAR 5:008, which it repeals.]~~

15 Section 1. Definitions. (1) "Built up community" means urban areas and those areas  
16 immediately adjacent.

17 (2) "Commission" is defined in KRS 278.010(15).

18 (3) "Corporation" is defined in KRS 278.010(1).

19 (4) "Customer" means any person, firm, corporation or body politic applying for or  
20 receiving service from any utility.

1 (5) "Gross Annual Operating Reports" means reports that KRS 278.140 requires  
2 each utility to file with the commission.

3 (6) "Nonrecurring charge" means a charge or fee assessed to customers to recover  
4 the specific cost of an activity, which:

5 (a) Is due to a specific request for a certain type of service activity for which, once the  
6 activity is completed, additional charges shall not be incurred; and

7 (b) Is limited to only recover the specific cost of the specific service.

8 (7) "Person" is defined in KRS 278.010(2).

9 (8) "Tariff" means a utility's schedule of all its rates, charges, tolls, maps, terms and  
10 conditions of service over which the commission has jurisdiction.

11 (9) "Utility" is defined in KRS 278.010(3).

12 (10) "Water Association" means any non-profit corporation, association or  
13 cooperative corporation having as its purpose the furnishing of a public water supply.

14 (11) "Water District" means a special district formed pursuant to KRS 65.810 and  
15 KRS Chapter 74.

16 Section 2. General Provisions. Any reference to standards or codes in 807 KAR  
17 Chapter 5 commission administrative regulations shall not prohibit a utility from  
18 continuing or initiating experimental work and installations to improve, decrease the cost  
19 of, or increase the safety of its service.

20 Section 3. Utility Contact Information. (1) A utility shall notify the commission in  
21 writing of:

22 (a) The address of its main corporate and Kentucky offices, including street address  
23 and post office box, city, state and zip code;

1 (b) The name, telephone number, facsimile number and mailing address of the  
2 person who serves as its primary liaison with the commission regarding its operations;  
3 and

4 (c) Its electronic mail address.

5 (2) The electronic mail address required in subsection (1) of this section shall be to  
6 an electronic mail account that the utility accesses at least once weekly and that is  
7 capable of receiving electronic mail from external sources and with attachments up to  
8 five (5) megabytes in size. Unless a utility otherwise advises the commission in writing,  
9 all electronic mail transmissions from the commission to the utility shall be sent to this  
10 address.

11 (3) A utility shall notify the commission in writing of any change in the information  
12 required in subsection (1) of this section within ten (10) days of the date of the change.

13 Section 4. Reports. (1) Gross Annual Operating Revenue Reports.

14 (a) Each utility shall file with the commission its gross operating revenue report on or  
15 before March 31 of each year.

16 (b) An extension request shall not be permitted for Gross Annual Operating Revenue  
17 Reports.

18 (c) A utility may file an amendment to its report with the commission on or before May  
19 24 of the same year.

20 (d) The commission shall:

21 1. Not certify to the Department of Revenue the amounts of intrastate business set  
22 forth in any amendment filed with the commission after May 24 of that year; and

23 2. Report those amounts to the Department of Revenue for informational purposes.

1     (2) Financial and statistical reports.

2     (a) Every utility shall file annually using the commission's electronic filing system a  
3 financial and statistical report on or before March 31 of each year.

4     (b) This report shall be based upon utility type and the accounts established in  
5 conformity with the uniform system of accounts prescribed for that utility type.

6     (c) If documents are required to supplement or complete the report and cannot be  
7 submitted through the commission's electronic filing system, the utility shall file these  
8 documents in paper form with the commission no later than March 31.

9     (d) The commission shall make the reporting forms available on the commission's  
10 Web site at <http://psc.ky.gov/>.

11     (e) For good cause shown, the executive director of the commission may, upon  
12 application in writing, allow a reasonable extension of time for the filing.

13     (3) Financial statement audit reports. A utility required to file a report in accordance  
14 with section 4(2) of this regulation shall file with the commission on or before September  
15 30 each year, a copy of the audit report of the Kentucky regulated entity, from the audit  
16 performed the previous year, or a statement that no audit was performed of the  
17 Kentucky regulated entity the previous year. For good cause shown, the executive  
18 director of the commission may, upon application in writing, allow a reasonable  
19 extension of time for the filing.

20     (4) Report of meters, customers and refunds. Each gas, electric, or water utility shall  
21 file quarterly either a Quarterly Meter Report-Electric, Quarterly Meter Report, or a  
22 Quarterly Meter Report-Electric-Gas-Water, of meter tests, number of customers, and  
23 amount of refunds.

1     (5) Report of terminations for nonpayment of bills. Each water, electric, or gas utility  
2 shall file either the Water Utility Non-Payment Disconnection/Reconnection Report,  
3 Electric Utility Non-Payment Disconnection/Reconnection Report, or Gas Utility Non-  
4 Payment Disconnection/Reconnection Report, annually to report the number of  
5 residential accounts terminated for nonpayment. These reports shall be filed no later  
6 than August 15 and shall cover the period ending June 30.

7     (6) Record and report retention. All records and reports shall be retained in  
8 accordance with the uniform system of accounts unless otherwise specified.

9     (7) Transmittal letter. Each report shall be accompanied by a transmittal letter  
10 describing the report being furnished.

11     (8) Amending reports. Upon discovering a material error in any report that it has filed  
12 with the commission, a utility shall file an amended report to correct the error.

13     Section 5. Service Information. (1) (a) A utility shall, on request, give its customers or  
14 prospective customers information that enables the customers to secure safe, efficient  
15 and continuous service.

16     (b) A utility shall inform its customers of any change made or proposed in the  
17 character of its service that might affect the efficiency, safety, or continuity of operation.

18     (2) Prior to making any substantial change in the character of the service furnished  
19 that would affect the efficiency, adjustment, speed or operation of the equipment or  
20 appliances of any customer, a utility shall apply for the commission's approval. The  
21 application shall show the nature of the change to be made, the number of customers  
22 affected, and the manner in which they will be affected.

1 (3) The utility shall inform each applicant for service of each type, class and character  
2 of service available at each location.

3 Section 6. Special Rules or Requirements. (1) A utility shall not establish any special  
4 rule or requirement without first obtaining the approval of the commission on proper  
5 application.

6 (2) Unless specifically authorized by this administrative regulation, no utility shall  
7 deny or refuse service to a customer who has complied with all conditions of service set  
8 forth in the utility's tariff on file with the commission

9 (3) (a) Obtaining easements and rights-of-way necessary to extend service shall be  
10 the responsibility of the utility.

11 (b) A utility shall not:

12 1. Require a prospective customer to obtain easements or rights-of-way on property  
13 not owned by the prospective customer as a condition for providing service; or

14 2. Refuse to provide service to any prospective or existing customer on the basis of  
15 that customer's refusal to grant an easement for facilities that do not serve the  
16 customer.

17 (c) The cost of obtaining easements or rights-of-way shall be included in the total per  
18 foot cost of an extension, and shall be apportioned among the utility and customer in  
19 accordance with 807 KAR 5:041, 807 KAR 5:061 or 807 KAR 5:066.

20 Section 7. Billings, Meter Readings and Information.

21 (1) Information on bills.

22 (a) Each bill for utility service issued periodically by a utility shall clearly show:

23 1. The date the bill was issued;

- 1     2. Class of service;
- 2     3. Present and last preceding meter readings;
- 3     4. Date of the present reading;
- 4     5. Number of units consumed;
- 5     6. Meter constant, if any;
- 6     7. Net amount for service rendered;
- 7     8. All taxes;
- 8     9. Any adjustments;
- 9     10. The gross amount of the bill;
- 10    11. The date after which a penalty may apply to the gross amount; and
- 11    12. Whether the bill is estimated or calculated.
- 12    (b) The rate schedule under which the bill is computed shall be posted on the utility's
- 13    Web site, if it maintains a Web site, and shall also be furnished under one (1) of the
- 14    following methods:
- 15    1. By printing it on the bill;
- 16    2. By publishing it in a newspaper of general circulation once each year;
- 17    3. By mailing it to each customer once each year; or
- 18    4. By providing a place on each bill for a customer to indicate the customer's desire
- 19    for a copy of the applicable rates. The utility shall mail the customer a copy by return
- 20    first class mail.
- 21    (2) Flat rates. Flat rates for unmetered service shall approximate as closely as
- 22    possible the utility's rates for metered service. The rate schedule shall clearly set out the
- 23    basis upon which consumption is estimated.

1 (3) Bill format. Each utility shall include the billing form, including any e-bill form, to be  
2 used by it, or its contents, in its tariffed rules.

3 (4) Meter readings. Registration of each meter shall read in the same units as used  
4 for billing unless a conversion factor is shown on the billing form.

5 (5) Frequency of meter reading.

6 (a) Except as provided in paragraph (b) or (c) of this subsection, each utility, except if  
7 prevented by reasons beyond its control, shall read customer meters at least quarterly;

8 (b) Each customer-read meter shall be read manually, at least once during each  
9 calendar year.

10 (c) Each customer meter using remote reading technology shall be inspected for  
11 proper working condition and **the meter registration recorded**~~readings verified~~ at  
12 the intervals established in Section 26(4)(e), Section 26(5)(a)(2) or Section 26(6)(b) of  
13 this administrative regulation.

14 (d) Records shall be kept by the utility to insure that the information required by this  
15 subsection is available to the commission and any customer requesting this information.

16 (e) If, due to reasons beyond its control, a utility is unable to read a meter in  
17 accordance with this subsection, the utility shall record the date and time the attempt  
18 was made, if applicable, and the reason the utility was unable to read the meter.

19 Section 8. Deposits. (1) Determination of deposits.

20 (a) A utility may require from any customer a minimum cash deposit or other guaranty  
21 to secure payment of bills, except from those customers qualifying for service  
22 reconnection under Section 16 of this administrative regulation.

1 (b) A utility shall not require a deposit based solely on the customer being a tenant or  
2 renter.

3 (c) The method of determining the amount of a cash deposit may differ between  
4 classes of customers, but shall be uniform for all customers within the same class.

5 (d) The amount of a cash deposit shall be determined by one (1) of the methods  
6 established in this paragraph.

7 1. Calculated deposits.

8 (a) If actual usage data is available for the customer at the same or similar premises,  
9 the deposit amount shall be calculated using the customer's average bill for the most  
10 recent twelve (12) month period.

11 (b) If actual usage data is not available, the deposit amount shall be based on the  
12 average bills of similar customers and premises in the system.

13 (c) Deposit amounts shall not exceed two-twelfths (2/12) of the customer's actual or  
14 estimated annual bill if bills are rendered monthly, three-twelfths (3/12) if bills are  
15 rendered bimonthly, or four-twelfths (4/12) if bills are rendered quarterly.

16 2. Equal deposits.

17 (a) A utility may establish an equal deposit amount for each class based on the  
18 average bill of customers in that class.

19 (b) Deposit amounts shall not exceed two-twelfths (2/12) of the average bill of  
20 customers in the class if bills are rendered monthly, three-twelfths (3/12) if bills are  
21 rendered bimonthly, or four-twelfths (4/12) if bills are rendered quarterly.

22 3. Recalculation of deposits.

1 a. If a utility retains either an equal or calculated deposit for more than eighteen (18)  
2 months, it shall notify customers in writing that, at the customer's request, the deposit  
3 shall be recalculated every eighteen (18) months based on actual usage of the  
4 customer.

5 b. The notice of deposit recalculation shall be included:

6 (i) On the customer's application for service;

7 (ii) On the receipt of deposit; or

8 (iii) Annually with or on customer bills.

9 c. The notice of deposit recalculation shall state that if the deposit on account differs  
10 by more than ten (10) dollars for residential customers, or by more than ten (10) percent  
11 for nonresidential customers, from the deposit calculated on actual usage, the utility  
12 shall refund any over-collection and may collect any underpayment.

13 d. Refunds shall be made either by check, electronic funds transfer, or by credit to the  
14 customer's **account [bill]**, except that a utility shall not be required to refund any excess  
15 deposit if the customer's **account [bill]** is delinquent when the deposit is recalculated.

16 (2) Waiver of deposits. Deposits may be waived at the discretion of a utility in  
17 accordance with criteria set forth in its tariff.

18 (3) Additional deposit requirement.

19 (a) If a deposit has been waived as allowed in subsection (2) of this section, or has  
20 been returned and the customer fails to maintain a satisfactory payment record as  
21 defined in the utility's tariff, a utility may require a deposit.

22 (b) If substantial change in the customer's usage has occurred, the utility may require  
23 an additional deposit.

1 (c) An additional or subsequent deposit shall not be required of residential customers  
2 whose payment record is satisfactory, unless the customer's classification of service  
3 changes, except as provided in subsection (1)(d)3 of this section.

4 (4) Receipt of deposit.

5 (a) A utility shall issue to every customer from whom a deposit is collected a receipt  
6 of deposit.

7 (b) The receipt shall show the name of the customer, location of the service or  
8 customer account number, date, and amount of deposit.

9 (c) If the notice of recalculation described in subsection (1)(d)3 of this section is not  
10 included in the utility's application for service or mailed with customer bills, the receipt of  
11 deposit shall contain the notification.

12 (d) If deposit amounts change, the utility shall issue a new receipt of deposit to the  
13 customer.

14 (5) Deposits as a condition of service. Except as provided by Section 16 of this  
15 administrative regulation, a utility may refuse or discontinue service to a customer  
16 pursuant to Section 15 of this administrative regulation if payment of requested deposits  
17 is not made.

18 (6) Interest on deposits.

19 (a) Interest shall accrue on all deposits at the rate prescribed by law, beginning on  
20 the date of deposit.

21 (b) Interest accrued shall be refunded to the customer or credited to the customer's  
22 bill on an annual basis.

1 (c) If interest is paid or credited to the customer's bill prior to twelve (12) months from  
2 the date of deposit, or the last interest payment date, the payment or credit shall be on a  
3 prorated basis.

4 (d) Upon termination of service, the deposit, any principal amounts, and interest  
5 earned and owing shall be credited to the final bill with any remainder refunded to the  
6 customer.

7 (7) Interest on deposits for water districts and associations.

8 (a) A water district or association that maintains a separate interest-bearing bank  
9 account designated as the customer deposit account shall pay interest to its customers  
10 on the deposits held at the rate in effect at each customer's anniversary date or at  
11 December 31 of the previous year for the customer deposit account.

12 (b) A water district or association that does not maintain a separate interest-bearing  
13 bank account designated as the customer deposit account shall pay interest to its  
14 customers on the deposits held at a rate that is the weighted average rate of all of its  
15 interest bearing accounts as of December 31 of the previous year.

16 (c) If the water district or association does not have any funds in an interest-bearing  
17 account, the water district or association shall pay interest to its customers on the  
18 deposits held at the rate in effect at each customer's anniversary date or at December  
19 31 of the previous year for a basic savings account at the financial institution where the  
20 water district or association maintains its operation and maintenance account.

21 (8) Tariff requirements. A utility that chooses to require deposits shall establish and  
22 include in its filed tariff the deposit policy to be utilized. This policy shall include:

1 (a) The method by which deposit amounts will be determined for each customer  
2 class;

3 (b) Standard criteria for determining when a deposit will be required or waived;

4 (c) The deposit amount for each customer class if the method in subsection  
5 (1)(d)(2)(b) of this section is used;

6 (d) The period of time the utility will retain the deposit, or the conditions under which  
7 the utility will refund the deposit, or both if applicable; and

8 (e) The manner in which interest on deposits will be calculated and accrued and  
9 refunded or credited to customers' bills.

10 Section 9. Nonrecurring Charges. (1) A utility may make special nonrecurring charges  
11 to recover customer-specific costs incurred that would otherwise result in monetary loss  
12 to the utility or increased rates to other customers to whom no benefits accrue from the  
13 service provided or action taken. Any utility desiring to establish or change any special  
14 nonrecurring charge shall apply for commission approval of the charge in accordance  
15 with the provisions of 807 KAR 5:011, Section 10.

16 (2) Nonrecurring charges shall be included in a utility's tariff and applied uniformly  
17 throughout the area served by the utility. They shall relate directly to the service  
18 performed or action taken and shall yield only enough revenue to pay the expenses  
19 incurred in rendering the service.

20 (3) Nonrecurring charges shall include the charges listed in this subsection and may  
21 include other customer specific costs in accordance with this section and 807 KAR  
22 5:011 section 10.

23 (a) Turn-on charge.

1 1. A turn-on charge may be assessed for a new service turn on, seasonal turn on or  
2 temporary service.

3 2. A turn-on charge shall not be made for initial installation of service if a tap fee is  
4 applicable.

5 (b) Reconnect charge.

6 1. A reconnect charge may be assessed to reconnect a service which has been  
7 terminated for nonpayment of bills or violation of the utility's rules or 807 KAR Chapter  
8 5.

9 2. Customers qualifying for service reconnection under Section 16 of this  
10 administrative regulation shall be exempt from reconnect charges.

11 (c) Termination or field collection charge.

12 1. A charge may be assessed if a utility representative makes a trip to the premises  
13 of a customer for the purpose of terminating service.

14 2. The charge may be assessed if the utility representative actually terminates  
15 service or if, in the course of the trip, the utility representative agrees to delay  
16 termination based on the customer's payment or agreement to pay the delinquent bill by  
17 a specific date.

18 3. The utility shall not make a field collection charge more than once in any billing  
19 period.

20 (d) Special meter reading charge. This charge may be assessed if:

21 1. A customer requests that a meter be reread, and the second reading shows the  
22 original reading was correct. A charge shall not be assessed if the original reading was  
23 incorrect; or

1     2. A customer who reads his or her own meter fails to read the meter for three (3)  
2 consecutive months, and it is necessary for a utility representative to make a trip to read  
3 the meter.

4     (e) Meter resetting charge. A charge may be assessed for resetting a meter if the  
5 meter has been removed at the customer's request.

6     (f) Meter test charge. This charge may be assessed if a customer requests the meter  
7 be tested pursuant to Section 19 of this administrative regulation, and the tests show  
8 the as found meter accuracy is within the limits allowed by 807 KAR 5:022 Section  
9 8(3)(a)(1) and 8(3)(b)(1); 807 KAR 5:041, Section 17(1); or 807 KAR 5:066, Section  
10 15(2)(a).

11     (g) Returned payment charge. A returned payment charge may be assessed if any  
12 form of accepted payment of a utility bill is not honored by the customer's financial  
13 institution.

14     (h) Late payment charge. A late payment charge may be assessed if a customer fails  
15 to pay a bill for services by the due date shown on the customer's bill. The late payment  
16 charge may be assessed only once on any bill for rendered services. Any payment  
17 received shall first be applied to the bill for service rendered. Additional late payment  
18 charges shall not be assessed on unpaid late payment charges.

19     Section 10. Customer Complaints to the Utility. (1) Upon complaint to a utility by a  
20 customer at the utility's office, by telephone or in writing, the utility shall make a prompt  
21 and complete investigation and advise the customer of its findings.

22     (2) The utility shall keep a record of all written complaints concerning its service. This  
23 record shall include:

1 (a) The customer's name and address;

2 (b) The date and nature of the complaint; and

3 (c) The disposition of the complaint.

4 (3) Records shall be maintained for two (2) years from the date of resolution of the  
5 complaint.

6 (4) If a written complaint or a complaint made in person at the utility's office is not  
7 resolved, the utility shall provide written notice to the customer of his or her right to file a  
8 complaint with the commission, and shall provide the customer with the mailing  
9 address, Web site address and telephone number of the commission.

10 (5) If a telephonic complaint is not resolved, the utility shall provide at least oral notice  
11 to the customer of his or right to file a complaint with the commission and the mailing  
12 address, Web site address and telephone number of the commission.

13 Section 11. Bill Adjustment for Gas, Electric or Water Utilities.

14 (1) If, upon periodic test, request test, or complaint test, a meter in service is found to  
15 be in error in excess of the limits allowed by 807 KAR 5:022, Section 8(3)(a)(2); 807  
16 KAR 5:041, Section 17(1); or 807 KAR 5:066, Section 15(4), additional tests shall be  
17 made in accordance with those same administrative regulations applicable for the meter  
18 type involved to determine the average meter error.

19 (2) (a) If test results on a customer's meter show an average meter error greater than  
20 two (2) percent fast or slow, or if a customer has been incorrectly billed for any other  
21 reason, except if a utility has filed a verified complaint with the appropriate law  
22 enforcement agency alleging fraud or theft by a customer, the utility shall:

23 1. Immediately determine the period during which the error has existed;

1 2. Recompute and adjust the customer's bill to either provide a refund to the  
2 customer or collect an additional amount of revenue from the underbilled customer; and

3 3. Readjust the account based upon the period during which the error is known to  
4 have existed.

5 (b) 1. If the period during which the error existed cannot be determined with  
6 reasonable precision, the time period shall be estimated using the data as elapsed time  
7 since the last meter test, if applicable, and historical usage data for the customer.

8 2. If that data is not available, the average usage of a similar class of customers shall  
9 be used for comparison purposes in calculating the time period.

10 (c) If the customer and the utility are unable to agree on an estimate of the time  
11 period during which the error existed, the commission shall determine the issue.

12 (d) In all instances of customer overbilling, the customer's account shall be credited  
13 or the overbilled amount refunded at the discretion of the customer within thirty (30)  
14 days after the investigation is complete.

15 (e) A utility shall not require customer repayment of any underbilling to be made over  
16 a period shorter than a period coextensive with the underbilling.

17 (3) Monitoring usage.

18 (a) A utility shall monitor a customer's usage at least quarterly according to  
19 procedures that shall be included in its tariff.

20 (b) The procedures shall be designed to draw the utility's attention to unusual  
21 deviations in a customer's usage and shall provide for reasonable means by which the  
22 utility can determine the reasons for the unusual deviation.

1 (c) If a customer's usage is unduly high and the deviation is not otherwise explained,  
2 the utility shall test the customer's meter to determine whether the meter shows an  
3 average meter error greater than two (2) percent fast or slow.

4 (4) Usage investigation.

5 (a) If a utility's procedure for monitoring usage indicates that an investigation of a  
6 customer's usage is necessary, the utility shall notify the customer in writing:

7 1. Within ten (10) days of removing the meter from service, that a usage investigation  
8 is being conducted and the reasons for the investigation; and

9 2. Within ten (10) days upon completion of the investigation of the findings of the  
10 investigation.

11 (b) If knowledge of a serious situation requires more expeditious notice, the utility  
12 shall notify the customer by the most expedient means available.

13 (c) If the meter shows an average meter error greater than two (2) percent fast or  
14 slow, the utility shall maintain the meter in question at a secure location under the  
15 utility's control, for a period of **six (6) months** [~~one (1) year~~] from the date the customer  
16 is notified of the finding of the investigation **and the time frame the meter will be**  
17 **secured by the utility** or if the customer has filed a formal complaint pursuant to KRS  
18 278.260, the meter shall be maintained until the proceeding is resolved.

19 (5) Customer notification. If a meter is tested and it is found necessary to make a  
20 refund or back bill a customer, the customer shall be notified in substantially the  
21 following form:

22 On \_\_\_\_\_, (date) \_\_\_\_\_, the meter bearing identification No. \_\_\_\_\_ installed in  
23 your building located at \_\_\_\_\_ (Street and Number) in \_\_\_\_\_ (city) was tested at

1 \_\_\_\_\_ (on premises or elsewhere) and found to register \_\_\_\_\_ (percent fast or  
2 slow). The meter was tested on \_\_\_\_\_ (Periodic, Request, Complaint) test.  
3 Based upon these test results the utility will \_\_\_\_\_ (charge or credit) your account  
4 in the sum of \$ \_\_\_\_\_, which has been noted on your regular bill. If you desire a  
5 cash refund, rather than a credit to your account, of any amount overbilled, you shall  
6 notify this office in writing within seven (7) days of the date of this notice.

7 (6) A customer account shall be considered to be current while a dispute is pending  
8 pursuant to this section, if the customer

9 (a) Continues to make payments for the disputed period in accordance with historic  
10 usage, or if that data is not available, the average usage of similar customer loads; and

11 (b) Stays current on subsequent bills.

12 Section 12. Status of Customer Accounts During Billing Dispute. With respect to any  
13 billing dispute to which Section 11 of this administrative regulation does not apply, a  
14 customer account shall be considered to be current while the dispute is pending if the  
15 customer continues to make undisputed payments and stays current on subsequent  
16 bills.

17 Section 13. Customer's Request for Termination of Service. (1)(a) Any customer  
18 desiring service terminated or changed from one (1) address to another shall give the  
19 utility three (3) working days' notice in person, in writing, or by telephone, if the notice  
20 does not violate contractual obligations or tariff provisions.

21 (b) The customer shall not be responsible for charges for service beyond the three (3)  
22 day notice period if the customer provides access to the meter during the notice period  
23 in accordance with section 20 of this administrative regulation.

1 (c) If the customer notifies the utility of his request for termination by telephone, the  
2 burden of proof shall be on the customer to prove that service termination was  
3 requested if a dispute arises.

4 (2) Upon request that service be reconnected at any premises subsequent to the  
5 initial installation or connection to its service lines, the utility may, subject to subsection  
6 (3) of this section, charge the applicant a reconnect fee set out in its filed tariff.

7 (3) Any utility desiring to establish a termination or reconnection charge under the  
8 provisions of subsection (2) of this section shall apply for commission approval of the  
9 charge in accordance with the provisions of 807 KAR 5:011, Section 10.

10 Section 14. Utility Customer Relations. (1) A utility shall post and maintain regular  
11 business hours and provide representatives available to assist its customers and to  
12 respond to inquiries from the commission regarding customer complaints.

13 (a) Available telephone numbers. Each utility shall:

14 1. Maintain a telephone;

15 2. Publish, shall publish the telephone number in all service areas; and

16 3. Permit all customers to contact the utility's designated representative without  
17 charge.

18 (b) Designated representatives. Each utility shall designate at least one (1)  
19 representative to be available to answer customer questions, resolve disputes and  
20 negotiate partial payment plans at the utility's office. The designated representative shall  
21 be knowledgeable of this regulation; 807 KAR 5:001 Section 13; KRS 278.160(2); and  
22 KRS 278.225 regarding customer bills and service and shall be authorized to negotiate  
23 and accept partial payment plans.

1 1. Each water, sewer, electric, or gas utility having annual operating revenues of  
2 \$250,000 or more shall make the designated representative available during the utility's  
3 established working hours not fewer than seven (7) hours per day, five (5) days per  
4 week, excluding legal holidays.

5 2. Each water, sewer, electric, or gas utility having annual operating revenues of less  
6 than \$250,000 shall make the designated representative available during the utility's  
7 established working hours not fewer than seven (7) hours per day, one (1) day per  
8 week. Additionally, during the months of November through March, each utility providing  
9 gas or electric service shall make available the designated representative during the  
10 utility's established working hours not fewer than five (5) days per week, excluding legal  
11 holidays.

12 (c) Display of customer rights.

13 1. Each utility shall prominently display in each office open to the public for customer  
14 service, and shall post on its Web site, if it maintains a Web site, a summary, prepared  
15 and provided by the commission of the customer's rights under this section and Section  
16 16 of this administrative regulation.

17 2. If a customer indicates to any utility personnel that he or she is experiencing  
18 difficulty in paying a current utility bill, that employee shall refer the customer to the  
19 designated representative for an explanation of his or her rights.

20 (d) Utility personnel training.

21 1. The chief operating officer of any utility that provides electric or gas service to  
22 residential customers shall certify under oath annually the training of utility personnel

1 assigned to counsel persons presenting themselves for utility service under the  
2 provisions of this section.

3 2. If the electric or gas utility is not incorporated in Kentucky and its corporate  
4 headquarters is not located in Kentucky, then its highest ranking officer located in  
5 Kentucky shall make the required certification.

6 3. Training shall include an annual review of this administrative regulation and  
7 policies regarding winter hardship and disconnect administrative regulations, Cabinet for  
8 Health and Family Services (or its designee) policy and programs for issuing certificates  
9 of need, and the utility's policies regarding collection, arrears repayment plans, budget  
10 billing procedures, and weather/health disconnect policies.

11 4. Certification shall include written notice to the commission by no later than October  
12 31 of each year identifying the personnel trained, the date training occurred, and that  
13 the training met the requirements of this section.

14 (2) Partial payment plans. Each utility shall negotiate and accept reasonable partial  
15 payment plans at the request of residential customers who have received a termination  
16 notice for failure to pay as provided in Section 15 of this administrative regulation,  
17 except that a utility is not required to negotiate a partial payment plan with a customer  
18 who is delinquent under a previous partial payment plan. Partial payment plans shall be  
19 mutually agreed upon and subject to the conditions in this section and Section 15 of this  
20 administrative regulation. Partial payment plans which extend for a period longer than  
21 thirty (30) days shall be in writing **or electronically recorded**, state the date and the  
22 amount of payment due. **Written partial payment plans shall [,] be dated and signed**  
23 by **both parties**~~[the utility representative]~~, and shall advise customers that service

1 may be terminated without additional notice if the customer fails to meet the obligations  
2 of the plan.

3 (a) Budget payment plans for water, gas and electric utilities. A water, gas and  
4 electric utility shall develop and offer to its residential customers a budget payment plan  
5 based on historical or estimated usage whereby a customer may elect to pay a fixed  
6 amount each month in lieu of monthly billings based on actual usage. Under this plan, a  
7 utility shall issue bills which adjust accounts so as to bring each participating customer  
8 current once each twelve (12) month period. The customer's account may be adjusted  
9 at the end of the twelve (12) month period or through a series of levelized adjustments  
10 on a monthly basis if usage indicates that the account will not be current upon payment  
11 of the last budget amount. Budget payment plans shall be offered to residential  
12 customers and may be offered to other classes of customers. The provisions of the  
13 budget plan shall be included in the utility's tariffed rules. The utility shall provide  
14 information to its customers regarding the availability of budget payment plans.

15 (b) Partial payment plans for customers with medical certificates or certificates of  
16 need. For customers presenting certificates under the provisions of Sections 15(3) and  
17 16 of this administrative regulation, gas and electric utilities shall negotiate partial  
18 payment plans based upon the customer's ability to pay, requiring accounts to become  
19 current not later than the following October 15. The plans may include, but are not  
20 limited to, budget payment plans and plans that defer payment of a portion of the  
21 arrearage until after the end of the heating season through a schedule of unequal  
22 payments.

1     (3) Utility inspections of service conditions prior to providing service. Each electric,  
2 gas, water and sewer utility shall inspect the condition of its meter and service  
3 connections before making service connections to a new customer so that prior or  
4 fraudulent use of the facilities will not be attributed to the new customer. The new  
5 customer shall be afforded the opportunity to be present at the inspections. The utility  
6 shall not be required to render service to any customer until all defects in the customer-  
7 owned portion of the service facilities have been corrected.

8     (4) Prompt connection of service. Except as provided in Section 16 of this  
9 administrative regulation, the utility shall reconnect existing service within twenty-four  
10 (24) hours or close of the next business day, whichever is later, and shall install and  
11 connect new service within seventy-two (72) hours or close of the next business day,  
12 whichever is later, when the cause for refusal or discontinuance of service has been  
13 corrected and the utility's tariffed rules and the commission's administrative regulations  
14 have been met.

15     (5) Advance termination notice. When advance termination notice is required, the  
16 termination notice shall be mailed or otherwise delivered to the customer's last known  
17 address. The termination notice shall be in writing, distinguishable and separate from  
18 any bill. The termination notice shall plainly state the reason for termination, that the  
19 termination date will not be affected by receipt of any subsequent bill, and that the  
20 customer has the right to dispute the reasons for termination. The termination notice  
21 shall also comply with the applicable requirements of Section 15 of this administrative  
22 regulation.

1 Section 15. Refusal or Termination of Service. (1) A utility may refuse or terminate  
2 service to a customer only under the following conditions except as provided in  
3 subsections (2) and (3) of this section:

4 (a) For noncompliance with the utility's tariffed rules or the commission's  
5 administrative regulations. A utility may terminate service for a customer's failure to  
6 comply with applicable tariffed rules or the commission's administrative regulations  
7 pertaining to that service. However, no utility shall terminate or refuse service to any  
8 customer for noncompliance with its tariffed rules or the commission's administrative  
9 regulations without first having made a reasonable effort to obtain customer compliance.  
10 After the effort by the utility, service may be terminated or refused only after the  
11 customer has been given at least ten (10) days written termination notice pursuant to  
12 Section 14(5) of this administrative regulation.

13 (b) For dangerous conditions. If a dangerous condition relating to a utility's service  
14 that could subject any person to imminent harm or result in substantial damage to the  
15 property of the utility or others is found to exist on the customer's premises, the service  
16 shall be refused or terminated without advance notice. The utility shall notify the  
17 customer immediately in writing and, if possible, orally of the reasons for the termination  
18 or refusal. The notice shall be recorded by the utility and shall include the corrective  
19 action to be taken by the customer or utility before service can be restored or provided.  
20 However, if the dangerous condition, such as gas piping or a gas-fired appliance, can  
21 be effectively isolated or secured from the rest of the system, the utility need  
22 discontinue service only to the affected piping or appliance.

1     (c) For refusal of access. When a customer refuses or neglects to provide reasonable  
2 access to the premises for installation, operation, meter reading, maintenance or  
3 removal of utility property, the utility may terminate or refuse service. The action shall be  
4 taken only when corrective action negotiated between the utility and customer has failed  
5 to resolve the situation and after the customer has been given at least ten (10) days'  
6 written notice of termination pursuant to Section 14(5) of this administrative regulation.

7     (d) For outstanding indebtedness. Except as provided in Section 16 of this  
8 administrative regulation, a utility shall not be required to furnish new service to any  
9 **person contracting for service [customer]** who is indebted to the utility for service  
10 furnished or other tariffed charges until that **person contracting for service**  
11 **[customer]** has paid his indebtedness.

12     (e) For noncompliance with state, local or other codes. A utility may refuse or  
13 terminate service to a customer if the customer does not comply with state, municipal or  
14 other codes, rules and administrative regulations applying to the service. A utility may  
15 terminate service pursuant to this subsection only after ten (10) days' written notice is  
16 provided pursuant to Section 14(5) of this administrative regulation, unless ordered to  
17 terminate immediately by a governmental official.

18     (f) For nonpayment of bills. A utility may terminate service at a point of delivery for  
19 nonpayment of charges incurred for utility service at that point of delivery; however, no  
20 utility shall terminate service to any **person contracting for service [customer]** for  
21 nonpayment of bills for any tariffed charge without first having mailed or otherwise  
22 delivered an advance termination notice which complies with the requirements of  
23 Section 14(5) of this administrative regulation.

1     1. Termination notice requirements for electric or gas service. Each electric or gas  
2 utility proposing to terminate customer service for nonpayment shall mail or otherwise  
3 deliver to that customer ten (10) days' written notice of intent to terminate. Under no  
4 circumstances shall service be terminated before twenty-seven (27) days after the  
5 mailing date of the original unpaid bill. The termination notice to residential customers  
6 shall include written notification to the customer of the existence of local, state and  
7 federal programs providing for the payment of utility bills under certain conditions, and  
8 of the address and telephone number of the Cabinet for Health and Family Services (or  
9 its designee) to contact for possible assistance.

10     2 Termination notice requirements for water, sewer, or telephone service. Each  
11 water, sewer, or telephone utility proposing to terminate customer service for  
12 nonpayment shall mail or otherwise deliver to that customer five (5) days' written notice  
13 of intent to terminate. Under no circumstances shall service be terminated before twenty  
14 (20) days after the mailing date of the original unpaid bill.

15     3. The termination notice requirements of this subsection shall not apply if termination  
16 notice requirements to a particular customer or customers are otherwise dictated by the  
17 terms of a special contract between the utility and customer which has been approved  
18 by the commission.

19     4. This subsection shall not prevent or restrict a utility from discontinuing service  
20 when a sewer service provider requests discontinuance of a customer's water service  
21 pursuant to KRS 74.408, KRS 96.934 or KRS 220.510, nor shall it restrict a water  
22 district from discontinuing water service to a customer who has failed to pay his bill for  
23 sewer service that the water district has provided.

1     (g) For illegal use or theft of service. A utility may terminate service to a customer  
2 without advance notice if it has evidence that a customer has obtained unauthorized  
3 service by illegal use or theft. Within twenty-four (24) hours after termination, the utility  
4 shall send written notification to the customer of the reasons for termination or refusal of  
5 service upon which the utility relies, and of the customer's right to challenge the  
6 termination by filing a formal complaint with the commission. This right of termination is  
7 separate from and in addition to any other legal remedies which the utility may pursue  
8 for illegal use or theft of service. The utility shall not be required to restore service until  
9 the customer has complied with all tariffed rules of the utility and laws and  
10 administrative regulations of the commission.

11     (2) A utility shall not terminate service to a customer if:

12     (a) Payment for services is made. If, following receipt of a termination notice for  
13 nonpayment but prior to the actual termination of service payment of the amount in  
14 arrears is received by the utility, service shall not be terminated.

15     (b) A payment agreement is in effect. Service shall not be terminated for nonpayment  
16 if the customer and the utility have entered into a partial payment plan in accordance  
17 with Section 14 of this administrative regulation and the customer is meeting the  
18 requirements of the plan.

19     (c) A medical certificate is presented. Service shall not be terminated for thirty (30)  
20 days beyond the termination date if a physician, registered nurse or public health officer  
21 certifies in writing that termination of service will aggravate a debilitating illness or  
22 infirmity currently suffered by a resident living at the affected premises. A utility may  
23 refuse to grant consecutive extensions for medical certificates past the original thirty

1 (30) days unless the certificate is accompanied by an agreed partial payment plan in  
2 accordance with Section 14 of this administrative regulation. A utility shall not require a  
3 new deposit from a customer to avoid termination of service for a thirty (30) day period  
4 who presents to the utility a medical certificate certified in writing by a physician,  
5 registered nurse or public health officer.

6 (3) A gas or electric utility shall not terminate service for thirty (30) days beyond the  
7 termination date if the Kentucky Cabinet for Health and Family Services (or its  
8 designee) certifies in writing that the customer is eligible for the cabinet's energy  
9 assistance program or household income is at or below 130 percent of the poverty level,  
10 and the customer presents the certificate to the utility. Customers eligible for certification  
11 from the Cabinet for Health and Family Services shall have been issued a termination  
12 notice between November 1 and March 31. Certificates shall be presented to the utility  
13 during the initial ten (10) day termination notice period. As a condition of the thirty (30)  
14 day extension, the customer shall exhibit good faith in paying his indebtedness by  
15 making a present payment in accordance with his ability to do so. In addition, the  
16 customer shall agree to a repayment plan in accordance with Section 14 of this  
17 administrative regulation which will permit the customer to become current in the  
18 payment of his bill as soon as possible but not later than October 15. A utility shall not  
19 require a new deposit from a customer to avoid termination of service for a thirty (30)  
20 day period who presents a certificate to the utility certified by the Cabinet for Health and  
21 Family Services (or its designee) that the customer is eligible for the cabinet's Energy  
22 Assistance Program or whose household income is at or below 130 percent of the  
23 poverty level.

1 Section 16. Winter Hardship Reconnection. (1) Notwithstanding the provisions of  
2 Section 14(4) of this administrative regulation to the contrary, an electric or gas utility  
3 shall reconnect service to a residential customer who has been disconnected for  
4 nonpayment of bills pursuant to Section 15(1)(f) of this administrative regulation prior to  
5 application for reconnection, and who applies for reconnection during the months from  
6 November 1 through March 31 if the customer or his agent:

7 (a) Presents a certificate of need from the Cabinet for Health and Family Services (or  
8 its designee), including a certification that a referral for weatherization services has  
9 been made in accordance with subsection (3) of this section;

10 (b) Pays one-third (1/3) of his outstanding bill or \$200, whichever is less; and

11 (c) Agrees to a repayment schedule which would permit the customer to become  
12 current in the payment of his electric or gas bill as soon as possible but no later than  
13 October 15. However, if the customer applies for reconnection and the customer has an  
14 outstanding bill in excess of \$600 and agrees to a repayment plan that would pay  
15 current charges and makes a good faith reduction in the outstanding bill consistent with  
16 his ability to pay, then the plan shall be accepted. In addition to payment of current  
17 charges, repayment schedules shall provide an option to the customer to select either  
18 one (1) payment of arrearages per month or more than one (1) payment of arrearages  
19 per month.

20 (d) A utility shall not require a new deposit from a customer whose service is  
21 reconnected due to paragraphs (a), (b) or (c) of this subsection.

22 (2) Certificate of need for reconnection. A customer who is eligible for energy  
23 assistance under the Cabinet for Health and Family Services' guidelines or is certified

1 as being in genuine financial need, which is defined as any household with gross  
2 income at or below 130 percent of the poverty level, may obtain a certificate of need  
3 from the cabinet (or its designee) to be used in obtaining a service reconnection from  
4 the utility.

5 (3) Weatherization program. Customers obtaining a certificate of need under this  
6 administrative regulation shall agree to accept referral to and utilize weatherization  
7 services which are administered by the Cabinet for Health and Family Services. The  
8 provision and acceptance of weatherization services is contingent on the availability of  
9 funds and other program guidelines. Weatherization services include, but are not limited  
10 to, weather stripping, insulation and caulking.

11 (4) Customers who are current in their payment plans under subsection 1(c) of this  
12 section shall not be disconnected.

13 Section 17. Meter Testing. (1) All electric, gas and water utilities furnishing metered  
14 service shall provide meter standards and test facilities, as more specifically set out  
15 under 807 KAR 5:022, 807 KAR 5:041 and 807 KAR 5:066. Before being installed for  
16 use by any customer, an electric, gas and water meter shall be tested and in good  
17 working order and shall be adjusted as close to the optimum operating tolerance as  
18 possible, as more specifically set out in 807 KAR 5:022, Section 8(3)(a), 807 KAR  
19 5:041, Section 17(1)(a)-(c) and 807 KAR 5:066, Section 15(2)(a)-(b).

20 (2) A utility may have all or part of its testing of meters performed by another utility or  
21 agency approved by the commission for that purpose. Each utility having tests made by  
22 another agency or utility shall notify the commission of those arrangements in detail to  
23 include make, type and serial number of standards used to make the tests.

1     (3) No utility shall place in service any basic measurement standard required by  
2 these rules unless the calibration has been approved by the commission. All utilities or  
3 agencies making tests or checks for utility purposes shall notify the commission  
4 promptly of the adoption or deletion of any basic standards requiring commission  
5 approval of the calibration.

6     (4) An electric, gas and water utility or agency doing meter testing for a utility shall  
7 have in its employ meter testers certified by the commission. These certified meter  
8 testers shall perform tests as necessary to determine the accuracy of the utility's meters  
9 and to adjust the utility's meters to the degree of accuracy required by commission  
10 administrative regulations.

11     (5) A utility or agency desiring to have an employee certified as meter tester shall  
12 submit the name of each applicant on an "Application for Appointment of Meter Tester."  
13 The applicant shall pass a written test administered by commission staff and have his  
14 competency in the testing of meters verified by commission staff, at which time the  
15 applicant may be certified as a meter tester and furnished with a card authorizing him to  
16 perform meter tests.

17     (6) A utility or agency may employ apprentices in training for certification as meter  
18 testers. The apprentice period shall be a minimum of six (6) months, after which the  
19 meter tester apprentice shall comply with subsection (5) of this section. All tests  
20 performed during this period by an apprentice shall be witnessed by a certified meter  
21 tester.

1 Section 18. Meter Test Records. (1)(a) A complete record of all meter tests and  
2 adjustments and data sufficient to allow checking of test calculations shall be recorded  
3 by the meter tester. The record shall include:

4 1. Information to identify the unit and its location;

5 2. Date of tests;

6 3. Reason for the tests;

7 4. Readings before and after test;

8 5. Statement of "as found" and "as left" accuracies sufficiently complete to permit  
9 checking of calculations employed;

10 6. Notations showing that all required checks have been made;

11 7. Statement of repairs made, if any;

12 8. Identifying number of the meter;

13 9. Type and capacity of the meter; and

14 10. The meter constant.

15 (b) The complete record of tests of each meter shall be continuous for at least two (2)  
16 periodic test periods and shall in no case be less than two (2) years.

17 (2) Historical records. (a) A utility shall keep numerically arranged and properly  
18 classified records for each meter that it owns, uses and inventories.

19 (b) These records shall include:

20 1. Identification number,

21 2. Date of purchase,

22 3. Name of manufacturer,

23 4. Serial number,

1     5. Type,

2     6. Rating, and

3     7. Name and address of each customer on whose premises the meter has been in  
4 service with date of installation and removal.

5     (c) These records shall also contain condensed information concerning all tests and  
6 adjustments including dates and general results of the adjustments. The records shall  
7 reflect the date of the last test and indicate the proper date for the next periodic test  
8 required by the applicable commission administrative regulation.

9     (3) Sealing of meters. Upon completion of adjustment and test of any meter pursuant  
10 to the commission's administrative regulations, a utility shall affix to the meter a suitable  
11 seal in a manner that adjustments or registration of the meter cannot be altered without  
12 breaking the seal.

13     (4) A utility may store any or all of the meter test and historical data described or  
14 required in subsections (1) and (2) of this section in a computer storage and retrieval  
15 system upon notification to the commission. If a utility elects to use a computer storage  
16 and retrieval system, a back-up copy of the identical information shall be retained.

17     Section 19. Request Tests. (1) A utility shall make a test of any meter upon written  
18 request of any customer if the request is not made more frequently than once each  
19 twelve (12) months. The customer shall be given the opportunity to be present at the  
20 request tests. If the tests show the as found meter accuracy is within the limits allowed  
21 by 807 KAR 5:022 Section 8(3)(a)(1), 807 KAR 5:022 Section 8(3)(b)(1), 807 KAR  
22 5:041 Section 17(1) or 807 KAR 5:066 Section 15(4), the utility may make a reasonable  
23 charge for the test. The amount of the charge shall be approved by the commission and

1 set out in the utility's filed tariff. The utility shall maintain any meter removed from  
2 service for testing, in a secure location under the utility's control, for a period of **six (6)**  
3 **months [one year]** from the date the customer is notified of the finding of the  
4 investigation **and the time frame the meter will be secured by the utility** or if the  
5 customer has filed a formal complaint pursuant to KRS 278.260, the meter shall be  
6 maintained until the proceeding is resolved, or the meter is picked up for testing by  
7 personnel from the commission's Meter Standards Laboratory.

8 (2) After having first obtained a test from the utility, any customer of the utility may  
9 request a meter test by the commission upon written application. The request shall not  
10 be made more frequently on one (1) meter than once each twelve (12) months. Upon  
11 request, personnel from the commission's Meter Standards Laboratory shall pick up the  
12 meter from the utility and maintain the meter for a minimum of **six (6) months [one**  
13 **year]** from the date the customer is notified of the finding of the investigation **and the**  
14 **time frame the meter will be secured by the commission's Meter Standards**  
15 **Laboratory** or if the customer has filed a formal complaint pursuant to KRS 278.260,  
16 the meter shall be maintained until the proceeding is resolved.

17 Section 20. Access to Property. The utility shall at all reasonable hours have access  
18 to meters, service connections and other property owned by it and located on  
19 customer's premises for purposes of installation, maintenance, meter reading,  
20 operation, replacement or removal of its property **[when service is to be terminated].**  
21 Any employee of the utility whose duties require him to enter the customer's premises  
22 shall wear a distinguishing uniform or other insignia, identifying him as an employee of

1 the utility, or show a badge or other identification which will identify him as an employee  
2 of the utility.

3 Section 21. Pole Identification. (1) Each utility owning poles or other structures  
4 supporting its wires shall mark every pole or structure located within a built-up  
5 community with the initials or other distinguishing mark by which the owner of every  
6 structure can be readily determined.

7 (2) Identification marks may be of any type but shall be of a permanent material and  
8 shall be easily read from the ground at a distance of six (6) feet from the structure.

9 (3) If utilities' structures are located outside of a built-up community, at least every  
10 tenth structure shall be marked as set forth in subsection (2) of this section.

11 (4) All junction structures shall bear the identification mark and structure number of  
12 the owner.

13 (5) Poles need not be marked if they are clearly and unmistakably identifiable as the  
14 property of the utility.

15 (6) A utility shall either number its structures and maintain a numbering system or use  
16 some other method of identification so that each structure in the system can be easily  
17 identified.

18 Section 22. Cable Television Pole Attachments and Conduit Use. (1) Each utility  
19 owning poles or other facilities supporting its wires shall permit cable television system  
20 operators who have all necessary licenses and permits to attach cables to poles and to  
21 use facilities, as customers, for transmission of signals to their patrons.

22 (2) The tariffs of the utility shall set forth the rates, terms and conditions under which  
23 the utility's facilities may be used.

1 (3) With respect to a complaint before the commission in any individual matter  
2 concerning cable television pole attachments final action shall be taken on the matter  
3 within a reasonable time, but no later than 360 days after filing of the complaint.

4 Section 23. System Maps and Records. (1) Each utility shall have on file at its  
5 principal office located within the state and shall file upon request with the commission a  
6 map or maps of suitable scale of the general territory it serves or holds itself ready to  
7 serve. **The map or maps should be [If the maps are] available preferably in**  
8 electronic format[, ~~they shall be filed~~] as a PDF file or as a **digital geographic**  
9 **database[commission readable geographic information system (GIS) file. Maps**  
10 **generated on and after the effective date of this regulation shall be filed as a PDF**  
11 **file and as a commission readable geographic information system (GIS) file].** The  
12 following data shall be available on the map or maps:

13 (a) Operating districts.

14 (b) Rate districts.

15 (c) Communities served.

16 (d) Location and size of transmission lines, distribution lines and service connections.

17 (e) Location and layout of all principal items of plant.

18 (f) Date of construction of all items of plant by year and month.

19 (2) In each division or district office there shall be available information relative to the  
20 utility's system that will enable the local representative to furnish necessary information  
21 regarding the rendering of service to existing and prospective customers.

22 (3) In lieu of showing the above construction information in (1)(f) on maps, a card  
23 record or suitable **digital data [means]** may be used. The construction data about a

1 plant feature, such as a pipeline, may be stored in a table and linked to the geographic  
2 plant feature by a unique identifier that is present in both the table and the geographic  
3 database. For all **prospective** construction the records shall also show the date of  
4 construction by month and year.

5 Section 24. Location of Records. All records required by the commission's  
6 administrative regulations shall be kept in the office of the utility and shall be made  
7 available to representatives, agents or staff of the commission upon reasonable notice  
8 at all reasonable hours.

9 Section 25. Safety Program. Each utility shall adopt and execute a safety program,  
10 appropriate to the size and type of its operations. At a minimum, the safety program  
11 shall:

12 (1) Establish a safety manual with written guidelines for safe working practices and  
13 procedures to be followed by utility employees.

14 (2) Instruct employees in safe methods of performing their work. For electric utilities,  
15 this is to include the acceptable standards listed in 807 KAR 5:041 Section 3.

16 (3) Instruct employees who, in the course of their work, are subject to the hazard of  
17 electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

18 Section 26. Inspection of Systems. (1) A utility shall adopt inspection procedures to  
19 assure safe and adequate operation of its facilities and compliance with the  
20 commission's rules and administrative regulations and shall file these procedures with  
21 the commission for review.

22 (2) Upon receipt of a report of a potentially hazardous condition at any utility facility,  
23 the utility shall inspect all portions of the system which are the subject of the report.

1 (3) Appropriate records shall be kept by a utility to identify the inspection made,  
2 deficiencies found and action taken to correct the deficiencies.

3 (4) Electric utility inspection. An electric utility shall make systematic inspections of its  
4 system in the manner set out below to insure that the commission's safety requirements  
5 are being met. These inspections shall be made as often as necessary but not less  
6 frequently than is set forth below for various classes of facilities and types of inspection.

7 (a) As a part of operating procedure, each utility shall continuously monitor and  
8 inspect all production facilities regularly operated and manned.

9 (b) At intervals not to exceed six (6) months, the utility shall inspect:

10 1. Unmanned production facilities, including peaking units not on standby status, and  
11 all monitoring devices, for any evidence of abnormality.

12 2. Transmission switching stations where the primary voltage is sixty-nine (69) KV or  
13 greater, for damage to or deterioration of components including structures, fences,  
14 gauges monitoring devices.

15 3. Underground network transformers and network protectors in vaults located in  
16 buildings or under sidewalks, for leaks, condition of case, connections, temperature and  
17 overloading.

18 4. Electric lines operating at sixty-nine (69) KV or greater, including insulators,  
19 conductors, and supporting facilities, for damage, or deterioration and vegetation  
20 management consistent with the utility's vegetation management practices.

21 (c) In addition to the requirements set out in subsection 4(b) of this section, all electric  
22 lines operating at sixty-nine (69) KV or greater, including insulators, conductors and  
23 supporting facilities shall be inspected from the ground for damage, deterioration and

1 vegetation management consistent with the utility's vegetation management practices at  
2 intervals not to exceed:

3 1. Six (6) years for each electric line supported by a wood pole or other wood support  
4 structure or

5 2. Twelve (12) years for each electric line supported by a pole or other support  
6 structure constructed of steel or other non-wood material.

7 (d) At intervals not to exceed one (1) year, the utility shall inspect:

8 1. Production facilities maintained on a standby status. Except for remotely controlled  
9 facilities, all production facilities shall also be thoroughly inspected.

10 2. Distribution Substations with primary voltage of fifteen (15) to sixty-nine (69) KV.

11 (e) At intervals not to exceed two (2) years, the utility shall inspect all electric facilities  
12 operating at voltages of less than sixty-nine (69) KV, to the point of service including  
13 insulators, conductors and supporting facilities from the ground for damage,  
14 deterioration and vegetation management consistent with the utility's vegetation  
15 management practices.

16 (f) The utility shall inspect other facilities as follows.

17 1. Utility buildings shall be inspected for compliance with safety codes at least  
18 annually.

19 2. Construction equipment shall be inspected for defects, wear and operational  
20 hazards at least quarterly.

21 (g) Aerial inspections shall not be used as the sole basis for evidence of compliance  
22 with the commission's administrative regulations.

1 (5) Gas utility inspection. A gas utility shall make systematic inspections of its system  
2 to insure that the commission's safety requirements are being met. These inspections  
3 shall be made as often as necessary but not less frequently than is prescribed or  
4 recommended by the Department of Transportation, 49 C.F.R. Part 192 Transportation  
5 of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards, for the  
6 various classes of facilities.

7 (a) The following maximum time intervals are prescribed for certain inspections  
8 provided for in 49 C.F.R. Part 192 Transportation of Natural and Other Gas by Pipeline:  
9 Minimum Federal Safety Standards, with respect to which intervals are not specified,  
10 and for certain additional inspections not provided for in the code.

11 1. At intervals not to exceed every fifteen (15) months but at least once each calendar  
12 year, the utility shall inspect and visually examine:

13 a. Production wells, storage wells, and well equipment, including their exterior  
14 components.

15 b. Pressure limiting stations, relief devices, pressure regulating stations, and vaults.

16 c. Accessibility of the curb box and valve on a service line.

17 2. At intervals not to exceed three (3) years, meters using remote reading technology  
18 shall be manually inspected and visually examined for proper working condition and **the**  
19 **meter registration recorded**~~readings verified~~.

20 3. The utility shall inspect other facilities as follows:

21 a. Utility buildings shall be inspected for compliance with safety codes at least  
22 annually.

1 b. Construction equipment under the control of the utility shall be inspected for  
2 defects, wear and operational hazards at least quarterly.

3 (b) At intervals not to exceed the periodic meter test intervals, individual residential  
4 customer service regulators, vents and relief valve vents shall be checked for  
5 satisfactory operation.

6 (c) At intervals not to exceed the periodic meter test intervals, the curb box and valve  
7 on the service line shall be inspected for operable condition.

8 (d) Aerial inspections shall not be used as the sole basis for evidence of compliance  
9 with the commission's administrative regulations.

10 (6) Water utility inspections. Each water utility shall make systematic inspections of its  
11 system in the manner set out below to insure that the commission's safety requirements  
12 are being met. These inspections shall be made as often as necessary but not less  
13 frequently than is set forth below for various classes of facilities and types of inspection.

14 (a) The utility shall annually inspect all structures pertaining to source of supply for  
15 their safety and physical and structural integrity, including dams, intakes, and traveling  
16 screens. The utility shall semiannually inspect supply wells, their motors and structures,  
17 including electric power wiring and controls for proper and safe operation.

18 (b) The utility shall annually inspect all structures pertaining to purification for their  
19 safety, physical and structural integrity and for leaks, including sedimentation basins,  
20 filters, and clear wells; chemical feed equipment; pumping equipment and water storage  
21 facilities, including electric power wiring and controls; hydrants, mains, meters, meter  
22 settings and valves.

1     (c) The utility shall monthly inspect construction equipment and vehicles for defects,  
2 wear, operational hazards, lubrication, and safety features.

3     (7) Telephone utility inspection. Each telephone utility shall make systematic  
4 inspections of its system in the manner set out below to insure that the commission's  
5 safety requirements are being met. The inspections shall be made as often as  
6 necessary but not less frequently than is set forth below for various classes of facilities  
7 and types of inspection.

8     (a) The utility shall inspect aerial plant for electrical hazards, proper clearance for  
9 electric clearances of facilities, vegetation management consistent with the utility's  
10 vegetation management practices and climbing safety every two (2) years.

11     (b) The utility shall inspect underground plant for presence of gas, proper clearance  
12 from electric facilities and safe working conditions at least annually.

13     (c) The utility shall inspect utility-provided station equipment and connections for  
14 external electrical hazards, damaged instruments or wiring, appropriate protection from  
15 lightning and safe location of equipment and wiring when on a customer's premises.

16     (d) The utility shall inspect utility buildings for compliance with safety codes at least  
17 annually.

18     (e) The utility shall inspect construction equipment for defects, wear and operational  
19 hazards at least quarterly.

20     (f) Aerial inspections shall not be used as the sole basis for evidence of compliance  
21 with commission administrative regulations.

22     (8) Sewage utility inspection. Each sewage utility shall make systematic inspections  
23 of its system in the manner set out in 807 KAR 5:071 to ensure that the commission's

1 safety requirements are being met. The inspections shall be made as often as  
2 necessary but not less frequently than is set out in 807 KAR 5:071.

3 Section 27. Reporting of Accidents, Property Damage or Loss of Service. (1) Within  
4 two (2) hours following discovery each utility, other than a natural gas utility, shall notify  
5 the commission by telephone or electronic mail of any utility related accident which  
6 results in:

7 (a) Death; or shock or burn requiring medical treatment at a hospital or similar  
8 medical facility, or any accident requiring inpatient overnight hospitalization;

9 (b) Actual or potential property damage of \$25,000 or more; or

10 (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the  
11 utility's customers, whichever is less.

12 (2) A summary written report shall be submitted by the utility to the commission within  
13 seven (7) calendar days of the utility related accident. For good cause shown, the  
14 executive director of the commission, may, upon application in writing, allow a  
15 reasonable extension of time for submission of this report.

16 (3) Natural gas utilities shall report utility related accidents in accordance with the  
17 provisions of 807 KAR 5:027.

18 Section 28. Deviations from Administrative Regulation. In special cases, for good  
19 cause shown, the commission may permit deviations from this administrative regulation.

20 Section 29. Incorporation by Reference. (1) The following material is incorporated by  
21 reference:

22 (a) Annual Financial and Statistical Reports:

- 1     1. FERC Form 1 – Annual Report of Major Electric Utilities, Licensees and Others;
- 2     March 2007;
- 3     2. Annual Reporting Form for Rural Electric Cooperative Corporations; July 2012;
- 4     3. FERC Form 2 – Annual Report of Major Natural Gas Companies; December 2007;
- 5     4. Annual Reporting Form for Class C and D Gas Utilities; August 2005;
- 6     5. Annual Reporting Form for Local Exchange Carriers; August 2005;
- 7     6. Annual Reporting Form for Local Exchange Carriers – Kentucky Operations Only;
- 8     August 2004;
- 9     7. Annual Reporting Form for Water Company – Class A & B; July 2012;
- 10    8. Annual Reporting Form for Water Company – Class C; July 2012;
- 11    9. Annual Reporting Form for Water Districts/Water Associations – Class A & B; July
- 12    2012;
- 13    10. Annual Reporting Form for Water Districts/Water Associations – Class C; July
- 14    2012;
- 15    11. Annual Reporting Form for Sewer Utilities; September 2005;
- 16    (b) Quarterly Meter Reports:
- 17    1. Quarterly Meter Report-Electric; August 2011;
- 18    2. Quarterly Meter Report-Water; July 2012;
- 19    3. Quarterly Meter Report-Gas; July 2007;
- 20    (c) Non-payment Disconnection/Reconnection Reports:
- 21    1. Water Utility-Non-Payment Disconnection/Reconnection Report; February 2012;
- 22    2. Electric Utility-Non-Payment Disconnection/Reconnection Report; September
- 23    2000;

1 3. Gas Utility Non-Payment Disconnection/Reconnection Report; September 2000;

2 (d) Application for Appointment of Meter Tester

3 (2) This material may be inspected, copied, or obtained, subject to applicable  
4 copyright law at the commission's offices at 211 Sower Boulevard, Frankfort, Kentucky  
5 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's  
6 Web site at <http://psc.ky.gov/>. [~~Section 1. Definitions. (1) "Utility" means a utility as~~  
7 ~~defined in KRS 278.010(3).~~

8 ~~(2) "Customer" means any person, firm, corporation or body politic applying for or~~  
9 ~~receiving service from any utility.~~

10 ~~Section 2. General Provisions. (1) The adoption of administrative regulations by the~~  
11 ~~commission shall not preclude the commission from altering or amending the same in~~  
12 ~~whole or in part, or from requiring any other or additional service, equipment, facility, or~~  
13 ~~standards, either upon request, or upon its own motion, or upon the application of the~~  
14 ~~utility. No administrative regulation of the commission shall in any way relieve a utility~~  
15 ~~from any of its duties under the laws of Kentucky.~~

16 ~~(2) Any reference to standards or codes in commission administrative regulations~~  
17 ~~shall not prohibit utilities employing competent engineers from continuing or initiating~~  
18 ~~experimental work and installations which tend to improve, decrease the cost of, or~~  
19 ~~increase the safety of their service.~~

20 ~~Section 3. Reports. (1) Financial and statistical reports. Every utility shall file annually~~  
21 ~~a financial and statistical report upon forms to be furnished by the commission. This~~  
22 ~~report shall be based upon the accounts set up in conformity with the uniform system of~~  
23 ~~accounts for utilities. This report shall be filed on or before March 31, each year, for the~~

1 preceding calendar year. The forms for this report are hereby incorporated by reference,  
2 and may be obtained at the commission's offices at 211 Sower Boulevard, P.O. Box  
3 615, Frankfort, Kentucky, 40602, Monday through Friday between the hours of 8 a.m.  
4 and 4:30 p.m. local time. For good cause shown, the executive director of the  
5 commission may, upon application in writing, allow a reasonable extension of time for  
6 such filing.

7 (2) Report of meters, customers and refunds. Every gas, electric and water utility  
8 shall make periodic reports on forms prescribed by the commission, of meter tests,  
9 number of customers and amount of refunds. These forms are hereby incorporated by  
10 reference, and may be obtained at the commission's offices at 211 Sower Boulevard,  
11 P.O. Box 615, Frankfort, Kentucky, 40602, Monday through Friday between the hours of  
12 8 a.m. and 4:30 p.m. local time.

13 (3) Report of terminations for nonpayment of bills. Each electric and gas utility shall,  
14 report annually the number of residential accounts terminated for nonpayment. These  
15 reports shall be filed no later than August 15 and shall cover the period ending June 30.

16 (4) Other reports. Every utility shall make such other reports as the commission may  
17 at its discretion from time to time require.

18 (5) Record and report retention. All records and reports shall be retained in  
19 accordance with the uniform system of accounts unless otherwise specified.

20 (6) Transmittal letter. All reports shall be accompanied by two (2) copies of a  
21 transmittal letter describing the report being furnished.

22 Section 4. Service Information. (1) The utility shall, on request, give its customers or  
23 prospective customers such information as is reasonably possible in order that they

1 may secure safe, efficient and continuous service. The utility shall inform its customers  
2 of any change made or proposed in the character of its service which might affect the  
3 efficiency, safety, or continuity of operation.

4 (2) Prior to making any substantial change in the character of the service furnished,  
5 which would affect the efficiency, adjustment, speed or operation of the equipment or  
6 appliances of any customer, the utility shall obtain the approval of the commission. The  
7 application shall show the nature of the change to be made, the number of customers  
8 affected, and the manner in which they will be affected.

9 (3) The utility shall inform each applicant for service of each type, class and character  
10 of service available at his location.

11 Section 5. Special Rules or Requirements. (1) No utility shall establish any special  
12 rule or requirement without first obtaining the approval of the commission on proper  
13 application.

14 (2) A customer who has complied with commission administrative regulations shall  
15 not be denied service for failure to comply with the utility's rules which have not been  
16 made effective in the manner prescribed by the commission.

17 (3) Obtaining easements and rights-of-way necessary to extend service shall be the  
18 responsibility of the utility. No utility shall require a prospective customer to obtain  
19 easements or rights-of-way on property not owned by the prospective customer as a  
20 condition for providing service. The cost of obtaining easements or rights-of-way shall  
21 be included in the total per foot cost of an extension, and shall be apportioned among  
22 the utility and customer in accordance with the applicable extension administrative  
23 regulation.

1        ~~Section 6. Billings, Meter Readings and Information. (1) Information on bills. Each bill~~  
2 ~~for utility service issued periodically by a utility shall clearly show the following, if~~  
3 ~~applicable: class of service; present and last preceding meter readings; date of the~~  
4 ~~present reading; number of units consumed; meter constant, if any; net amount for~~  
5 ~~service rendered; all taxes; any adjustments; and the gross amount of the bill. The date~~  
6 ~~after which a penalty may apply to the gross amount shall be indicated. Estimated or~~  
7 ~~calculated bills shall be distinctly marked as such. The rate schedule under which the~~  
8 ~~bill is computed shall be furnished under one (1) of the following methods:~~

9        ~~(a) By printing it on the bill.~~

10       ~~(b) By publishing it in a newspaper of general circulation once each year.~~

11       ~~(c) By mailing it to each customer once each year.~~

12       ~~(d) By providing a place on each bill where a customer may indicate his desire for a~~  
13 ~~copy of the applicable rates. The utility shall mail the customer a copy by return first~~  
14 ~~class mail.—~~

15       ~~(2) Flat rates. Flat rates for unmetred service shall approximate as closely as~~  
16 ~~possible the utility's rates for metered service. The rate schedule shall clearly set out the~~  
17 ~~basis upon which consumption is estimated.~~

18       ~~(3) Bill format. Each utility shall include the billing form to be used by it, or its~~  
19 ~~contents, in its tariffed rules.~~

20       ~~(4) Meter readings. Registration of each meter shall read in the same units as used~~  
21 ~~for billing unless a conversion factor is shown on the billing form.~~

22       ~~(5) Frequency of meter reading. Each utility, except if prevented by reasons beyond~~  
23 ~~its control, shall read customer meters at least quarterly, except that each utility using~~

1 ~~customer-read meter information shall read each revenue related meter on its system at~~  
2 ~~least once during each calendar year. Records shall be kept by the utility to insure that~~  
3 ~~this information is available to commission staff and any customer requesting this~~  
4 ~~information. If, due to reasons beyond its control, a utility is unable to read a meter in~~  
5 ~~accordance with this subsection, the utility shall record the date and time the attempt~~  
6 ~~was made, if applicable, and the reason the utility was unable to read the meter.~~

7 ~~Section 7. Deposits. (1) Determination of deposits. A utility may require from any~~  
8 ~~customer a minimum cash deposit or other guaranty to secure payment of bills, except~~  
9 ~~from those customers qualifying for service reconnection under Section 15 of this~~  
10 ~~administrative regulation. The method of determining the amount of a cash deposit may~~  
11 ~~differ between classes of customers, but shall be uniform for all customers within the~~  
12 ~~same class. The amount of a cash deposit shall be determined by one (1) of the~~  
13 ~~following methods:~~

14 ~~(a) Calculated deposits. If actual usage data is available for the customer at the same~~  
15 ~~or similar premises, the deposit amount shall be calculated using the customer's~~  
16 ~~average bill for the most recent twelve (12) month period. If actual usage data is not~~  
17 ~~available, the deposit amount shall be based on the average bills of similar customers~~  
18 ~~and premises in the system. Deposit amounts shall not exceed two-twelfths (2/12) of the~~  
19 ~~customer's actual or estimated annual bill where bills are rendered monthly, three-~~  
20 ~~twelfths (3/12) where bills are rendered bimonthly, or four-twelfths (4/12) where bills are~~  
21 ~~rendered quarterly.~~

22 ~~(b) Equal deposits. The utility may establish an equal deposit amount for each class~~  
23 ~~based on the average bill of customers in that class. Deposit amounts shall not exceed~~

1 ~~two-twelfths (2/12) of the average bill of customers in the class where bills are rendered~~  
2 ~~monthly, three-twelfths (3/12) where bills are rendered bimonthly, or four-twelfths (4/12)~~  
3 ~~where bills are rendered quarterly.~~

4 ~~(c) Recalculation of deposits. If the utility will or may retain either an equal or~~  
5 ~~calculated deposit for more than eighteen (18) months, it shall notify customers in~~  
6 ~~writing that, at the customer's request, the deposit will be recalculated every eighteen~~  
7 ~~(18) months based on actual usage of the customer. The notice of deposit recalculation~~  
8 ~~shall be included either on the customer's application for service or on the receipt of~~  
9 ~~deposit, or may be included annually with or on customer bills. The notice of deposit~~  
10 ~~recalculation shall state that if the deposit on account differs by more than ten (10)~~  
11 ~~dollars for residential customers, or by more than ten (10) percent for nonresidential~~  
12 ~~customers, from the deposit calculated on actual usage, then the utility shall refund any~~  
13 ~~over-collection and may collect any underpayment. Refunds shall be made either by~~  
14 ~~check or by credit to the customer's bill, except that a utility shall not be required to~~  
15 ~~refund any excess deposit if the customer's bill is delinquent at the time of recalculation.~~

16 ~~(2) Waiver of deposits. Deposits may be waived at the discretion of the utility in~~  
17 ~~accordance with its currently effective tariff based upon a customer's showing of~~  
18 ~~satisfactory credit and payment history.~~

19 ~~(3) Additional deposit requirement. If a deposit has been waived, as allowed in~~  
20 ~~subsection (2) of this section, or has been returned and the customer fails to maintain a~~  
21 ~~satisfactory payment record as defined in the utility's currently effective tariff, the utility~~  
22 ~~may require that a deposit be made. If substantial change in usage has occurred, the~~  
23 ~~utility may require that an additional deposit be made. No additional or subsequent~~

1 ~~deposit shall be required of residential customers whose payment record is satisfactory,~~  
2 ~~unless the customer's classification of service changes, except as provided in~~  
3 ~~subsection (1)(c) of this section.~~

4 ~~(4) Receipt of deposit. The utility shall issue to every customer from whom a deposit~~  
5 ~~is collected a receipt of deposit. The receipt shall show the name of the customer,~~  
6 ~~location of the service or customer account number, date, and amount of deposit. If the~~  
7 ~~notice of recalculation described in subsection (1)(c) of this section is not included in the~~  
8 ~~utility's application for service or mailed with customer bills, the receipt of deposit shall~~  
9 ~~contain the notification. If deposit amounts change, the utility shall issue a new receipt~~  
10 ~~of deposit to the customer.~~

11 ~~(5) Deposits as a condition of service. Except as otherwise provided by Section 15 of~~  
12 ~~this administrative regulation, customer service may be refused or discontinued~~  
13 ~~pursuant to Section 14 of this administrative regulation if payment of requested deposits~~  
14 ~~is not made.~~

15 ~~(6) Interest on deposits. Interest shall accrue on all deposits at the rate prescribed by~~  
16 ~~law, beginning on the date of deposit. Interest accrued shall be refunded to the~~  
17 ~~customer or credited to the customer's bill on an annual basis, except that a utility shall~~  
18 ~~not be required to refund or credit interest on deposits if the customer's bill is delinquent~~  
19 ~~on the anniversary of the deposit date. All interest that has accrued as of the effective~~  
20 ~~date of this administrative regulation shall be refunded or credited to the customer's bill~~  
21 ~~on the first anniversary of the deposit date after the effective date of this administrative~~  
22 ~~regulation. If interest is paid or credited to the customer's bill prior to twelve (12) months~~  
23 ~~from the date of deposit, the payment or credit shall be on a prorated basis. Upon~~

1 ~~termination of service, the deposit, any principal amounts, and interest earned and~~  
2 ~~owing shall be credited to the final bill with any remainder refunded to the customer.~~

3 ~~(7) Tariff requirements. Each utility which chooses to require deposits shall establish~~  
4 ~~and include in its filed tariff the deposit policy to be utilized. This policy shall include:~~

5 ~~(a) The method by which deposit amounts will be determined for each customer~~  
6 ~~class;~~

7 ~~(b) Standard criteria for determining when a deposit will be required or waived;~~

8 ~~(c) The deposit amount for each customer class if the method in subsection (1)(b) of~~  
9 ~~this section is used;~~

10 ~~(d) The period of time the utility will retain the deposit, or the conditions under which~~  
11 ~~the utility will refund the deposit, or both if applicable;~~

12 ~~(e) The manner in which interest on deposits will be calculated and accrued and~~  
13 ~~refunded or credited to customers' bills.~~

14 ~~Section 8. Special Charges. (1) A utility may make special nonrecurring charges to~~  
15 ~~recover customer-specific costs incurred which would otherwise result in monetary loss~~  
16 ~~to the utility or increased rates to other customers to whom no benefits accrue from the~~  
17 ~~service provided or action taken. Any utility desiring to establish or change any special~~  
18 ~~nonrecurring charge shall apply for commission approval of such charge in accordance~~  
19 ~~with the provisions of 807 KAR 5:011, Section 10.~~

20 ~~(2) Special charges shall be included in the utility's tariff and applied uniformly~~  
21 ~~throughout the area served by the utility. They shall relate directly to the service~~  
22 ~~performed or action taken and shall yield only enough revenue to pay the expenses~~  
23 ~~incurred in rendering the service.~~

1       ~~(3) Special charges may include, but are not limited to:~~

2       ~~(a) Turn-on charge. A turn-on charge may be assessed for a new service turn-on,~~  
3       ~~seasonal turn-on or temporary service. A turn-on charge shall not be made for initial~~  
4       ~~installation of service where a tap fee is applicable.~~

5       ~~(b) Reconnect charge. A reconnect charge may be assessed to reconnect a service~~  
6       ~~which has been terminated for nonpayment of bills or violation of the utility's rules or~~  
7       ~~commission administrative regulations. Customers qualifying for service reconnection~~  
8       ~~under Section 15 of this administrative regulation shall be exempt from reconnect~~  
9       ~~charges.~~

10       ~~(c) Termination or field collection charge. A charge may be assessed when a utility~~  
11       ~~representative makes a trip to the premises of a customer for the purpose of terminating~~  
12       ~~service. The charge may be assessed if the utility representative actually terminates~~  
13       ~~service or if, in the course of the trip, the customer pays the delinquent bill to avoid~~  
14       ~~termination. The charge may also be made if the utility representative agrees to delay~~  
15       ~~termination based on the customer's agreement to pay the delinquent bill by a specific~~  
16       ~~date. The utility may make a field collection charge only once in any billing period.~~

17       ~~(d) Special meter reading charge. This charge may be assessed when a customer~~  
18       ~~requests that a meter be reread, and the second reading shows the original reading was~~  
19       ~~correct. No charge shall be assessed if the original reading was incorrect. This charge~~  
20       ~~may also be assessed when a customer who reads his own meter fails to read the~~  
21       ~~meter for three (3) consecutive months, and it is necessary for a utility representative to~~  
22       ~~make a trip to read the meter.~~

1       ~~(e) Meter resetting charge. A charge may be assessed for resetting a meter if the~~  
2 ~~meter has been removed at the customer's request.~~

3       ~~(f) Meter test charge. This charge may be assessed if a customer requests the meter~~  
4 ~~be tested pursuant to Section 18 of this administrative regulation, and the tests show~~  
5 ~~the meter is not more than two (2) percent fast. No charge shall be made if the test~~  
6 ~~shows the meter is more than two (2) percent fast.~~

7       ~~(g) Returned check charge. A returned check charge may be assessed if a check~~  
8 ~~accepted for payment of a utility bill is not honored by the customer's financial~~  
9 ~~institution.~~

10       ~~(h) Late payment penalty. A penalty may be assessed if a customer fails to pay a bill~~  
11 ~~for services by the due date shown on the customer's bill. The penalty may be~~  
12 ~~assessed only once on any bill for rendered services. Any payment received shall first~~  
13 ~~be applied to the bill for service rendered. Additional penalty charges shall not be~~  
14 ~~assessed on unpaid penalty charges.~~

15       ~~Section 9. Customer Complaints to the Utility. Upon complaint to the utility by a~~  
16 ~~customer at the utility's office, by telephone or in writing, the utility shall make a prompt~~  
17 ~~and complete investigation and advise the complainant of its findings. The utility shall~~  
18 ~~keep a record of all written complaints concerning its service. This record shall show the~~  
19 ~~name and address of the complainant, the date and nature of the complaint, and the~~  
20 ~~adjustment or disposition of the complaint. Records shall be maintained for two (2)~~  
21 ~~years from the date of resolution of the complaint. If a written complaint or a complaint~~  
22 ~~made in person at the utility's office is not resolved, the utility shall provide written notice~~  
23 ~~to the complainant of his right to file a complaint with the commission, and shall provide~~

1 him with the address and telephone number of the commission. If a telephonic  
2 complaint is not resolved, the utility shall provide at least oral notice to the complainant  
3 of his right to file a complaint with the commission and the address and telephone  
4 number of the commission.

5 Section 10. Bill Adjustment for Gas, Electric and Water Utilities. (1) If upon periodic  
6 test, request test, or complaint test a meter in service is found to be more than two (2)  
7 percent fast, additional tests shall be made to determine the average error of the meter.  
8 Said tests shall be made in accordance with commission administrative regulations  
9 applicable to the type of meter involved.

10 (2) If test results on a customer's meter show an average error greater than two (2)  
11 percent fast or slow, or if a customer has been incorrectly billed for any other reason,  
12 except in an instance where a utility has filed a verified complaint with the appropriate  
13 law enforcement agency alleging fraud or theft by a customer, the utility shall  
14 immediately determine the period during which the error has existed, and shall  
15 recompute and adjust the customer's bill to either provide a refund to the customer or  
16 collect an additional amount of revenue from the underbilled customer. The utility shall  
17 readjust the account based upon the period during which the error is known to have  
18 existed. If the period during which the error existed cannot be determined with  
19 reasonable precision, the time period shall be estimated using such data as elapsed  
20 time since the last meter test, if applicable, and historical usage data for the customer. If  
21 that data is not available, the average usage of similar customer loads shall be used for  
22 comparison purposes in calculating the time period. If the customer and the utility are  
23 unable to agree on an estimate of the time period during which the error existed, the

1 ~~commission shall determine the issue. In all instances of customer overbilling, the~~  
2 ~~customer's account shall be credited or the overbilled amount refunded at the discretion~~  
3 ~~of the customer within thirty (30) days after final meter test results. A utility shall not~~  
4 ~~require customer repayment of any underbilling to be made over a period shorter than a~~  
5 ~~period coextensive with the underbilling.~~

6 ~~(3) Monitoring usage. Each utility shall monitor customers' usage at least annually~~  
7 ~~according to procedures which shall be included in its tariff on file with the commission.~~  
8 ~~The procedures shall be designed to draw the utility's attention to unusual deviations in~~  
9 ~~a customer's usage and shall provide for reasonable means by which the utility can~~  
10 ~~determine the reasons for the unusual deviation. If a customer's usage is unduly high~~  
11 ~~and the deviation is not otherwise explained, the utility shall test the customer's meter to~~  
12 ~~determine whether the meter shows an average error greater than two (2) percent fast~~  
13 ~~or slow.~~

14 ~~(4) Usage investigation. If the utility's procedure for monitoring usage indicates that~~  
15 ~~an investigation of a customer's usage is necessary, the utility shall notify the customer~~  
16 ~~in writing either during or immediately after the investigation of the reasons for the~~  
17 ~~investigation, and of the findings of the investigation. If knowledge of a serious situation~~  
18 ~~requires more expeditious notice, the utility shall notify the customer by the most~~  
19 ~~expedient means available.~~

20 ~~(5) Customer notification. If a meter is tested and it is found necessary to make a~~  
21 ~~refund or back bill a customer, the customer shall be notified in substantially the~~  
22 ~~following form:~~

1 On \_\_\_\_\_, 19\_\_\_\_, the meter bearing identification No. \_\_\_\_\_ installed in your  
2 building located at \_\_\_\_\_ (Street and Number) in \_\_\_\_\_ (city) was tested at  
3 \_\_\_\_\_ (on premises or elsewhere) and found to register \_\_\_\_\_ (percent fast or  
4 slow). The meter was tested on \_\_\_\_\_ (Periodic, Request, Complaint) test.  
5 Based upon this we herewith \_\_\_\_\_ (charge or credit) with the sum of  
6 \$\_\_\_\_\_, which amount has been noted on your regular bill. If you desire a cash  
7 refund, rather than a credit to your account, of any amount overbilled, you must notify  
8 this office in writing within seven (7) days of the date of this notice.

9 ~~(6) Customer accounts shall be considered to be current while a dispute is pending~~  
10 ~~pursuant to this section, as long as a customer continues to make payments for the~~  
11 ~~disputed period in accordance with historic usage, or if that data is not available, the~~  
12 ~~average usage of similar customer loads, and stays current on subsequent bills.~~

13 ~~Section 11. Status of Customer Accounts During Billing Dispute. With respect to any~~  
14 ~~billing dispute to which Section 10 of this administrative regulation does not apply,~~  
15 ~~customer accounts shall be considered to be current while the dispute is pending as~~  
16 ~~long as a customer continues to make undisputed payments and stays current on~~  
17 ~~subsequent bills.~~

18 ~~Section 12. Customer's Request for Termination of Service. (1) Any customer~~  
19 ~~desiring service terminated or changed from one address to another shall give the utility~~  
20 ~~three (3) working days' notice in person, in writing, or by telephone, provided such~~  
21 ~~notice does not violate contractual obligations or tariff provisions. The customer shall~~  
22 ~~not be responsible for charges for service beyond the three (3) day notice period if the~~  
23 ~~customer provides reasonable access to the meter during the notice period. If the~~

1 ~~customer notifies the utility of his request for termination by telephone, the burden of~~  
2 ~~proof is on the customer to prove that service termination was requested if a dispute~~  
3 ~~arises.~~

4 ~~(2) Upon request that service be reconnected at any premises subsequent to the~~  
5 ~~initial installation or connection to its service lines, the utility may, subject to subsection~~  
6 ~~(3) of this section, charge the applicant a reconnect fee set out in its filed tariff.~~

7 ~~(3) Any utility desiring to establish a termination or reconnection charge under the~~  
8 ~~provisions of subsection (2) of this section, shall apply for commission approval of such~~  
9 ~~charge in accordance with the provisions of 807 KAR 5:011, Section 10.~~

10 ~~Section 13. Utility Customer Relations. (1) A utility shall post and maintain regular~~  
11 ~~business hours and provide representatives available to assist its customers.~~

12 ~~(a) Available telephone numbers. Each utility shall maintain a telephone, shall publish~~  
13 ~~the telephone number in all service areas, and shall permit all customers to contact the~~  
14 ~~utility's designated representative without charge.~~

15 ~~(b) Designated representatives. Each utility shall designate at least one (1)~~  
16 ~~representative to be available to answer customer questions, resolve disputes and~~  
17 ~~negotiate partial payment plans at the utility's office. The designated representative shall~~  
18 ~~be knowledgeable of the commission's administrative regulations regarding customer~~  
19 ~~bills and service and shall be authorized to negotiate and accept partial payment plans.~~

20 ~~1. Each major gas or electric utility (as defined by the Uniform System of Accounts)~~  
21 ~~and each water and sewer utility having annual operating revenues of \$250,000 or more~~  
22 ~~shall make the designated representative available during the utility's established~~

1 working hours not fewer than seven (7) hours per day, five (5) days per week, excluding  
2 holidays.

3 ~~2. Each nonmajor gas or electric utility (as defined by the Uniform System of~~  
4 ~~Accounts) and each water or sewer utility having annual operating revenues of less than~~  
5 ~~\$250,000 shall make the designated representative available during the utility's~~  
6 ~~established working hours not fewer than seven (7) hours per day, one (1) day per~~  
7 ~~week. Additionally, during the months of November through March, each previously~~  
8 ~~defined nonmajor utility providing gas or electric service shall make available the~~  
9 ~~designated representative during the utility's established working hours not fewer than~~  
10 ~~five (5) days per week.~~

11 ~~(c) Display of customer rights. Each utility shall prominently display in each office in~~  
12 ~~which payment is received a summary, to be prepared and provided by the commission,~~  
13 ~~of the customer's rights under this section and Section 15 of this administrative~~  
14 ~~regulation. If a customer indicates to any utility personnel that he is experiencing~~  
15 ~~difficulty in paying a current utility bill, that employee shall refer the customer to the~~  
16 ~~designated representative for explanation of the customer's rights.~~

17 ~~(d) Utility personnel training. The chief operating officer of each electric and gas utility~~  
18 ~~providing service to residential customers shall be required to certify each year the~~  
19 ~~training of utility personnel assigned to counsel persons presenting themselves for utility~~  
20 ~~service under the provisions of this section. Training is hereby defined as an annual~~  
21 ~~review of commission administrative regulations and policies regarding winter hardship~~  
22 ~~and disconnect administrative regulations, Cabinet for Health and Family Services~~  
23 ~~policy and programs for issuing certificates of need, and the utility's policies regarding~~

1 collection, arrears repayment plans, budget billing procedures, and weather/health  
2 disconnect policies. Certification is defined as written notice to the commission by no  
3 later than October 31 of each year identifying the personnel trained, the date training  
4 occurred, and that the training met the requirements of this section.

5 (2) Partial payment plans. Each utility shall negotiate and accept reasonable partial  
6 payment plans at the request of residential customers who have received a termination  
7 notice for failure to pay as provided in Section 14 of this administrative regulation,  
8 except that a utility is not required to negotiate a partial payment plan with a customer  
9 who is delinquent under a previous partial payment plan. Partial payment plans shall be  
10 mutually agreed upon and subject to the conditions in this section and Section 14 of this  
11 administrative regulation. Partial payment plans which extend for a period longer than  
12 thirty (30) days shall be in writing and shall advise customers that service may be  
13 terminated without additional notice if the customer fails to meet the obligations of the  
14 plan.

15 (a) Budget payment plans for gas and electric utilities. Each gas and electric utility  
16 shall develop and offer to its residential customers a budget payment plan based on  
17 historical or estimated usage whereby a customer may elect to pay a fixed amount each  
18 month in lieu of monthly billings based on actual usage. Under such plans, utilities shall  
19 issue bills which adjust accounts so as to bring each participating customer current  
20 once each twelve (12) month period. The customer's account may be adjusted at the  
21 end of the twelve (12) month period or through a series of levelized adjustments on a  
22 monthly basis if usage indicates that the account will not be current upon payment of  
23 the last budget amount. Budget payment plans shall be offered to residential customers

1 but may be extended to other classes of customers. The provisions of the budget plan  
2 shall be included in the utility's tariffed rules. The utility shall provide information to its  
3 customers regarding the availability of such budget payment plans.

4 (b) Partial payment plans for customers with medical certificates or certificates of  
5 need. For customers presenting certificates under the provisions of Sections 14(3) and  
6 15 of this administrative regulation, gas and electric utilities shall negotiate partial  
7 payment plans based upon the customer's ability to pay, requiring accounts to become  
8 current not later than the following October 15. Such plans may include, but are not  
9 limited to, budget payment plans and plans that defer payment of a portion of the  
10 arrearage until after the end of the heating season through a schedule of unequal  
11 payments.

12 (3) Utility inspections of service conditions prior to providing service. Each electric,  
13 gas, water and sewer utility shall inspect the condition of the meter and service  
14 connections before making service connections to a new customer so that prior or  
15 fraudulent use of the facilities will not be attributed to the new customer. The new  
16 customer shall be afforded the opportunity to be present at such inspections. The utility  
17 shall not be required to render service to any customer until any defects in the  
18 customer-owned portion of the service facilities have been corrected.

19 (4) Prompt connection of service. Except as provided in Section 15 of this  
20 administrative regulation, the utility shall reconnect existing service within twenty four  
21 (24) hours, and shall install and connect new service within seventy-two (72) hours,  
22 when the cause for refusal or discontinuance of service has been corrected and the  
23 utility's tariffed rules and commission administrative regulations have been met.

1       ~~(5) Advance termination notice. When advance termination notice is required, the~~  
2 ~~termination notice shall be mailed or otherwise delivered to the last known address of~~  
3 ~~the customer. The termination notice shall be in writing, distinguishable and separate~~  
4 ~~from any bill. The termination notice shall plainly state the reason for termination, that~~  
5 ~~the termination date will not be affected by receipt of any subsequent bill, and that the~~  
6 ~~customer has the right to dispute the reasons for termination. The termination notice~~  
7 ~~shall also comply with the applicable requirements of Section 14 of this administrative~~  
8 ~~regulation.~~

9       ~~Section 14. Refusal or Termination of Service. (1) A utility may refuse or terminate~~  
10 ~~service to a customer only under the following conditions except as provided in~~  
11 ~~subsections (2) and (3) of this section:~~

12       ~~(a) For noncompliance with the utility's tariffed rules or commission administrative~~  
13 ~~regulations. A utility may terminate service for failure to comply with applicable tariffed~~  
14 ~~rules or commission administrative regulations pertaining to that service. However, no~~  
15 ~~utility shall terminate or refuse service to any customer for noncompliance with its~~  
16 ~~tariffed rules or commission administrative regulations without first having made a~~  
17 ~~reasonable effort to obtain customer compliance. After such effort by the utility, service~~  
18 ~~may be terminated or refused only after the customer has been given at least ten (10)~~  
19 ~~days written termination notice pursuant to Section 13(5) of this administrative~~  
20 ~~regulation.~~

21       ~~(b) For dangerous conditions. If a dangerous condition relating to the utility's service~~  
22 ~~which could subject any person to imminent harm or result in substantial damage to the~~  
23 ~~property of the utility or others is found to exist on the customer's premises, the service~~

1 shall be refused or terminated without advance notice. The utility shall notify the  
2 customer immediately in writing and, if possible, orally of the reasons for the termination  
3 or refusal. Such notice shall be recorded by the utility and shall include the corrective  
4 action to be taken by the customer or utility before service can be restored or provided.  
5 However, if the dangerous condition, such as gas piping or a gas-fired appliance, can  
6 be effectively isolated or secured from the rest of the system, the utility need  
7 discontinue service only to the affected piping or appliance.

8 (c) For refusal of access. When a customer refuses or neglects to provide reasonable  
9 access to the premises for installation, operation, meter reading, maintenance or  
10 removal of utility property, the utility may terminate or refuse service. Such action shall  
11 be taken only when corrective action negotiated between the utility and customer has  
12 failed to resolve the situation and after the customer has been given at least ten (10)  
13 days' written notice of termination pursuant to Section 13(5) of this administrative  
14 regulation.

15 (d) For outstanding indebtedness. Except as provided in Section 15 of this  
16 administrative regulation, a utility shall not be required to furnish new service to any  
17 customer who is indebted to the utility for service furnished or other tariffed charges until  
18 that customer has paid his indebtedness.

19 (e) For noncompliance with state, local or other codes. A utility may refuse or  
20 terminate service to a customer if the customer does not comply with state, municipal or  
21 other codes, rules and administrative regulations applying to such service. A utility may  
22 terminate service pursuant to this subsection only after ten (10) days' written notice is

1 provided pursuant to Section 13(5) of this administrative regulation, unless ordered to  
2 terminate immediately by a governmental official.

3 (f) ~~For nonpayment of bills. A utility may terminate service at a point of delivery for~~  
4 ~~nonpayment of charges incurred for utility service at that point of delivery; however, no~~  
5 ~~utility shall terminate service to any customer for nonpayment of bills for any tariffed~~  
6 ~~charge without first having mailed or otherwise delivered an advance termination notice~~  
7 ~~which complies with the requirements of Section 13(5) of this administrative regulation.~~

8 1. ~~Termination notice requirements for electric or gas service. Each electric or gas~~  
9 ~~utility proposing to terminate customer service for nonpayment shall mail or otherwise~~  
10 ~~deliver to that customer ten (10) days' written notice of intent to terminate. Under no~~  
11 ~~circumstances shall service be terminated before twenty-seven (27) days after the~~  
12 ~~mailing date of the original unpaid bill. The termination notice to residential customers~~  
13 ~~shall include written notification to the customer of the existence of local, state and~~  
14 ~~federal programs providing for the payment of utility bills under certain conditions, and~~  
15 ~~of the address and telephone number of the Department for Social Insurance of the~~  
16 ~~Cabinet for Health and Family Services to contact for possible assistance.~~

17 2. ~~Termination notice requirements for water, sewer, or telephone service. Each~~  
18 ~~water, sewer, or telephone utility proposing to terminate customer service for~~  
19 ~~nonpayment shall mail or otherwise deliver to that customer five (5) days' written notice~~  
20 ~~of intent to terminate. Under no circumstances shall service be terminated before twenty~~  
21 ~~(20) days after the mailing date of the original unpaid bill.~~

22 3. ~~The termination notice requirements of this subsection shall not apply if termination~~  
23 ~~notice requirements to a particular customer or customers are otherwise dictated by the~~

1 ~~terms of a special contract between the utility and customer which has been approved~~  
2 ~~by the commission.~~

3 ~~(g) For illegal use or theft of service. A utility may terminate service to a customer~~  
4 ~~without advance notice if it has evidence that a customer has obtained unauthorized~~  
5 ~~service by illegal use or theft. Within twenty-four (24) hours after such termination, the~~  
6 ~~utility shall send written notification to the customer of the reasons for termination or~~  
7 ~~refusal of service upon which the utility relies, and of the customer's right to challenge~~  
8 ~~the termination by filing a formal complaint with the commission. This right of~~  
9 ~~termination is separate from and in addition to any other legal remedies which the utility~~  
10 ~~may pursue for illegal use or theft of service. The utility shall not be required to restore~~  
11 ~~service until the customer has complied with all tariffed rules of the utility and laws and~~  
12 ~~administrative regulations of the commission.~~

13 ~~(2) A utility shall not terminate service to a customer if the following conditions exist:~~

14 ~~(a) If payment for services is made. If, following receipt of a termination notice for~~  
15 ~~nonpayment but prior to the actual termination of service, there is delivered to the utility~~  
16 ~~office payment of the amount in arrears, service shall not be terminated.~~

17 ~~(b) If a payment agreement is in effect. Service shall not be terminated for~~  
18 ~~nonpayment if the customer and the utility have entered into a partial payment plan in~~  
19 ~~accordance with Section 13 of this administrative regulation and the customer is~~  
20 ~~meeting the requirements of the plan.~~

21 ~~(c) If a medical certificate is presented. Service shall not be terminated for thirty (30)~~  
22 ~~days beyond the termination date if a physician, registered nurse or public health officer~~  
23 ~~certifies in writing that termination of service will aggravate a debilitating illness or~~

1 ~~infirmity on the affected premises. A utility may refuse to grant consecutive extensions~~  
2 ~~for medical certificates past the original thirty (30) days unless the certificate is~~  
3 ~~accompanied by an agreed partial payment plan in accordance with Section 13 of this~~  
4 ~~administrative regulation. A utility shall not require a new deposit from a customer to~~  
5 ~~avoid termination of service for a thirty (30) day period who presents to the utility a~~  
6 ~~medical certificate certified in writing by a physician, registered nurse or public health~~  
7 ~~officer.~~

8 ~~(3) A gas or electric utility shall not terminate service for thirty (30) days beyond the~~  
9 ~~termination date if the Kentucky Cabinet for Human Resources (or its designee) certifies~~  
10 ~~in writing that the customer is eligible for the cabinet's energy assistance program or~~  
11 ~~household income is at or below 130 percent of the poverty level, and the customer~~  
12 ~~presents such certificate to the utility. Customers eligible for such certification from the~~  
13 ~~Cabinet for Human Resources shall have been issued a termination notice between~~  
14 ~~November 1 and March 31. Certificates shall be presented to the utility during the initial~~  
15 ~~ten (10) day termination notice period. As a condition of the thirty (30) day extension,~~  
16 ~~the customer shall exhibit good faith in paying his indebtedness by making a present~~  
17 ~~payment in accordance with his ability to do so. In addition, the customer shall agree to~~  
18 ~~a repayment plan in accordance with Section 13 of this administrative regulation which~~  
19 ~~will permit the customer to become current in the payment of his bill as soon as possible~~  
20 ~~but not later than October 15. A utility shall not require a new deposit from a customer to~~  
21 ~~avoid termination of service for a thirty (30) day period who presents a certificate to the~~  
22 ~~utility certified by the Kentucky Cabinet for Health and Family Services (or its designee)~~

1 that the customer is eligible for the cabinet's Energy Assistance Program or whose  
2 household income is at or below 130 percent of the poverty level.

3 ~~Section 15. Winter Hardship Reconnection. (1) Notwithstanding the provisions of~~  
4 ~~Section 13(4) of this administrative regulation to the contrary, an electric or gas utility~~  
5 ~~shall reconnect service to a residential customer who has been disconnected for~~  
6 ~~nonpayment of bills pursuant to Section 14(1)(f) of this administrative regulation prior to~~  
7 ~~application for reconnection, and who applies for such reconnection during the months~~  
8 ~~from November through March if the customer or his agent:~~

9 ~~(a) Presents a certificate of need from the Cabinet for Health and Family Services,~~  
10 ~~Department for Social Insurance, including a certification that a referral for~~  
11 ~~weatherization services has been made in accordance with subsection (3) of this~~  
12 ~~section;~~

13 ~~(b) Pays one third (1/3) of his outstanding bill or \$200, whichever is less; and~~

14 ~~(c) Agrees to a repayment schedule which would permit the customer to become~~  
15 ~~current in the payment of his electric or gas bill as soon as possible but no later than~~  
16 ~~October 15. However, if, at the time of application for reconnection, the customer has an~~  
17 ~~outstanding bill in excess of \$600 and agrees to a repayment plan that would pay~~  
18 ~~current charges and makes a good faith reduction in the outstanding bill consistent with~~  
19 ~~his ability to pay, then such plan shall be accepted. In addition to payment of current~~  
20 ~~charges, repayment schedules shall provide an option to the customer to select either~~  
21 ~~one (1) payment of arrearages per month or more than one (1) payment of arrearages~~  
22 ~~per month.~~

1     ~~(d) A utility shall not require a new deposit from a customer whose service is~~  
2 ~~reconnected due to paragraphs (a), (b) or (c) of this subsection.~~

3     ~~(2) Certificate of need for reconnection. Federal and statewide energy assistance~~  
4 ~~programs are administered by the Kentucky Cabinet for Health and Family Services,~~  
5 ~~Department for Social Insurance. A customer who is eligible for energy assistance~~  
6 ~~under the department's guidelines or is certified as being in genuine financial need,~~  
7 ~~which is defined as any household with gross income at or below 130 percent of the~~  
8 ~~poverty level, may obtain a certificate of need from the department to be used in~~  
9 ~~obtaining a service reconnection from the utility.~~

10    ~~(3) Weatherization program. Customers obtaining a certificate of need under this~~  
11 ~~administrative regulation shall agree to accept referral to and utilize weatherization~~  
12 ~~services which are administered by the Cabinet for Health and Family Services. The~~  
13 ~~provision and acceptance of weatherization services is contingent on the availability of~~  
14 ~~funds and other program guidelines. Weatherization services include, but are not limited~~  
15 ~~to, weather stripping, insulation and caulking.~~

16    ~~(4) Customers who are current in their payment plans under subsection 1(c) of this~~  
17 ~~section shall not be disconnected.~~

18    ~~Section 16. Meter Testing. (1) All electric, gas and water utilities furnishing metered~~  
19 ~~service shall provide meter standards and test facilities, as more specifically set out~~  
20 ~~under 807 KAR 5:022, 807 KAR 5:041 and 807 KAR 5:066. Before being installed for~~  
21 ~~use by any customer, all electric, gas and water meters shall be tested and in good~~  
22 ~~working order and shall be adjusted as close to the optimum operating tolerance as~~

1 possible, as more specifically set out in 807 KAR 5:022, Section 8(3)(a), 807 KAR  
2 5:041, Section 17(1)(a)-(c) and 807 KAR 5:066, Section 15(2)(a)-(b).

3 (2) A utility may have all or part of its testing of meters performed by another utility or  
4 agency approved by the commission for that purpose. Each utility having tests made by  
5 another agency or utility shall notify the commission of those arrangements in detail to  
6 include make, type and serial number of standards used to make the checks or tests.

7 (3) No utility shall place in service any basic measurement standard required by  
8 these rules unless the calibration has been approved by the commission. All utilities or  
9 agencies making tests or checks for utility purposes shall notify the commission  
10 promptly of the adoption or deletion of any basic standards requiring commission  
11 approval of the calibration.

12 (4) Each electric, gas and water utility or agency doing meter testing for a utility shall  
13 have in its employ meter testers certified by the commission. These certified meter  
14 testers shall perform tests as necessary to determine the accuracy of the utility's meters  
15 and to adjust the utility's meters to the degree of accuracy required by commission  
16 administrative regulations.

17 (5) A utility or agency desiring to have its employees certified as meter testers shall  
18 submit the names of applicants on the commission's form entitled "Application for  
19 Appointment of Meter Testers", and after compliance with the requirements noted in this  
20 form, the applicant may be certified as a meter tester and furnished with a card  
21 authorizing him to perform meter tests. This form is hereby incorporated by reference,  
22 and may be obtained at the commission's offices at 211 Sower Boulevard, Frankfort,

1 ~~Kentucky, on Monday through Friday between the hours of 8 a.m. and 4:30 p.m. local~~  
2 ~~time.~~

3 ~~(6) A utility or agency may employ apprentices in training for certification as meter~~  
4 ~~testers. The apprentice period shall be a minimum of six (6) months, after which the~~  
5 ~~meter tester apprentice shall comply with subsection (5) of this section. All tests~~  
6 ~~performed during this period by an apprentice shall be witnessed by a certified meter~~  
7 ~~tester.~~

8 ~~Section 17. Meter Test Records. (1)(a) A complete record of all meter tests and~~  
9 ~~adjustments and data sufficient to allow checking of test calculations shall be recorded~~  
10 ~~by the meter tester. Such record shall include: Information to identify the unit and its~~  
11 ~~location; date of tests; reason for such tests; readings before and after test; statement of~~  
12 ~~"as found" and "as left" accuracies sufficiently complete to permit checking of~~  
13 ~~calculations employed; notations showing that all required checks have been made;~~  
14 ~~statement of repairs made, if any; identifying number of the meter; type and capacity of~~  
15 ~~the meter; and the meter constant.~~

16 ~~(b) The complete record of tests of each meter shall be continuous for at least two (2)~~  
17 ~~periodic test periods and shall in no case be less than two (2) years.~~

18 ~~(2) Historical records. Each utility shall keep numerically arranged and properly~~  
19 ~~classified records for each meter owned, used and inventoried by the utility. The~~  
20 ~~identification number, date of purchase, name of manufacturer, serial number,~~  
21 ~~type, rating, and name and address of each customer on whose premises the meter has~~  
22 ~~been in service with date of installation and removal shall be included in the records.~~  
23 ~~These records shall also contain condensed information concerning all tests and~~

1 adjustments including dates and general results of such adjustments. The records shall  
2 reflect the date of the last test and indicate the proper date for the next periodic test  
3 required by the applicable commission administrative regulation.

4 (3) Sealing of meters. Upon completion of adjustment and test of any meter pursuant  
5 to commission administrative regulations, the utility shall affix to the meter a suitable  
6 seal in such a manner that adjustments or registration of the meter cannot be altered  
7 without breaking the seal.

8 (4) A utility may store any or all of the meter test and historical data described or  
9 required in subsections (1) and (2) of this section in a computer storage and retrieval  
10 system upon notification to the commission. If a utility elects to use a computer storage  
11 and retrieval system, a back-up copy of the identical information shall be retained.

12 Section 18. Request Tests. (1) Each utility shall make a test of any meter upon  
13 written request of any customer if the request is not made more frequently than once  
14 each twelve (12) months. The customer shall be given the opportunity to be present at  
15 the request tests. If the tests show that the meter was not more than two (2) percent  
16 fast, the utility may make a reasonable charge for the test. The amount of the charge  
17 shall be approved by the commission and set out in the utility's filed tariff.

18 (2) After having first obtained a test from the utility, any customer of the utility may  
19 request a meter test by the commission upon written application. Such request shall not  
20 be made more frequently on one (1) meter than once each twelve (12) months.

21 Section 19. Access to Property. The utility shall at all reasonable hours have access  
22 to meters, service connections and other property owned by it and located on  
23 customer's premises for purposes of installation, maintenance, meter reading,

1 operation, replacement or removal of its property at the time service is to be terminated.  
2 Any employee of the utility whose duties require him to enter the customer's premises  
3 shall wear a distinguishing uniform or other insignia, identifying him as an employee of  
4 the utility, or show a badge or other identification which will identify him as an employee  
5 of the utility.

6 Section 20. Pole Identification. (1) Each utility owning poles or other structures  
7 supporting its wires, shall mark every pole or structure located within a built-up  
8 community with the initials or other distinguishing mark by which the owner of every  
9 such structure can be readily determined. For the purpose of this rule the term "built-up  
10 community" shall mean urban areas and those areas immediately adjacent thereto.

11 (2) Identification marks may be of any type but shall be of a permanent material and  
12 shall be easily read from the ground at a distance of six (6) feet from the structure.

13 (3) If utilities' structures are located outside of a built-up community, at least every  
14 tenth structure shall be marked as set forth in subsection (2) of this section.

15 (4) All junction structures shall bear the identification mark and structure number of  
16 the owner.

17 (5) Poles need not be marked if they are clearly and unmistakably identifiable as the  
18 property of the utility.

19 (6) Each utility shall either number its structures and maintain a numbering system or  
20 use some other method of identification so that each structure in the system can be  
21 easily identified.

22 Section 21. Cable Television Pole Attachments and Conduit Use. (1) Each utility  
23 owning poles or other facilities supporting its wires shall permit cable television system

1 operators who have all necessary licenses and permits to attach cables to poles and to  
2 use facilities, as customers, for transmission of signals to their patrons.

3 (2) The tariffs of the utility shall set forth the rates, terms and conditions under which  
4 the utility's facilities may be used.

5 (3) With respect to a complaint before the commission in any individual matter  
6 concerning cable television pole attachments final action shall be taken on the matter  
7 within a reasonable time, but no later than 360 days after filing of the complaint.

8 Section 22. System Maps and Records. (1) Each utility shall have on file at its  
9 principal office located within the state and shall file upon request with the commission a  
10 map or maps of suitable scale of the general territory it serves or holds itself ready to  
11 serve showing the following:

12 (a) Operating districts.

13 (b) Rate districts.

14 (c) Communities served.

15 (d) Location and size of transmission lines, distribution lines and service connections.

16 (e) Location and layout of all principal items of plant.

17 (f) Date of construction of all items of plant by year and month.

18 (2) In each division or district office there shall be available information relative to the  
19 utility's system that will enable the local representative to furnish necessary information  
20 regarding the rendering of service to existing and prospective customers.

21 (3) In lieu of showing the above information on maps, a card record or other suitable  
22 means may be used. For all construction the records shall also show the date of  
23 construction by month and year.

1       ~~Section 23. Location of Records. All records required by commission administrative~~  
2 ~~regulations shall be kept in the office of the utility and shall be made available to~~  
3 ~~representatives, agents or staff of the commission upon reasonable notice at all~~  
4 ~~reasonable hours.~~

5       ~~Section 24. Safety Program. Each utility shall adopt and execute a safety program,~~  
6 ~~appropriate to the size and type of its operations. At a minimum, the safety program~~  
7 ~~shall:~~

8       ~~(1) Establish a safety manual with written guidelines for safe working practices and~~  
9 ~~procedures to be followed by utility employees.~~

10       ~~(2) Instruct employees in safe methods of performing their work~~

11       ~~(3) Instruct employees who, in the course of their work, are subject to the hazard of~~  
12 ~~electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.~~

13       ~~Section 25. Inspection of Systems. (1) Each utility shall adopt inspection procedures~~  
14 ~~to assure safe and adequate operation of its facilities and compliance with commission~~  
15 ~~rules and administrative regulations. These procedures shall be filed with the~~  
16 ~~commission for review.~~

17       ~~(2) Upon receipt of a report of a potentially hazardous condition at any utility facility~~  
18 ~~made by a qualified employee, public official, or customer, the utility shall inspect all~~  
19 ~~portions of the system which are the subject of the report.~~

20       ~~(3) Appropriate records shall be kept by each utility to identify the inspection made,~~  
21 ~~deficiencies found and action taken to correct the deficiencies.~~

22       ~~(4) Electric utility inspection. Each electric utility shall make systematic inspections of~~  
23 ~~its system in the manner set out below to insure that the commission's safety~~

1 requirements are being met. These inspections shall be made as often as necessary  
2 but not less frequently than is set forth below for various classes of facilities and types  
3 of inspection.

4 (a) As a part of operating procedure, each utility shall continuously monitor and  
5 inspect all production facilities regularly operated and manned.

6 (b) At intervals not to exceed six (6) months, the utility shall inspect:

7 1. Unmanned production facilities, including peaking units not on standby status, and  
8 all monitoring devices, for any evidence of abnormality.

9 2. Substations where the primary voltage is sixty-nine (69) KV or greater, for damage  
10 to or deterioration of components including structures, fences, gauges monitoring  
11 devices.

12 3. Underground network transformers and network protectors in vaults located in  
13 buildings or under sidewalks, for leaks, condition of case, connections, temperature and  
14 overloading.

15 4. Electric lines operating at sixty-nine (69) KV or greater, including insulators,  
16 conductors, and supporting facilities, for damage or deterioration

17 (c) At intervals not to exceed one (1) year, the utility shall inspect:

18 1. Production facilities maintained on a standby status. Except for remotely controlled  
19 facilities, all production facilities shall also be thoroughly inspected.

20 2. Substations with primary voltage of fifteen (15) to sixty-eight (68) KV.

21 (d) At intervals not to exceed two (2) years, the utility shall inspect electric lines  
22 operating at voltages of less than sixty-nine (69) KV, including insulators, conductors  
23 and supporting facilities.

1       ~~(e) The utility shall inspect other facilities as follows.~~

2       ~~1. Utility buildings shall be inspected for compliance with safety codes at least~~  
3 ~~annually.~~

4       ~~2. Construction equipment shall be inspected for defects, wear and operational~~  
5 ~~hazards at least quarterly.~~

6       ~~(f) Aerial inspections shall not be used as the sole basis for evidence of compliance~~  
7 ~~with commission administrative regulations.~~

8       ~~(5) Gas utility inspection. Each gas utility shall make systematic inspections of its~~  
9 ~~system to insure that the commission's safety requirements are being met. These~~  
10 ~~inspections shall be made as often as necessary but not less frequently than is~~  
11 ~~prescribed or recommended by the Department of Transportation, 49 CFR Part 192~~  
12 ~~Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety~~  
13 ~~Standards, for the various classes of facilities.~~

14       ~~(a) The following maximum time intervals are prescribed for certain inspections~~  
15 ~~provided for in 49 CFR Part 192 Transportation of Natural and Other Gas by Pipeline:~~  
16 ~~Minimum Federal Safety Standards, with respect to which intervals are not specified,~~  
17 ~~and for certain additional inspections not provided for in such code.~~

18       ~~1. At intervals not to exceed every fifteen (15) months but at least once each calendar~~  
19 ~~year, the utility shall inspect and visually examine:~~

20       ~~a. Production wells, storage wells, and well equipment, including their exterior~~  
21 ~~components.~~

22       ~~b. Pressure limiting stations, relief devices, pressure regulating stations, and vaults.~~

23       ~~c. Accessibility of the curb box and valve on a service line.~~

1       ~~2. The utility shall inspect other facilities as follows:~~

2       ~~a. Utility buildings shall be inspected for compliance with safety codes at least~~  
3 ~~annually.~~

4       ~~b. Construction equipment under the control of the utility shall be inspected for~~  
5 ~~defects, wear and operational hazards at least quarterly.~~

6       ~~(b) At intervals not to exceed the periodic meter test intervals, individual residential~~  
7 ~~customer service regulators, vents and relief valve vents shall be checked for~~  
8 ~~satisfactory operation.~~

9       ~~(c) At intervals not to exceed the periodic meter test intervals, the curb box and valve~~  
10 ~~on the service line shall be inspected for operable condition.~~

11       ~~(d) Aerial inspections shall not be used as the sole basis for evidence of compliance~~  
12 ~~with commission administrative regulations.~~

13       ~~(6) Water utility inspections. Each water utility shall make systematic inspections of its~~  
14 ~~system in the manner set out below to insure that the commission's safety requirements~~  
15 ~~are being met. These inspections shall be made as often as necessary but not less~~  
16 ~~frequently than is set forth below for various classes of facilities and types of inspection.~~

17       ~~(a) The utility shall annually inspect all structures pertaining to source of supply for~~  
18 ~~their safety and physical and structural integrity, including dams, intakes, and traveling~~  
19 ~~screens. The utility shall semiannually inspect supply wells, their motors and structures,~~  
20 ~~including electric power wiring and controls for proper and safe operation.~~

21       ~~(b) The utility shall annually inspect all structures pertaining to purification for their~~  
22 ~~safety, physical and structural integrity and for leaks, including sedimentation basins,~~

1 filters, and clear wells; chemical feed equipment; pumping equipment and water storage  
2 facilities, including electric power wiring and controls; hydrants, mains, and valves.

3 (c) The utility shall monthly inspect construction equipment and vehicles for defects,  
4 wear, operational hazards, lubrication, and safety features.

5 (7) Telephone utility inspection. Each telephone utility shall make systematic  
6 inspections of its system in the manner set out below to insure that the commission's  
7 safety requirements are being met. Such inspections shall be made as often as  
8 necessary but not less frequently than is set forth below for various classes of facilities  
9 and types of inspection.

10 (a) The utility shall inspect aerial plant for electrical hazards, proper clearance for  
11 electric facilities, and climbing safety every two (2) years.

12 (b) The utility shall inspect underground plant for presence of gas, proper clearance  
13 from electric facilities and safe working conditions at least annually.

14 (c) The utility shall inspect utility-provided station equipment and connections for  
15 external electrical hazards, damaged instruments or wiring, appropriate protection from  
16 lightning and safe location of equipment and wiring when on a customer's premises.

17 (d) The utility shall inspect utility buildings for compliance with safety codes at least  
18 annually.

19 (e) The utility shall inspect construction equipment for defects, wear and operational  
20 hazards at least quarterly.

21 (f) Aerial inspections shall not be used as the sole basis for evidence of compliance  
22 with commission administrative regulations.

1     ~~(8) Sewage utility inspection. Each sewage utility shall make systematic inspections~~  
2 ~~of its system in the manner set out below to insure that the commission's safety~~  
3 ~~requirements are being met. Such inspections shall be made as often as necessary but~~  
4 ~~not less frequently than is set out below for the various types of inspections, or as~~  
5 ~~otherwise required in 807 KAR 5:071.~~

6     ~~(a) The utility shall annually inspect collecting sewers and manholes on a scheduled~~  
7 ~~basis unless conditions warrant more frequent inspections.~~

8     ~~(b) The utility shall weekly inspect all mechanical equipment unless otherwise~~  
9 ~~authorized by the commission.~~

10     ~~Section 26. Reporting of Accidents, Property Damage or Loss of Service. (1) Within~~  
11 ~~two (2) hours following discovery each utility, other than a natural gas utility, shall notify~~  
12 ~~the commission by telephone or electronic mail of any utility related accident which~~  
13 ~~results in:~~

14     ~~(a) Death; or shock or burn requiring medical treatment at a hospital or similar~~  
15 ~~medical facility, or any accident requiring inpatient overnight hospitalization;~~

16     ~~(b) Actual or potential property damage of \$25,000 or more; or~~

17     ~~(c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the~~  
18 ~~utility's customers, whichever is less.~~

19     ~~(2) A summary written report shall be submitted by the utility to the commission within~~  
20 ~~seven (7) calendar days of the utility related accident.~~

21     ~~(3) Natural gas utilities shall report utility related accidents in accordance with the~~  
22 ~~provisions of 807 KAR 5:027.~~

1     ~~Section 27. Deviations from Administrative Regulation. In special cases, for good~~  
2     ~~cause shown, the commission may permit deviations from this administrative~~  
3     ~~regulation.]~~

\_\_\_\_\_  
David L. Armstrong, Chairman  
Public Service Commission

DATE: \_\_\_\_\_

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

**Contact Person:** Gerald E. Wuetcher

### **(1) Provide a brief summary of:**

**(a) What this administrative regulation does:** This administrative regulation establishes general rules related to the provision of service and furnishing of commodities by electric, gas, water, sewage and telephone utilities.

**(b) The necessity of this administrative regulation:** This administrative regulation establishes general rules related to the delivery of service and furnishing of commodities by electric, gas, water, sewage and telephone utilities.

**(c) How this administrative regulation conforms to the content of the authorizing statutes:** Pursuant to KRS 278.280(2), the commission is required to prescribe rules for the performance of any service or the furnishing of any commodity of the character furnished or supplied by a utility.

**(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:** This administrative regulation currently provides guidance as to the general rules of the commission. The amendments to the administrative regulation will clarify issues with the general rules of the commission. The amendments will assist in the effective implementation of the statutes by ensuring that electric utilities undertake regularly scheduled, ground-line inspections of their electrical lines operating at or above 69 kilovolts (KV) and their support structures, including poles, H-frame supports, and lattice tower structures. During the commission's regular inspections it has become aware that not all electric utilities inspect all of their electrical lines and support structures from the ground on a regular inspection cycle. In reliance on the language found in 807 KAR 5:006, Section 25(4)(f), that "aerial inspections shall not be used as the sole basis for evidence of compliance with commission administrative regulations," some utilities have not been doing ground inspections of some of the electrical line circuits on their systems. Instead, those utilities have been performing only aerial inspections of those portions of their systems. Since they are doing ground inspections on the other portions of their systems, they believe that practice conforms to the language of the regulation. The commission believes that the language of the regulation, as written, is somewhat ambiguous as to how often an electric utility must inspect its electric lines and support structures from the ground. However, the commission does not believe the intent of the regulation is to allow utilities to inspect some portions of their systems using aerial inspections only, so long as they do ground inspections of other portions of their systems. The commission's electrical inspectors have demonstrable evidence that a failure to inspect all electrical facilities from the ground on a regular inspection schedule can lead to unsafe conditions in which very large transmission line support structures can be in danger of collapsing from unmanaged vegetation undergrowth. Therefore, the commission is proposing this

amendment to 807 KAR 5:006, in order to clarify that all electric lines must be inspected from the ground on a regular schedule.

**(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:**

**(a) How the amendment will change this existing administrative regulation:** The amendments after comments to 807 KAR 5:006 will clarify the documentation needed for inspections, the requirements for partial payment plans and the filing of GIS information. The amendments also provides a lesser time period for the retention of meters that have tested outside the accuracy range but adds the requirement of notifying the customer how long the meter will be retained. One amendment also addresses the situation where there are multiple tenants in a building but service is in the name of the building owner only. Also, the amendments clarify the utility's access to property.

**(b) The necessity of the amendment to this administrative regulation:** Without adding language to clarify these sections, confusion would exist on what is required by the utilities on inspections and partial payment plans. There could also be an issue with storage space if required to retain the non-accurate meters for a longer period of time. There would also be confusion as to the utility's access to property, the GIS filing requirements and multiple tenant situations.

**(c) How the amendment conforms to the content of the authorizing statutes:** Pursuant to KRS 278.040(3) the commission is authorized to adopt reasonable regulations to implement the provisions of KRS Chapter 278. Pursuant to KRS 278.280(2), the commission is required to prescribe rules for the performance of any service or the furnishing of any commodity of the character furnished or supplied by the utility. Pursuant to KRS 278.042 the commission is required to ensure that all electric utilities construct and maintain their facilities in accordance with the most recent edition of the NESC. The amended regulation will help ensure that electric utilities are inspecting all of their electric lines and support facilities properly and regularly, which will help ensure that they are providing reliable service to their customers. The amended regulation will also ensure that utilities are properly offering partial payment plans to customers and are retaining inaccurate meters for a period long enough for the customers to have a chance to have the meter tested by the Meter Standards Laboratory or to file a formal complaint.

**(d) How the amendment will assist in the effective administration of the statutes:** This administrative regulation amendment will assist in the effective implementation of the statutes by ensuring that the utilities are undertaking regular ground inspections of their facilities down to the point of service. It also provides more guidance on the use of partial payment plans and the right to terminate for not complying with partial payment plans.

**(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:** This administrative regulation affects all electric utilities, gas utilities, water utilities and telephone utilities under the commission's jurisdiction.

**(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:**

**(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:** The proposed administrative regulation amendment will impact two electric utility companies, which do not currently inspect all of their electric lines operating at or above 69 KV and their support facilities from the ground. Those utilities will have to undertake additional ground-line inspections of their electric lines and support facilities pursuant to the schedule provided in the proposed amendment. All other electric utilities already undertake ground-line inspection of all of their electric lines and support structures using an inspection schedule at least as stringent as the proposed amendment language. Some utilities utilize a more frequent inspection schedule, and it is expected that those utilities will continue to use an inspection schedule that best fits the needs of their systems. The proposed amendment to the regulation will affect all telephone utilities, but the impact is expected to be minimal. Most telephone utilities already look for proper vegetation management and proper clearances of both electrical and non-electrical facilities during their inspections. Gas and water utilities will have to begin documenting inspections to the point of service better. The amendment will help the commission in its efforts to get the few utilities which do not yet include these items in their inspection practices to do so, in order to improve reliability.

**(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):** It is expected that the two electric utilities that do not currently inspect all of their electric lines and support structures from the ground will have to expend some money to add in those ground inspections. However, under the current regulation the commission believes the utilities should already be conducting the ground inspections and the amendment is only clarifying that requirement. Also, the utilities are currently required to inspect their facilities down to the meters. The amendment requiring the utilities to record the meter registration on meters using remote read technology is tied to the inspection intervals in which the utilities are already supposed to be inspecting to the meters, therefore it should not add a significant cost to verify the reading is correct or that the display is actually working. It is not expected that the amendments will not have any but a de minimis impact on affected telephone utilities.

**(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):** The utilities will have certainty with regard to what documents to file, accuracy requirements and how they should conduct their system inspections and will

be more likely to discover improper meters or unsafe conditions and correct them before they cause injury or outages.

**(5) Provide an estimate of how much it will cost to implement this administrative regulation:**

**(a) Initially:** Implementation of the administrative regulation does not involve costs in addition to those already implicated by statutory requirements.

**(b) On a continuing basis:** No additional costs are expected, although the utilities state it will cost them money to comply.

**(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation?** No additional funding is required.

**(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:** No funding increase is necessary.

**(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:** This administrative regulation amendment does not establish any fees or directly or indirectly increase any fees.

**(9) TIERING:** Is tiering applied? Tiering is not used in this proposed amendment. This amendment applies equally to all electric utilities, gas utilities and telephone utilities, because there is no rational need to provide for different schedules of electrical system inspections for the owner/operators of electric transmission systems and no need for different requirements for the inspection of telephone aerial facilities. The need to conduct ground-line inspections of electric lines and their support facilities and telephone facilities is due to the effects of time, weather, and the environment on those materials, and every utility is required to provide reliable service to its customers. Without conducting regularly scheduled inspections of their electric lines and poles—both from the air and from the ground—electric utilities will not be able to identify potential trouble spots and correct them before they cause outages or injury. Similarly, without inspecting all relevant facility clearances and vegetation management practices on their utility poles, telephone utilities will not be able to identify potential trouble spots and outage causes. Therefore, tiering principles do not apply.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

**1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?** Public Service Commission; Office of Attorney General (Utility Rate and Intervention Division); water districts

**2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.** 49 U.S.C. § 60105; KRS 278.040; KRS 278.042; KRS 278.140; KRS 278.160; KRS 278.190; KRS 278.210; KRS 278.220; KRS 278.230; KRS 278.250; KRS 278.255; KRS 278.495; KRS 278.542

**3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.**

**(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?** No direct increase in revenue will result from the adoption of the proposed amendment for any governmental agency. The proposed amendment does not provide for the Public Service Commission to assess any fee or charge.

**(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?** No direct increase in revenue will result from the adoption of the proposed amendment for any governmental agency. The proposed amendment does not provide for the Public Service Commission to assess any fee or charge.

**(c) How much will it cost to administer this program for the first year?** No increase in the Public Service Commission's costs. The Public Service Commission will be performing the same level of review and require the same number of employees to conduct the review.

**(d) How much will it cost to administer this program for subsequent years?** No increase in the Public Service Commission's costs. The Public Service Commission will be performing the same level of review and require the same number of employees.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation:

STATEMENT OF CONSIDERATION  
RELATING TO 807 KAR 5:006

Energy and Environment Cabinet  
Public Service Commission

(Amended After Comments)

1. A public hearing was held on the above regulation on Monday, August 27, 2012 at 9:00 a.m. Eastern Time, in Hearing Room 1, Public Service Commission Building, 211 Sower Boulevard, Frankfort, Kentucky.

2. The following persons attended this public hearing or submitted written or verbal comments:

<u>Name</u>	<u>Affiliation</u>
Pam Jagers	AT&T
Mary Keyer	AT&T
Mark Martin	Atmos Energy
Roger Hickman	Big Rivers Electric Corporation
Chris Brewer	Blue Grass Energy Cooperative
Donald Smothers	Blue Grass Energy Cooperative
Holly Eades	Clark Energy
Judy Cooper	Columbia Gas
Brooke Leslie	Columbia Gas
Brack Marquette	Columbia Gas
Herb Miller	Columbia Gas
Richard "Smitty" Taylor	Columbia Gas
Iris Skidmore	Community Action Council
Matt Wesolosky	Delta Natural Gas
Tip Depp	Dinsmore & Shohl
Rocco D'Ascenzo	Duke Energy
Isaac Scott	East Kentucky Power Cooperative
Chris Perry	Fleming-Mason Energy Cooperative
Jim Bruce	Hardin County Water District No. 1
Scott Schmuck	Hardin County Water District No. 1
Jim Jacobus	Inter-County Energy

Mark Keene	Jackson Energy Cooperative
Don Schaefer	Jackson Energy Cooperative
Carol Wright	Jackson Energy Cooperative
G. Kelly Nuckols	Jackson Purchase Energy Corporation
Bill Corum	Kentucky Association of Electric Cooperatives
Lila Munsey	Kentucky Power
Mark Overstreet	Kentucky Power
Judy Roquist	Kentucky Power
Tom Fitzgerald	Kentucky Resources Council
Damon Talley	Kentucky Rural Water Association
Forest Skaggs	Kentucky Telecom Association
Lonnie Bellar	LG&E/KU
Rick Lovekamp	LG&E/KU
Allyson Sturgeon	LG&E/KU
Linda Hunt	Lightyear Network Solutions & SE Acquisitions
Burns Mercer	Meade County RECC
Michael Miller	Nolin RECC
Carl Johnson	North American Wood Pole Association
Mark Stallons	Owen Electric Cooperative
Rebecca Witt	Owen Electric Cooperative
Jennifer Hans	Office of the Attorney General
Debra J. Martin	Shelby Energy Cooperative
Allen Anderson	South Kentucky RECC
Jeff Greer	South Kentucky RECC
Dennis Holt	South Kentucky RECC
Monica Braun	Stoll Keenon Ogden for Delta Natural Gas
Doug Brent	Stoll Keenon Ogden for Sprint, tw telecom and Verizon Business
Kendrick Riggs	Stoll Keenon Ogden for LGE/KU

3. The following persons from the promulgating administrative body attended this public hearing or responded to written comments:

<u>Name &amp; Title</u>	<u>Title</u>
Gerald Wuetcher	Executive Advisor/Attorney
Allyson Honaker	Staff Attorney
Brent Kirtley	Manager, Tariff Branch
Daniel Hinton	Public Utility Rate Analyst IV, Tariff Branch

4. Summary of Comments and Responses:

(1) Section 2 - General Provisions:

(a) Commenter: Tom Fitzgerald.

Comment: Kentucky Resources Council requested this section be amended to require the utility undertaking experimental work to include a description of that work in a notice filed upon commencement of the experimental work.

(b) Response: The Commission disagrees with this request. The Commission believes the change is not necessary.

(2) Section 3 - Utility Contact Information:

(a) Commenter: Doug Brent.

Comment: Sprint, tw telecom and Verizon Business requested this section be amended to require the CLECs to only have to provide one office number.

(b) Response: The Commission disagrees with this request. The Commission believes the change is not necessary.

(3) Section 4 - Reports:

(a) Commenter: Tom Fitzgerald.

Comment: The Kentucky Resources Council requested a requirement be added that the utility maintain, in the public access database available to the public at the utility's office, a copy of all reports required to be filed with the Commission under this regulation.

(b) Response: The Commission disagrees with this request. These reports are already available to the public via the Commission.

(4) Section 4(2) - Financial and Statistical Reports:

(a) Commenter: Doug Brent and Mary Keyer.

Comment: Sprint, tw telecom and Verizon Business requested the regulation codify the Commission decisions in previous orders that exempted CLEC's from numerous requirements under several regulations, including only having to file a statement of gross audit report and no other financial reports. AT&T opposes the proposal made by Sprint, tw telecom and Verizon Business. AT&T states this would create confusion if the Commission tried to include in the regulation all of the exemptions for utilities contained in all orders or statutes.

(b) Response: The Commission agrees with AT&T. The Commission believes this would cause confusion and burdensome to include every exemption granted to utilities through orders or statutes.

(5) Section 4(3) - Financial Statement Audit Reports

(a) Commenter: Donald Smothers, Isaac Scott and Jim Jacobus.

Comment: Bluegrass Energy, EKPC and Inter-County Energy requested this requirement be deleted because the filing of the audit report is unnecessary in light of the annual financial and statistical report required to be filed. Bluegrass Energy states the Commission can obtain the audit report by order in rate cases and that these will be of little use for comparison purposes since they cover varying time periods.

(b) Response: The Commission disagrees with this request. The notes to the financial statements will be helpful to the Commission even if the audit report is from a different time period. These reports will be beneficial to the Commission for comparison purposes and will not be a burden on the utility.

(6) Section 5(2) - Service Information

(a) Commenter: Tom Fitzgerald.

Comment: Kentucky Resources Council requested this section be amended to require that any change that could adversely affect any of these matrices must be approved by the Commission instead of only when a substantial change is being made.

(b) Response: The Commission disagrees with this request as it is not necessary and would be too burdensome on the utilities and the Commission to provide all of these notices.

(7) Section 5(3) – Service Information

(a) Commenter: Tom Fitzgerald

Comment: Kentucky Resources Council suggests modifying this section to require notice to current customers and not just new customers of the type, class and character of the service available at each location when they change.

(b) Response: The Commission disagrees with this request as it is not necessary and would be too burdensome on the utilities and the Commission to provide all of these notices.

(8) Section 7(5)(c) - Billing Meter Readings and Information-Frequency of Meter Reading

(a) Commenter: Roger Hickman, Donald Smothers, Chris Brewer, Brook Leslie, Rocco D'Ascenzo, Isaac Scott, Chris Perry, Jim Jacobus, Carol Wright, Mark Overstreet, Damon Talley, Michael Miller, Mark Stallons, Debra Martin and Allen Anderson.

Comment: Big Rivers, Bluegrass Energy, Columbia Gas, Duke, EKPC, Fleming-Mason RECC, Inter-County Energy, Jackson County Energy, Kentucky Power, Kentucky Rural Water Association, Nolin RECC, Owen Electric, Shelby Energy, and

South Kentucky RECC requested the language on readings verification be deleted. They state this would defeat the purpose of smart metering equipment.

(b) Response: The Commission disagrees with this request, but has agreed to modify the language to delete the readings verified language and replace it with registration recorded. The Commission is concerned with the inspection process and the safe operation of the utilities' facilities since meter readers are no longer on site. In the past, utilities have used meter readers as the inspectors on the secondary system to identify any deficiencies and/or safety concerns and notify the utility. The Commission believes that this will not cost the utilities much unless they are not currently following the inspection process as required. The utilities are currently suppose to be inspecting their facilities down to the point of service and requiring them to simply record the registration on the meter will not cost the utilities any additional money and will give the Commission a means of verifying the inspection process is actually being performed.

(9) Section 8(3)(d) - Deposits-Recalculation of Deposits

(a) Commenter: Mark Overstreet

Comment: Kentucky Power request the term "account" be submitted for the term "bill" because there are instances where an account is delinquent but not the current bill. Kentucky Power also wants the section amended to exempt from the refund obligations those instances where the account is delinquent at the time the refund would otherwise be paid or applied. Kentucky Power states this would protect against making refunds where the account becomes delinquent between the time the deposit is recalculated and the refund is paid or applied.

(b) Response: The Commission agrees with this request. Minor changes to the language have been made.

(10) Section 8(8)(c) - Deposits- Tariff Requirements

(a) Commenter: Isaac Scott

Comment: EKPC requested Section 8(8)(c) be amended to read "The deposit amount for each customer class if the method in subsection (1)(d)(2) of this section is used."

(b) Response: The Commission agrees with the request and has changed the language.

(11) Section 9(3)(c)(3) - Nonrecurring charges-Termination or Field Collection Charge

(a) Commenter: Mark Overstreet

Comment: Kentucky Power requested to delete this provision. Kentucky Power states that there are instances where a utility is required to make more than one termination or field collection visit in a single billing period. Kentucky Power states that partial payment plans can be less than 30 days and if not followed the utility would need

to visit for termination purposes again. Kentucky Power states the customer necessitating the visit should be the one bearing the costs of the additional visits and not the customers at large.

(b) Response: The Commission disagrees with this request. The utilities should not be making visits more than once during a billing cycle. Allowing more than one field visit or termination charge during a billing cycle could become quite costly to the customers who are already having difficulties paying for the utility service.

(12) Section 11(3)(a) - Bill Adjustment for Gas, Electric or Water Utilities-Monitor Usage

(a) Commenter: Holly Eades

Comment: Clark Energy requested that this section be changed to state the procedures for monitoring usage should be in the cooperative's rules and regulations and not in rate tariffs.

(b) Response: The Commission disagrees with this request. The procedures will be more easily accessed by customers if they are located in the tariff. The procedures should already be included in the rules and regulations of the utility as well. .

(13) Section 11(3)(c) – Bill Adjustment for Gas, Electric or Water Utilities-Monitor Usage

(a) Commenter: Holly Eades

Comment: Clark Energy poses the question “Does this section place the test at the customer's discretion?” If so, may the customer be assessed a fee for the test?

(b) Response: The Commission states this section does not put the test at the customer's discretion. If a deviation cannot be explained then the utility shall test the meter. This is required as part of the utility's due diligence and not at the customer's discretion. Therefore, no fee can be assessed to the customer for this test.

(14) Section 11(4)(c) - Usage Investigation

(a) Commenter: Rocco D'Ascenzo and Kelly Nuckols

Comment: Duke Energy and Jackson Purchase Energy oppose this section and state the section is unnecessarily broad and creates unnecessary burden. They state this is uneconomical use of limited storage space and may tie up inventory for up to a year. Recommends the exclusion of meters that do not function, except where fraud or tampering is suggested.

(b) Response: The Commission agrees to modify the language and shorten the period of time the utility has to maintain the meter to six months instead of one year.

(15) Section 14(2) - Utility Customer Relations- Partial Payment Plans

(a) Commenter: Mark Martin, Judy Cooper, Iris Skidmore, Jim Jacobus and Mark Overstreet.

Comment: Atmos, Columbia Gas of Kentucky, Inter-County Energy and Kentucky Power state the requirement of having a utility representative sign the partial plan be removed, noting safety concerns for the employees and necessary changes to computer programs. Some also state that the utility records the phone conversations dealing with payment plans. Community Action Council states the partial payment plans extending more than thirty days should be in writing and should include confirmation of the agreement by an authorized utility representative. If a recording is used, a writing documenting the recorded agreement should be sent immediately to the customer, with an opportunity to contact the utility if the writing does not accurately reflect the agreement. CAC also states that it is unreasonable for the utility terminate service without additional notice and should require 3 days additional notice.

(b) Response: The Commission has revised the language to be consistent with the form currently available on the Commission web site and being used by most utilities. The Commission has also added language to allow for recording the telephone conversation.

(16) Section 14(2)(b) – Utility Customer Relations-Partial Payment Plans

(a) Commenter: Kelly Nuckols

Comment: Jackson Purchase states this section makes no mention of levelized payments.

(b) Response: The Commission does not believe it is necessary to include levelized payments.

(17) Section 15 (1)(d) - Refusal or Termination of Service

(a) Commenter: Mark Overstreet

Comment: Kentucky Power states the phrase “person contracting for service” for “customer” should be done to address instances where there are multiple tenants in a building but service is in the name of the building owner only.

b) Response: The Commission agrees with Kentucky Power’s suggestion and has adjusted the language in this section.

(18) Section 15(1)(f) – Refusal or Termination of Service

(a) Commenter: Mark Overstreet

Comment: Kentucky Power states the phrase “person contracting for service” for “customer” should be done to address instances where there are multiple tenants in a building but service is in the name of the building owner only.

b) Response: The Commission agrees with Kentucky Power’s suggestion and has adjusted the language in this section.

(19) Section 15(1)(f)(1) – Refusal or Termination of Service

Commenter: Kelly Nuckols

Comment: Jackson Purchase suggests taking out the address and telephone number for the Cabinet of Health and Family Services (or its designee) to contact for possible service. Jackson Purchase states the local office of CHFS has demanded removal of this information for utility's termination notices.

(b) Response: The Commission does not agree with Jackson Purchase's suggestion. The regulation clearly states with CHFS or its designee. If the local office of CHFS does not handle these services, Jackson Purchase should contact its local CHFS office to determine who the designee for these services are and include that agency's contact information in its notices.

(20) Section 17(1) – Meter Testing

Commenter: Mary Keyer

Comment: AT&T opposes the proposal that the regulation address issues of exemptions from this regulation the Commission has granted to CLECs in orders. AT&T states this would create confusion if the Commission included these exemptions in its general administrative regulations.

Response: The Commission agrees with AT&T's analysis

(21) Section 18(c)(2) - Meter Test Records

(a) Commenter: Jim Jacobus, Kelly Nuckols and Debra Martin

Comment: Inter-County Energy, Jackson Purchase and Shelby Energy expressed concern over new meters being tested using sample meter testing would only have one test record. They also state that the utilities using sample meter testing would not know the next periodic test date.

(b) Response: The Commission disagrees with this suggestion. The Commission states that this change is not necessary since this section of the regulation clearly states periodic testing. If sample testing is being used, then having the next periodic test date would not apply since sample testing and periodic testing are two different types of testing.

(22) Section 19(2) - Request testing

(a) Commenter: Michael Miller

Comment: Nolin RECC suggests revising the section to limit the retention of the meter to six (6) months.

(b) Response: The Commission accepts this proposal and has changed the language in the proposed regulation. The Commission has also changed the language in Section 19(1) since it has the same requirement.

(23) Section 20 - Access to Property

(a) Commenter: Jim Jacobus and Michael Miller

Comment: Inter-County Energy states “when service is to be terminated” should be deleted so it would not be interpreted to limit the utility’s right to enter customer’s property. Nolin RECC states the term “all reasonable hours” should be deleted because it hinders its access to property in cases of emergencies.

(b) Response: The Commission agrees with Inter-County’s suggestion and has deleted that phrase from the proposed language. The Commission disagrees with Nolin RECC’s suggestion as it is not necessary. In case of emergencies the utility will have access to the property and would be deemed reasonable hours.

(24) Section 23(1) - System Maps and Records

(a) Commenter: Jim Jacobus, Carol Wright, Debra Martin, Kelly Nuckols and Michael Miller

Comment: Inter-County Energy, Jackson County Energy, Shelby Energy Jackson Purchase Energy and Nolin state that the Commission should define a “commission readable GIS”.

(b) Response: The Commission agrees that “commission readable GIS” would need to be defined. However, the Commission has omitted that language and changed to a more generic and understood term.

(25) Section 23(1) – System Maps and Records

(a) Commenter: Kelly Nuckols

Comment: Jackson Purchase Energy states that the requested information is generally regarded as confidential and raises potential security concerns if released to the Commission. Jackson Purchase wants to know if the Commission will accept responsibility for breach of security/confidentiality if a breach occurs while the data is in the Commission’s possession. Jackson Purchase also wants clarification on how frequently the information must be updated because generating the GIS data will cause an undue burden on the utility and its members to produce this data in time, manpower and data storage that would have to be diverted from the normal course of business.

(b) Response: The Commission states that it will follow the federal and state rules regarding this information.

(26) Section 23(1)(b) - System Maps and Records

(a) Commenter: Michael Miller

Comment: Nolin RECC suggest that “rate district” be defined.

(b) Response: The Commission disagrees with this suggestion. The Commission does not believe this is necessary.

(27) Section 23(1)(f) – System Maps and Records

(a) Commenter: Jim Jacobus, Carol Wright, Michael Miller, Debra Martin and Allen Anderson

Comment: Inter-County Energy, Jackson County Energy, Nolin RECC, Shelby Energy and South Kentucky RECC raise concerns over the requirement of providing the month and year of construction for all items of plant. They each say they do not have the historical data available for this information on all items of plant.

(b) Response: The Commission has adjusted the language in the regulation to address the concern and to clarify that this information is required on a prospective basis.

(28) Section 26(4) - Inspection of Systems

(a) Commenter: Carl Johnson

Comment: North American Pole Association opposes the inspection for wood poles compared to that of steel poles. It states there is no technical basis to support having to conduct these inspections more frequently for lines constructed using wood poles. Objects to the imposition of additional inspection costs on the utility for wood pole lines versus alternative materials and that 6 year inspection intervals should be for all poles.

(b) Response: The Commission disagrees with this suggestion. The inspection intervals suggested in the proposed regulation are based on information collected during the Ike/Ice investigation conducted by the commission. The intervals were established and it coincides with the inspection intervals already in place by most utilities.

(29) Section 26(4)(e) - Inspection of Systems

(a) Commenter: Kelly Nuckols

Comment: Jackson Purchase Energy states the requirement for meter verification is unnecessary and would require utilities to hire additional staff and increase cost burden.

(b) Response: The Commission disagrees with this suggestion and has removed the language regarding verifying readings. The Commission believes the new language accomplishes the Commission's objectives and does so with little burden on the utilities.

(30) Section 26(5)(a)(2) – Inspection of Systems

(a) Commenter: Mark Martin, Judy Cooper and Matthew Wesolosky

Comment: Atmos, Columbia Gas of Kentucky and Delta Natural Gas request the language "readings verified" be clarified or removed. Atmos requests the section be revised to read: "At intervals not to exceed three (3) years or according to an alternative plan approved by the Commission..." Atmos states this would allow for

greater flexibility. Delta suggests that verifying the readings will not help to ensure the safety or proper working condition of the utility's facilities nor will it provide a benefit to customers and will increase the customers' cost of service.

(b) Response: The Commission disagrees with these suggestions. Although the Commission has removed the language "readings verified" and replaced with the "registration recorded" to clarify what was meant in the regulation. The Commission does not think this will increase the cost of service to the customers if the utilities are currently performing the inspections they are required to perform. The timing of this section coincides with the leak survey inspections when the gas utility is already supposed to be at the meter and with the system inspection already in place for electric utilities.

### (31) Section 26(7)(a) - Inspection of Systems

#### (a) Commenter: Mary Keyer and Doug Brent

Comment: AT&T suggests to delete the proposed reference to vegetation management in section 26(7)(a). AT&T suggests that safety concerns involving telephone utilities differ from those of energized electric facilities. It also opposes any exemption for tenants attaching their facilities to utility facilities. Vegetation management is left to the pole owners and attachers as a negotiated item in their agreements and should not be addressed in the regulation. Pole owners and attachers are in the best position to determine what makes the best business and economic sense for them regarding vegetation maintenance and their own facilities. Sprint, tw telecom and Verizon Business suggest an exemption for CLECs be included in the inspection requirements. They state CLECs are not pole owners and that pole owners have obtained franchises or easements that give them access to the real property where the poles are. If vegetation on private property is an issue, pole owners likely have clearer rights to manage vegetation. They also state that some routes could have multiple attachers in the telecom space, in addition to an incumbent phone company. A rule that requires multiple entities to inspect and manage the same area adds complexity and regulatory burdens without any finding of an actual problem that needs to be solved. Tiering could address this concern by reducing disproportionate impacts on certain classes of regulated entities, including entities that do not contribute significantly to the problem the administrative regulation was designed to address.

(b) Response: The Commission disagrees with the suggestion of AT&T that the vegetation management reference be deleted. The Commission also disagrees with Sprint, tw telecom and Verizon Business suggestion that exempts CLECs from the inspection requirements. Accordingly, the Commission agrees with AT&T's suggestion that no exemption be made for tenants. The Commission states that each utility should be responsible for the inspection of its own facilities, including vegetation management

that affects its facilities. This section was included as a response to the IKE/ICE report prepared by the Commission for the legislature.

(32) Section 27(1)(b) - Reporting of Accidents, Property Damage or Loss of Service

(a) Commenter: Burns Mercer

Comment: Meade County RECC suggests that the section be amended to require reporting of accidents when property damage exceeds \$125,000. It states the increase from \$25,000 to \$125,000 reflects the effects of inflation since the last regulation revision.

(b) Response: The Commission disagrees with this suggestion. The Commission sees \$25,000 as a significant amount of property damage and believes this number should not be raised.

5. Summary of the Statement of Consideration and Action Taken By Promulgating Administrative Body

The Public Service Commission has responded to the comments from the public hearing and public comment period regarding the proposed amendments to 807 KAR 5:006. The Public Service Commission proposes the following amendments after comments:

Page 8

Section 7(5)(c)

Line 15

After "condition and", insert "the meter registration recorded".

Delete "readings verified".

After "Section 26", insert the following:

(4)(e), Section 26(5)(a)(2) or Section 26(6)(b)

Page 10

Section 8(1)(c)3.d.

Line 18

After "customer's", insert "account".

Delete "bill".

Line 19

After "customer's", insert "account".

Delete "bill".

Page 13

Section 8(8)(c)

Line 9

After "(1)", insert "(d)(2)".

Delete "(b)".

Page 18  
Section 11(4)(c)  
Line 20

After “period of”, insert “six (6) months”.  
Delete “one (1) year”.

Line 21

After “investigation”, insert the following:  
and the time frame the meter will be secured by the utility

Page 23  
Section 14(2)  
Line 6

After “writing”, insert “or electronically recorded”.

Line 7

After “due”, insert the following:  
. Written partial payment plans shall  
Delete “,”.  
After “signed by”, insert “both parties”.  
Delete “the utility representative”.

Page 26  
Section 15(1)(d)  
Line 13

After “service to any”, insert “person contracting for service”.

Line 14

Delete “customer”.

Line 15

After “that”. insert “person contracting for service”.  
Delete “customer”.

Page 27  
Section 15(1)(f)  
Line 1

After “service to any”, insert “person contracting for service”.  
Delete “customer”.

Page 35  
Section 19(1)  
Line 5

After “period of”, insert “six (6) months”.  
Delete “one year”.

Line 6

After “investigation”, insert the following:  
and the time frame the meter will be secured by the utility

Page 35  
Section 19(2)

Line 13

After “minimum of”, insert “six (6) months”.

Delete “one year”.

Line 14

After “investigation”, insert the following:

and the time frame the meter will be secured by the commission’s Meter Standards Laboratory

Page 35  
Section 20

Line 20

After “property”, delete the following:  
when service is to be terminated

Page 37  
Section 23(1)

Line 7

After “serve.”, Insert the following:

The map or maps should be

Delete “If the maps are”.

After “available”, insert “preferably”.

After “format”, delete “, they shall be filed”.

Line 8

After “as a”, insert “digital geographic database”.

Delete the following:

commission readable geographic information system (GIS) file. Maps generated on and after the effective date of this regulation shall be filed as a PDF file and as a commission readable geographic information system (GIS) file.

Page 37  
Section 23(3)

Line 23

After “suitable”, insert “digital data”.

Delete “means”.

Page 38  
Section 23(3)

Lines 2 through 3

After “For all”, insert “prospective”.

Page 42  
Section 26(5)(a)2.  
Line 3

After “condition and”, insert “the meter registration recorded”.  
Delete “readings verified”.