

1 ENERGY AND ENVIRONMENT CABINET

2 Public Service Commission

3 (Amendment)

4 807 KAR 5:011. Tariffs.

5 RELATES TO: KRS Chapter 278.010, 278.030, 278.160, 278.170, 278.180, 278.185,

6 278.190.

7 STATUTORY AUTHORITY: KRS 278.160(1)

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.160(1) requires~~[provides that]~~

9 the commission to promulgate an administrative regulation to establish requirements for

10 each utility to~~[shall prescribe rules under which each utility shall]~~ file schedules showing

11 all rates and conditions established by it and collected or enforced. This administrative

12 regulation establishes requirements for utility tariffs.

13 Section 1. Definitions. (1) "Commission" is defined by KRS 278.010(15).

14 (2) "Date of issue" means the date the tariff sheet is signed by the representative

15 of the utility authorized to issue tariffs.

16 (3) "Nonrecurring charge" means a charge or fee assessed to customers to

17 recover the specific cost of an activity, which:

18 (a) Is due to a specific request for a certain type of service activity for which, once

19 the activity is completed, additional charges shall not be incurred; and

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

21 (4) "Person" is defined by KRS 278.010(2).

1 (5) “Rate” is defined by KRS 278.010(12).

2 (6) “Sewage utility” means a utility that meets the requirements of KRS
3 278.010(3)(f).

4 (7) “Signature” means an original signature or an electronic signature as defined
5 by KRS 369.102(8).

6 (8) “Statutory notice” means notice made in accordance with KRS 278.180.

7 (9) “Tariff” means a utility’s schedule of each of its rates, charges, tolls, maps,
8 terms, and conditions of service over which the commission has jurisdiction.

9 (10) “Utility” is defined by KRS 278.010(3).

10 (11) “Utility’s office or place of business” means a location at which the utility
11 regularly employs and stations one (1) or more employees and is open to the public for
12 customer service.

13 Section 2. General. (1) Beginning January 1, 2013, each tariff sheet and
14 supporting document filed with the commission shall be electronically submitted to the
15 commission using the commission’s electronic Tariff Filing System located at
16 https://psc.ky.gov/psc_portal/.

17 (2) Each utility shall maintain a complete tariff with the commission.

18 (3) A utility furnishing more than one (1) type of service (water and electricity for
19 example) shall file a separate tariff for each type of service.

20 (4) A utility shall make available a paper or electronic copy of its current tariff for
21 public inspection in the utility’s office or place of business.

1 (5) A utility that operates a public Web site for its utility operations shall:

2 (a) Make available on that Web site for public viewing and downloading a copy of
3 its current tariff for each type of service that it provides; or

4 (b) Place on its Web site a hyperlink to the commission's Web site where the tariff
5 has been posted.

6 Section 3. Format. (1) A new tariff or revised sheet of an existing tariff filed with the
7 commission shall be:

8 (a) Printed or typewritten;

9 (b) Eight and one-half (8 ½) by eleven (11) inches in size; and

10 (c) In type no smaller than nine (9) point font, except headers and footers which
11 shall be in type no smaller than eight (8) point font.

12 (2) Tariff Form-1. The first sheet of a tariff shall be on Tariff Form-1 or reasonable
13 facsimile, shall be used as the tariff's cover page, and shall contain:

14 (a) The utility's name, mailing address, street address of its principal office, if
15 different from the mailing address, and Web site if applicable;

16 (b) In the upper right-hand corner, the commission tariff number and, if applicable,
17 the cancelled commission tariff number; (Example: PSC Tariff No. 2, Cancelling PSC
18 Tariff No. 1);

19 (c) A statement of each type of service offered;

20 (d) A statement of the area served;

21 (e) The date of issue and date on which the tariff is to become effective;

1 (f) The signature of the representative of the utility authorized to issue tariffs; and
2 (g) The signatory's title or position.
3 (3) Tariff Form-2. With the exception of the first sheet of the tariff which shall be on
4 Tariff Form-1, all other tariff sheets shall be on Tariff Form-2 or reasonable facsimile and
5 shall contain:
6 (a) The utility's name and territory served;
7 (b) In the upper right-hand corner, the commission tariff number and, if applicable,
8 the cancelled commission tariff number; (Example: PSC Tariff No. 2, Cancelling PSC
9 Tariff No. 1);
10 (c) In the upper right-hand corner, the tariff sheet number and, if applicable, the
11 cancelled tariff sheet number; (Example: First Revised Sheet No. 1, Cancelling Original
12 Sheet No. 1);
13 (d) The date of issue and date on which the tariff is to become effective;
14 (e) The signature of the utility representative authorized to issue tariffs;
15 (f) The signatory's title or position; and,
16 (g) If applicable, a statement that the tariff is "Issued by authority of an Order of the
17 Public Service Commission in Case No. Dated , 20 ".
18 (4) Each tariff sheet shall contain a blank space at its bottom right corner that
19 measures at least three and one-half (3½) inches from the right of the tariff sheet by two
20 and one-half (2½) inches from the bottom of the tariff sheet to allow space for the
21 commission to affix its stamp.

1 Section 4. Contents of Schedules. (1) In addition to a clear statement of all rates,
2 each rate schedule shall state the city, town, village or district in which rates are
3 applicable.

4 (a) If a schedule is applicable in a large number of communities, it shall be
5 accompanied by an accurate index so that each community in which the rates are
6 applicable may be readily ascertained.

7 (b) A utility may indicate the applicability of a schedule by reference to the index
8 sheet with language indicating “Applicable within the corporate limits of the City of
9 _____,” or “see Tariff Sheet No. _____ for applicability.”

10 (2) The following information shall be shown in each rate schedule under the
11 following captions in the order listed:

12 (a) Applicable: show the territory covered;

13 (b) Availability of service: show the classes of customers affected, including
14 residential, commercial, and other groups of customers;

15 (c) Rates: list all rates offered;

16 (d) Minimum charge: state the amount of the charge, the quantity allowed (if
17 volumetrically based), and if it is subject to a late payment charge;

18 (e) Late payment charge: state the amount;

19 (f) Term: if contracts are made for certain periods, give the length of the term; and

20 (g) Special rules: list any special rules or requirements that are in effect covering
21 this tariff.

1 (3) Each rate schedule shall state the type or class of service available under the
2 stated rates, by using language similar to “available for residential lighting” or “available
3 for all purposes.”

4 (4) For a tariff in which a number of rate schedules are shown available for various
5 uses, each rate schedule shall be identified either by:

6 (a) A number in the format “Schedule No. _____”; or

7 (b) A group of letters, with the designation indicative of the type or class of service
8 for which the rate schedule is available. The format for use of a group of letters shall be in
9 the format “Tariff R.S.” indicating that the rate schedule states residential service rates.

10 (5) A tariff may be further divided into sections.

11 Section 5. Filing Requirements. (1) Each tariff filing shall include a cover letter and
12 conform to the requirements established in this subsection.

13 (a) Each document shall be submitted in portable document format (“PDF”) and be
14 capable of viewing with Adobe Acrobat Reader.

15 (b) Each document shall be search-capable and optimized for viewing over the
16 internet.

17 (c) Each scanned document shall be scanned at a resolution of 300 dots per inch
18 (dpi).

19 (d) A document may be bookmarked to distinguish different sections of the filing.

20 (2) A document shall be considered filed with the commission if it has:

1 (a) Been successfully transmitted using the commission's electronic tariff filing
2 system; and

3 (b) Met all other requirements specified in this administrative regulation.

4 Section 6. Tariff Addition, Revision, or Withdrawal.

5 (1) No tariff, tariff sheet, or tariff provision may be changed, cancelled or withdrawn
6 except as provided by Sections 6 and 9 of this administrative regulation.

7 (2) A new tariff or revised sheet of an existing tariff shall be issued and placed into
8 effect:

9 (a) By order of the commission; or

10 (b) By issuing and filing with the commission a new tariff or revised sheet of an
11 existing tariff and providing notice to the public and statutory notice to the commission.

12 (3) Each revised tariff sheet shall contain one (1) of the following symbols in the
13 margin indicating the change made:

14 (a) "(D)" to signify deletion;

15 (b) "(I)" to signify increase;

16 (c) "(N)" to signify a new rate or requirement;

17 (d) "(R)" to signify reduction; or

18 (e) "(T)" to signify a change in text.

19 Section 7. Tariff Filings Pursuant to Orders. If the commission has ordered a
20 change in the rates or rules of a utility, the utility shall file a new tariff or revised sheet of
21 an existing tariff setting out:

1 (1) The revised rate, classification, charge, or rule;

2 (2) The applicable case number;

3 (3) The date of the commission order; and

4 (4) The margin symbols required by Section 6(3) of this administrative regulation.

5 Section 8. Notices. A utility shall give notice to the public as required by this
6 section.

7 (1) Public Postings. (a) A utility shall post at its place of business a copy of the
8 required notice no later than the date the filing is made with the commission. The notice
9 shall not be removed until the filing has become effective; and

10 (b) A utility that maintains a public Web site shall, within two (2) business days of
11 filing, post a copy of the public notice as well as a hyperlink to its filing on the
12 commission's Web site. The notice shall not be removed until the filing has become
13 effective or the commission issues a final decision on the filing.

14 (2) Manner of Notification. (a) If the utility has twenty (20) or fewer customers or is
15 a sewage utility, it shall mail written notice in accordance with subsection (3) of this
16 section to each customer no later than the date on which the filing is submitted to the
17 commission.

18 (b) If the utility has more than twenty (20) customers and is not a sewage utility, it
19 shall:

20 1. Include notice with customer bills mailed by the date the filing is submitted;

1 2. Publish notice in a trade publication or newsletter going to all customers by the
2 date the filing is submitted; or

3 3. Publish notice once a week for three (3) consecutive weeks in a prominent
4 manner in a newspaper of general circulation in the utility's service area, the first
5 publication to be made by the date the filing is submitted.

6 (c) A utility that provides service in more than one (1) county and is not a sewage
7 utility may use a combination of the notice methods listed in paragraph (b) of this
8 subsection.

9 (3) Notice Requirements. Each notice shall contain the following information:

10 (a) The present rates and proposed rates for each customer class to which the
11 proposed rates will apply;

12 (b) The amount of the change requested in both dollar amounts and percentage
13 change for each customer classification to which the proposed rate change will apply;

14 (c) The amount of the average usage and the effect upon the average bill for each
15 customer class to which the proposed rate change will apply;

16 (d) A statement that the rates contained in this notice are the rates proposed by
17 (name of utility) but that the Public Service Commission may order rates to be charged
18 that differ from the proposed rates contained in this notice;

19 (e) A statement that any corporation, association, or person may within thirty (30)
20 days after the initial publication or mailing of notice of the proposed rate changes submit a
21 written request to intervene to the Public Service Commission, 211 Sower Boulevard,

1 P.O. Box 615, Frankfort, Kentucky 40602 that sets forth the grounds for the request
2 including the status and interest of the party;

3 (f) A statement that any person may examine this filing and any other documents
4 the utility has filed with the Public Service Commission at the offices of (the name of the
5 utility) located at (the utility's address) and on the utility's Web site at (the utility's Web
6 site address), if the utility maintains a public Web site, and

7 (g) A statement that this filing and related documents are available on the Public
8 Service Commission's Web site at <http://psc.ky.gov/>.

9 (4) Proof of notice. A utility shall file with the commission no later than forty-five
10 (45) days from the date of the initial filing;

11 (a) If its notice is published in a newspaper of general circulation in the utility's
12 service area, an affidavit from the publisher verifying the notice was published, including
13 the dates of the publication with an attached copy of the published notice;

14 (b) If its notice is published in a trade publication or newsletter going to all
15 customers, an affidavit from an authorized representative of the utility verifying the trade
16 publication or newsletter was mailed; or

17 (c) If the notice is mailed, an affidavit from an authorized representative of the
18 utility verifying the notice was mailed.

19 (5) Compliance by electric utilities with rate schedule information required by 807
20 KAR 5:051. Notice given pursuant to subsection (2)(a) or (b) of this section shall
21 substitute for the notice required by 807 KAR 5:051, Section 2, if the notice contained a

1 clear and concise explanation of the proposed change in the rate schedule applicable to
2 each customer.

3 Section 9. Statutory Notice to the Commission. (1) A new tariff or revised sheet of
4 an existing tariff shall become effective on the date stated on the tariff sheet if:

5 (a) Proper notice was given to the commission and the public; and

6 (b) The tariff is not suspended by an order of the commission pursuant to KRS
7 278.190.

8 (2) All information and notices required by this administrative regulation shall be
9 furnished to the commission at the time of the filing of the proposed rate revision. If the
10 commission determines that there was a substantial omission, which was prejudicial to
11 full consideration by the commission or to an intervenor, the statutory notice to the
12 commission shall not commence to run and shall not be computed until the omitted
13 information and notice is filed.

14 Section 10. Nonrecurring Charges. Notwithstanding, 807 KAR 5:001, a utility may
15 revise a nonrecurring charge pursuant to this section and Sections 6 and 9 of this
16 administrative regulation.

17 (1) Each requested rate revision shall be accompanied by:

18 (a) A specific cost justification for the proposed rates;

19 (b) A copy of the public notice of each requested rate revision and verification that
20 it has been made pursuant to Section 8 of this administrative regulation;

1 (c) A detailed statement explaining why the proposed changes were not included
2 in the most recent general rate case, and why current conditions prevent deferring the
3 proposed changes until the next general rate case;

4 (d) A statement identifying the group of potential or existing customers affected by
5 the rate revision; and

6 (e) A copy of the utility's income statement and balance sheet for a recent twelve
7 (12) month period or an affidavit from an authorized representative of the utility attesting
8 that the utility's income statement and balance sheet are on file with the commission.

9 (2) The proposed rate shall relate directly to the service performed or action taken
10 and shall yield only enough revenue to pay the expenses incurred in rendering the
11 service.

12 (3)(a) If the additional revenue to be generated from the proposed rate revision
13 exceeds by five (5) percent the total revenues provided by all nonrecurring charges for a
14 recent twelve (12) month period, the utility shall, in addition to the information set out in
15 subsection (1) of this section, file an absorption test.

16 (b) The absorption test shall show that the additional net income generated by the
17 tariff filing shall not result in an increase in the rate of return (or other applicable valuation
18 methods) to a level greater than that which was allowed in the most recent general rate
19 case.

20 (c) As part of the absorption test, any general rate increase received during the
21 twelve (12) month period shall be annualized.

1 (4) When the utility submits its filing to the commission, it shall transmit by
2 electronic mail an electronic copy in PDF to rateintervention@ag.ky.gov or mail a paper
3 copy to the Attorney General's Office of Rate Intervention, 1024 Capital Center Drive,
4 Suite 200, Frankfort, Kentucky 40601-8204.

5 Section 11. Adoption Notice. (1) A utility shall file an adoption notice on Tariff
6 Form-3 if:

7 (a) A change of ownership or control of a utility occurs;

8 (b) A utility or a part of its business is transferred from the operating control of one
9 (1) company to that of another;

10 (c) A utility's name is changed; or

11 (d) A receiver or trustee assumes possession and operation of a utility.

12 (2) Unless otherwise authorized by the commission, the person operating the utility
13 business going forward shall adopt, ratify, and make its own the former operating utility's
14 rates, classifications and requirements on file with the commission and effective at the
15 time of the change of ownership or control.

16 (3) An adoption notice may be filed and made effective without previous notice.

17 (4) An adoption notice filed with the commission shall be in consecutive numerical
18 order, beginning with Public Service Commission adoption notice No. 1.

19 (5) Within ten (10) days after the filing of an adoption notice by a utility that had no
20 tariff on file with the commission, the utility shall issue and file in its own name the tariff of
21 the predecessor utility then in effect and adopted by it, or a tariff it proposes to put into

1 effect in lieu thereof, in the form prescribed in Sections 2 through 4 of this administrative
2 regulation with proper identifying designation.

3 (6) Within ten (10) days after the filing of an adoption notice by a utility that had
4 other tariffs on file with the commission, the utility shall issue and file one (1) of the
5 following:

6 (a) A complete reissue of its existing tariff that:

7 1. Sets out the rates and requirements of the predecessor utility then in effect and
8 adopted by it; or

9 2. Sets out the rates and requirements it proposes to place into effect for the
10 predecessor utility;

11 (b) New additional pages or revised current pages of its existing tariffs that:

12 1. Set out the rates and requirements of the predecessor utility then in effect and
13 adopted by it; or

14 2. Set out the rates and requirements it proposes to place into effect for the
15 predecessor utility.

16 (7)(a) If a new tariff or revised sheet of an existing tariff states the rates and
17 requirements of the predecessor utility without change, the tariff or revised sheet of an
18 existing tariff may be filed without notice.

19 (b) If a new tariff or revised sheet of an existing tariff states any change in the
20 effect of the rates or requirements of the predecessor utility, the new tariff or revised

1 sheet of an existing tariff shall be subject to Sections 9 and 10 of this administrative
2 regulation.

3 Section 12. Posting Tariffs, Administrative Regulations and Statutes. (1) Each
4 utility shall display a suitable placard, in large type, that states that the utility's tariff and
5 the applicable administrative regulations and statutes are available for public inspection.

6 (2) Each utility shall provide a suitable table or desk in its office or place of
7 business on which it shall make available for public viewing:

8 (a) A copy of all effective tariffs and supplements setting out its rates,
9 classifications, charges, rules and requirements, together with forms of contracts and
10 applications applicable to the territory served from that office or place of business;

11 (b) A copy of the Kentucky Revised Statutes applicable to the utility; and

12 (c) A copy of the administrative regulations governing the utility.

13 (3) The information required in subsection (2) of this section shall be made
14 available in an electronic or non-electronic format.

15 Section 13. Special Contracts. Each utility shall file a copy of all special contracts
16 entered into governing utility service which set out rates, charges or conditions of service
17 not included in its general tariff.

18 Section 14. Confidential Materials. A utility may request confidential treatment for
19 materials filed pursuant to this regulation in accordance with the procedures established
20 in 807 KAR 5:001, Section 13(3)

1 Section 15. Deviations from Rules. In special cases, for good cause shown and
2 upon application to and approval by the commission, deviations from the rules in this
3 administrative regulation may be permitted.

4 Section 16. Incorporation by Reference. (1) The following material is incorporated
5 by reference:

6 (a) "Tariff Form-1", July 2012;

7 (b) "Tariff Form-2", July 2012; and

8 (c) "Tariff Form-3"; July 2012.

9 (2) This material may be inspected, copied, or obtained, subject to applicable
10 copyright law, at the commission's offices located at 211 Sower Boulevard, Frankfort,
11 Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the
12 commission's Web site at <http://psc.ky.gov/>.

13 ~~{Section 1. Definitions. For purpose of this administrative regulation: "Commission"~~
14 ~~means the Public Service Commission.~~

15 ~~Section 2. General. All utilities under the jurisdiction of the commission shall file~~
16 ~~with the secretary two (2) cover letters and four (4) complete copies of a tariff containing~~
17 ~~schedules of all its rates, charges, tolls and maps or plats of the area in which it offers~~
18 ~~service and all its rules and administrative regulations and shall keep a copy of said tariff~~
19 ~~open to public inspection in its offices and places of business, as required by KRS~~
20 ~~278.160, in substantially the form and manner hereinafter set out. If a utility furnishes~~
21 ~~more than one (1) kind of service (water and electricity for example), a separate tariff~~

1 ~~must be filed for each kind of service. For the purpose of the commission's rules and~~
2 ~~administrative regulations, the utility's office or place of business shall be deemed a~~
3 ~~location at which the utility regularly employs and stations one (1) or more employees and~~
4 ~~is open to the public.~~

5 ~~Section 3. Form and Size of Tariffs. (1) All tariffs must be printed from type not~~
6 ~~smaller than six (6) point or typewritten, mimeographed or produced by similar process,~~
7 ~~on hard calendared paper of good quality.~~

8 ~~(2) The pages of a tariff shall be eight and one-half (8 1/2) by eleven (11) inches in~~
9 ~~size.~~

10 ~~(3) Utilities shall publish tariffs in loose-leaf form using one (1) side of the paper~~
11 ~~only, with not more than one (1) schedule to the page.~~

12 ~~(4) The front cover page of a tariff shall contain the following:~~

13 ~~(a) Name of the utility and location of principal office.~~

14 ~~(b) Statement of kind of service offered.~~

15 ~~(c) General statement of territory served.~~

16 ~~(d) Date of issue and date tariff is to become effective.~~

17 ~~(e) Signature of the officer of the utility authorized to issue tariffs.~~

18 ~~(f) Identifying designation in the upper right hand corner as required by Section 5~~
19 ~~of this administrative regulation.~~

20 ~~(5) The second and succeeding pages shall contain:~~

21 ~~(a) All the rules and administrative regulations of the utility.~~

1 ~~(b) Rate schedules showing all rates and charges for the several classes of~~
2 ~~service.~~

3 ~~(c) Signature of the officer of the utility authorized to issue tariffs.~~

4 ~~(d) Date of issue and date tariff is to become effective.~~

5 ~~(e) Identifying designation in upper right hand corner as required by Section 5 of~~
6 ~~this administrative regulation.~~

7 ~~(6) In that portion of the tariff dealing with rates, the desired information shall be~~
8 ~~shown under the following captions in the order listed:~~

9 ~~(a) Applicable: show territory covered by tariff.~~

10 ~~(b) Availability of service: show classes of customers affected, such as domestic,~~
11 ~~commercial, etc.~~

12 ~~(c) Rates: list all rates covered by tariff.~~

13 ~~(d) Minimum charge: state amount of charge and quantity allowed.~~

14 ~~(e) Delayed payment charge: state if penalty or discount.~~

15 ~~(f) Term: if contracts are made for certain periods, give length of term.~~

16 ~~(g) Special rules: if any special rules and administrative regulations are in effect~~
17 ~~covering this tariff, list same hereunder.~~

18 ~~(7) The secretary of the commission will furnish standard forms of tariffs on~~
19 ~~request.~~

20 ~~Section 4. Contents of Schedules. (1) Each rate schedule in addition to a clear~~
21 ~~statement of all rates thereunder must state the city, town, village or district in which rates~~
22 ~~are applicable; provided, however, that schedules applicable in a large number of~~

1 communities must be accompanied by an accurate index by which each community in
2 which the rates are applicable may be readily ascertained, in which case the applicability
3 of a schedule may be indicated by reference to the index sheet. (Example: Applicable
4 within the corporate limits of the City of _____, or see Tariff Sheet No. 2B for
5 applicability.)

6 (2) Each rate schedule must state that class of service available under the rates
7 stated therein. (Example: Available for domestic lighting, or available for all purposes,
8 etc.)

9 (3) For a tariff in which a number of schedules are shown available for various
10 uses, each schedule shall be identified by a number or by a group of letters, and if by a
11 group of letters, the designation shall be indicative of the class of service for which the
12 schedule is available. (Example: Schedule No. 1 or Tariff D.U.R. indicating that the
13 schedule states domestic utility rates.)

14 (4)(a) Each page of the tariff shall bear the Commission Number of the tariff, the
15 date issued and effective, the signature of the issuing officer, and in the upper right-hand
16 corner, a further designation, such as "Original Sheet No. 1," "Original Sheet No. 2," etc.

17 (b) In the case of a change in the text of any page as hereinafter provided the
18 further designation shall be "First Revised Sheet No. 1, cancelling Original Sheet No. 1,"
19 etc.

20 (c) Tariffs may be further divided into sections, and so designated if required by
21 their size and contents.

1 ~~(5) All schedules shall state whether a minimum charge is made, and if so, they~~
2 ~~shall set out all such charges, and further state whether such minimum charge is subject~~
3 ~~to prompt payment discount or delayed payment penalty.~~

4 ~~Section 5. Designation of Tariffs. All tariffs must bear in the upper right-hand~~
5 ~~corner of the front cover page the commission number thereof. Subsequent tariffs filed as~~
6 ~~provided by Sections 6 and 9 of this administrative regulation, must continue such~~
7 ~~designation in consecutive numerical order. Any subsequent tariff must also show the~~
8 ~~commission number of the tariff cancelled, changed or modified by it.~~

9 ~~Section 6. Change or Withdrawal of Rate Schedules Administrative Regulations.~~

10 ~~(1) No tariff, or any provision thereof, may be changed, cancelled or withdrawn except~~
11 ~~upon such terms and conditions as the commission may impose and in compliance with~~
12 ~~KRS 278.180 and Sections 6 and 9 of this administrative regulation.~~

13 ~~(2)(a) All revisions in tariff sheets shall contain a symbol in the margin indicating~~
14 ~~the change made. These symbols are as follows:~~

15 ~~(C) To signify changed administrative regulation.~~

16 ~~(D) To signify discontinued rate, administrative regulation or test.~~

17 ~~(I) To signify increase.~~

18 ~~(N) To signify new rate and/or new test.~~

19 ~~(R) To signify reduction.~~

20 ~~(T) To signify a change in text.~~

1 ~~(b) In the case of a change in the text of any tariff sheet where the rate remains the~~
2 ~~same, the effective date shall remain the same as that on the amended sheet. The issued~~
3 ~~date of the change shall be the date the filing is made with the commission.~~

4 ~~(c) All tariff filings which involve the furnishing of equipment or services to the~~
5 ~~customer by the utility shall be accompanied by a description of the equipment or service~~
6 ~~involved in the filing and a cost of service study justifying the proposed charges.~~

7 ~~(3) New tariffs stating changes in any provision of any effective tariff may be issued~~
8 ~~and put into effect by either of the two (2) following methods:~~

9 ~~(a) By order of the commission upon formal application by the utility, and after~~
10 ~~hearing, as provided by Section 7 of this administrative regulation.~~

11 ~~(b) By issuing and filing on at least twenty (20) days' notice to the commission and~~
12 ~~the public a complete new tariff (or revised sheet of an existing tariff) stating all the~~
13 ~~provisions and schedules proposed to become effective as provided by Sections 7 and 9~~
14 ~~of this administrative regulation.~~

15 ~~(4) The provisions or rates stated on any sheet or page of a tariff may be modified~~
16 ~~or changed by the filing of a revision of such sheet or page in accordance with the~~
17 ~~provisions of this administrative regulation. Such revisions must be identified as required~~
18 ~~herein.~~

19 ~~Section 7. Adjustment of Rates on Application. Upon the granting of authority for a~~
20 ~~change in rates, the utility shall file a tariff setting out the rate, classification, charge, or~~
21 ~~rule and administrative regulation authorized by the commission to become effective the~~
22 ~~order may direct, and each page of the tariff so filed shall state that it is "Issued by~~

1 authority of an order of the Public Service Commission in Case No. _____ dated
2 _____, 19____."

3 Section 8. Notices. Notices shall be given by the utility in the following manner:

4 (1) ~~Advance notice, abbreviated newspaper notice. Utilities with gross revenues~~
5 ~~greater than \$1,000,000 shall notify the commission in writing of Intent to File Rate~~
6 ~~Application at least four (4) weeks prior to filing. At or about this time application may be~~
7 ~~made to the commission for permission to use an abbreviated form of newspaper notice~~
8 ~~of proposed rate increases provided the notice includes a coupon which may be used to~~
9 ~~obtain a copy from applicant of the full schedule of increases or rate changes.~~

10 (2) ~~Notice to customers of proposed rate changes. If the applicant has twenty (20)~~
11 ~~or fewer customers, typewritten notice of the proposed rate changes and the estimated~~
12 ~~amount of increase per customer class shall be placed in the mail to each customer no~~
13 ~~later than the date on which the application is filed with the commission and, in addition, a~~
14 ~~sheet shall be posted at its place of business containing such information. Except for~~
15 ~~sewer utilities which must give a notice by mail to all of their customers pursuant to KRS~~
16 ~~278.185, all applicants with more than twenty (20) customers shall post a sheet stating~~
17 ~~the proposed rates and the estimated amount of increase per customer class at their~~
18 ~~place of business and, in addition, notice thereof:~~

19 (a) ~~Shall be included with customer billings made on or before the application is~~
20 ~~filed with the commission; or~~

21 (b) ~~Shall be published by such date in a trade publication or newsletter going to all~~
22 ~~customers; or~~

1 ~~(c) Shall be published once a week for three (3) consecutive weeks in a prominent~~
2 ~~manner in a newspaper of general circulation in their service area, the first publication to~~
3 ~~be made prior to the filing of the application with the commission. Each such notice shall~~
4 ~~contain the following language:~~

5 ~~The rates contained in this notice are the rates proposed by (name of utility).~~
6 ~~However, the Public Service Commission may order rates to be charged that differ from~~
7 ~~these proposed rates. Such action may result in rates for consumers other than the rates~~
8 ~~in this notice.~~

9 ~~(3) Notice as to intervention. The notice made in compliance with subsection (2) of~~
10 ~~this section shall include a statement to the effect:~~

11 ~~(a) That any corporation, association, body politic or person may by motion within~~
12 ~~thirty (30) days after publication or mailing of notice of the proposed rate changes request~~
13 ~~leave to intervene;~~

14 ~~(b) That the motion shall be submitted to the Public Service Commission, 211~~
15 ~~Sewer Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the~~
16 ~~grounds for the request including the status and interest of the party; and~~

17 ~~(c) That intervenors may obtain copies of the application and testimony by~~
18 ~~contacting the applicant at a name and address to be stated in the notice. A copy of the~~
19 ~~application and testimony shall be available for public inspection at the utility's offices.~~

20 ~~(4) Compliance by electric utilities with rate schedule information required by 807~~
21 ~~KAR 5:051. If notice is given by subsection (2)(a) or (b) of this section and if the notice~~
22 ~~contains a clear and concise explanation of the proposed change in the rate schedule~~

1 applicable to each customer, no notice under Section 2 of 807 KAR 5:051 shall be
2 required. Otherwise, such notice shall be given.

3 (5) Notice of hearing. Where notice pursuant to KRS 424.300 is published by the
4 applicant in a newspaper, it shall be published in a newspaper of general circulation in the
5 areas that will be affected one (1) time not less than seven (7) nor more than twenty-one
6 (21) days prior to the hearing giving the purpose, time, place and date of hearing.

7 (6) Extensions of time. Applications for extensions of time shall be made to the
8 commission in writing and will be granted only upon a showing of compelling reason.

9 Section 9. Statutory Notice to the Commission. (1) When a new tariff has been so
10 issued and notice thereof given to the commission and the public in all respects as
11 hereinbefore provided, such tariff will become effective on the date stated therein unless
12 the operation thereof be suspended and the rates and administrative regulations therein
13 be deferred by an order of the commission pending a hearing concerning the propriety of
14 the proposed rates and administrative regulations under KRS 278.190.

15 (2) All information and notice required by these rules shall be furnished to the
16 commission at the time of the filing of any proposed revisions in rates or administrative
17 regulations, and the twenty (20) days' statutory notice to the commission will not
18 commence to run and will not be computed until such information and notice is filed if the
19 commission determines that there was a substantial omission, which was prejudicial to
20 full consideration by the commission or to an intervenor.

21 Section 10. Nonrecurring Charges. Nonrecurring charges are charges to
22 customers due to a specific request for certain types of service activity for which, when

1 ~~the activity is completed, no additional charges may be incurred. Such charges are~~
2 ~~intended to be limited in nature and to recover the specific cost of the activity.~~
3 ~~Nonrecurring charges include reconnection charges, late payment fees, service order~~
4 ~~changes and hook-on or tap fees. This section allows a utility to seek a rate revision for a~~
5 ~~nonrecurring charge outside a general rate proceeding. In addition to the specific~~
6 ~~information required pursuant to the above sections, the following information must be~~
7 ~~submitted to the commission when a utility makes a filing to increase miscellaneous or~~
8 ~~nonrecurring service charges outside a general rate case:~~

9 ~~(1) Each requested rate revision must be accompanied by:~~

10 ~~(a) A specific cost justification for the proposed rates and a full description of the~~
11 ~~equipment or service provided under tariff (807 KAR 5:001, Section 6(2)(c)). The~~
12 ~~proposed rates should at least cover incremental costs, and a reasonable contribution to~~
13 ~~overhead. Incremental costs are defined as those costs which would be specifically~~
14 ~~incurred in the provision of this service.~~

15 ~~(b) A copy of the public notice of each requested rate revision and verification that~~
16 ~~it has been made pursuant to Section 8 of this administrative regulation. In addition to the~~
17 ~~notice requirements contained in Section 8 of this administrative regulation, the utility~~
18 ~~shall also mail a copy of its filing to the Attorney General's Consumer Protection Division.~~
19 ~~The Attorney General will then have ten (10) days to notify the commission in writing if it~~
20 ~~requests a hearing in a particular case.~~

1 ~~(c) A detailed statement explaining why the proposed changes could not have~~
2 ~~been included in the most previous general rate case, and why current conditions prevent~~
3 ~~deferring the proposed changes until the next general rate request.~~

4 ~~(d) An impact statement identifying the group of customers affected by the~~
5 ~~proposed tariff. The impact statement shall identify potential as well as existing~~
6 ~~customers.~~

7 ~~(e) A copy of the utility's income statement and balance sheet for a recent twelve~~
8 ~~(12) month period.~~

9 ~~(2) If the additional revenue to be generated from the proposed tariff revisions~~
10 ~~exceeds by five (5) percent the total revenues provided by all miscellaneous and~~
11 ~~nonrecurring charges for a recent twelve (12) month period, the utility must file, in addition~~
12 ~~to the information set out in subsection (1)(a) of this section, the following: An absorption~~
13 ~~test showing that the additional net income generated by the tariff filing will not result in an~~
14 ~~increase in the rate of return (or other applicable valuation methods) to a level greater~~
15 ~~than that which was allowed in the most recent rate case. Any general rate increases~~
16 ~~received during the twelve (12) month period must be annualized. Any significant cost~~
17 ~~changes may be included but must be documented as part of the filing.~~

18 ~~(3) No more than two (2) such tariff filings under this procedure shall be made~~
19 ~~between general rate cases. Additional tariff filings for nonrecurring charges will be~~
20 ~~processed according to general rate case procedures.~~

21 ~~When these requirements are met, such a filing may be made by letter with~~
22 ~~supporting documentation and will not require the information normally required pursuant~~

1 to the commission's general rate case administrative regulation, 807 KAR 5:001, Section
2 9.

3 ~~Section 11. Change of Ownership; Adoption notice. (1) In case of change of~~
4 ~~ownership or control of a utility, or when a utility or a part of its business is transferred~~
5 ~~from the operating control of one company to that of another, or when its name is~~
6 ~~changed, the company which will thereafter operate the utility business must use the~~
7 ~~rates, classifications and administrative regulations of the former operating company~~
8 ~~(unless authorized to change by the commission), and shall issue, file and post an~~
9 ~~adoption notice, on a form furnished by the commission, adopting, ratifying and making its~~
10 ~~own all rates, rules, classifications and administrative regulations of the former operating~~
11 ~~utility, on file with the commission and effective at the time of such change of ownership~~
12 ~~or control.~~

13 ~~(2) Adoption notices must likewise be filed by receivers and trustees assuming~~
14 ~~possession and operation of utilities. Adoption notices may be filed and made effective~~
15 ~~without previous notice.~~

16 ~~(3) Adoption notices filed with the commission by each utility shall be in~~
17 ~~consecutive numerical order, beginning with Public Service Commission Adoption notice~~
18 ~~No. 1.~~

19 ~~(4) Within ten (10) days after the filing of an adoption notice as aforesaid by a~~
20 ~~public utility which then had no tariffs on file with the commission, said utility shall issue~~
21 ~~and file in its own name the tariff of the predecessor utility then in effect and adopted by it,~~
22 ~~or such other tariff as it proposes to put into effect in lieu thereof, in the form prescribed in~~

1 Sections 2 through 5 of this administrative regulation with proper identifying designation.
2 (Example: Public Service Commission No. 1 cancels Public Service Commission
3 Adoption notice No. 1.)

4 (5) Within ten (10) days after the filing of an adoption notice, as required by
5 subsection (2) of this section, by a public utility which then had other tariffs on file with the
6 commission said utility shall issue and file in its own name rate schedules and
7 administrative regulations (on additional or revised sheets to its existing tariff, or by a
8 complete reissue of its existing tariff, or otherwise), which shall set out the rates and
9 administrative regulations of the predecessor utility then in effect and adopted by it, or
10 such other rates and administrative regulations as it proposes to put into effect in lieu
11 thereof, in accordance with the provisions of these rules with proper identifying
12 designation. (Example: First Revision of Original Sheet No. 2A, Public Service
13 Commission, No. 11, cancels Original Sheet No. 2A, also cancels Public Service
14 Commission Adoption notice No. 6; or Public Service Commission No. 12 cancels Public
15 Service Commission No. 11, also cancels Public Service Commission Adoption notice
16 No. 6.)

17 (6) When a tariff or revision is issued by a utility in compliance with these rules
18 which states the rates, rules and administrative regulations of the predecessor utility
19 without change in any of the provisions thereof, the same may be filed without notice; but
20 when such tariff or revision states any change in the effect of the rates, rules and
21 administrative regulations of the predecessor utility, such tariff or revision shall be subject
22 to Sections 9 and 10 of this administrative regulation.

1 ~~Section 12. Posting Tariffs, Administrative Regulations and Statutes. Every utility~~
2 ~~shall provide a suitable table or desk in its office and place of business, on which shall be~~
3 ~~available to the public at all times the following:~~

4 ~~(1) A copy of all effective tariffs and supplements setting out its rates,~~
5 ~~classifications, charges, rules and administrative regulations, together with forms of~~
6 ~~contracts and applications applicable to the territory served from that office or place of~~
7 ~~business.~~

8 ~~(2) Copies of the Kentucky Revised Statutes applicable to the utility.~~

9 ~~(3) A copy of the administrative regulations governing such utility adopted by the~~
10 ~~commission.~~

11 ~~(4) A suitable placard, in large type, giving information to the public that said tariffs,~~
12 ~~rules and administrative regulations and statutes are kept there for public inspection.~~

13 ~~Section 13. Special Contracts. Every utility shall file true copies of all special~~
14 ~~contracts entered into governing utility service which set out rates, charges or conditions~~
15 ~~of service not included in its general tariff. The provisions of this administrative regulation~~
16 ~~applicable to tariffs containing rates, rules and administrative regulations, and general~~
17 ~~agreements, shall also apply to the rates and schedules set out in said special contracts,~~
18 ~~so far as practicable.~~

19 ~~Section 14. Deviations from Rules. In special cases, for good cause shown upon~~
20 ~~application to and approval by, the commission may permit deviations from these rules.~~

21 ~~Section 15. Forms. In submitting to the commission information required by these~~
22 ~~rules the following forms shall be followed where applicable:~~

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~~FORM FOR FILING RULES &
ADMINISTRATIVE REGULATIONS~~

~~(Page 2 of Tariff)~~

~~Name of Utility:~~

~~RULES & ADMINISTRATIVE REGULATIONS~~

~~Date of Issue:~~

~~Effective Date:~~

~~Issued by:~~

~~Name:~~

~~Title:~~

~~FORM FOR FILING RATE SCHEDULES~~

~~(Page 3 of Tariff)~~

~~For: (Community, Town or City)~~

~~P.S.C. NO.:~~

~~____(Original) Sheet No. _____~~

~~____(Revised)~~

~~Name of Issuing Corporation:~~

~~Cancelling P.S.C. No.:~~

~~____(Original) Sheet No. _____~~

~~____(Revised)~~

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~~CLASSIFICATION OF SERVICE~~

~~APPLICABLE: _____ (Show territory covered by tariff.)~~
~~AVAILABILITY OF _____ (Show classes of customers affected,~~
~~SERVICE: _____ such as domestic, commercial, etc.)~~
~~RATES: _____ (List all rates covered by tariff.)~~
~~MINIMUM CHARGE: _____ (State if penalty or discount.)~~

~~DATE OF ISSUE: (Month, Day, Year)~~
~~DATE EFFECTIVE: (Month, Day, Year)~~
~~ISSUED BY: (Name of Officer, Title, Address)~~
~~ISSUED BY AUTHORITY OF P.S.C. ORDER NO.:~~

~~FORM OF CERTIFICATE OF NOTICE TO THE
PUBLIC OF CHANGE IN TARIFF WHERE NO
INCREASE OF CHARGES RESULTS~~

~~(2 Copies Required)~~

~~To the Public Service Commission, Frankfort, Ky.~~

~~Pursuant to the Rules Governing Tariffs (effective _____), I hereby certify that I
am (Title of Officer) _____ of the (Name of Utility) _____ a utility~~

1 furnishing (Kind of Service) _____ service within the Commonwealth of
2 Kentucky, which on the _____ day of _____, 19____, issued *Tariff P.S.C. No.
3 _____, cancelling Tariff P.S.C. No. _____, to become effective _____, 19____, and
4 that notice to the public of the issuing of the same is being given in all respects as
5 required by Section 8 of said administrative regulation, as follows:

6
7 On the _____ day of _____, 19____, the same was exhibited for public
8 inspection at the offices and places of business of the Company in the territory affected
9 thereby, to wit, at the following places: (Give location of offices where rates are posted.)
10 _____ and that the same will be kept open to public inspection at said
11 offices and places of business in conformity with the requirements of Section 8 of said
12 administrative regulation.

13 I further certify that the proposed changes in tariff of said utility will not result in an
14 increase in the rates or charges to any customer.

15
16 Given under my hand this _____ day of _____, 19____.

17 Address:

18 *If a revised sheet, or additional sheet of a loose leaf tariff is used to state changes
19 in rates or administrative regulations, the filing should be described as _____ Revision of
20 Original Sheet No. _____ P.S.C. No. _____, cancelling _____ P.S.C. Adoption notice No. _____.

21

22 FORM OF CERTIFICATE OF NOTICE TO THE

1 PUBLIC OF CHANGE IN TARIFF WHICH
2 RESULTS IN INCREASED RATES

3 (2 Copies Required)

4
5 To the Public Service Commission, Frankfort, Ky.

6
7 Pursuant to the Rules Governing Tariffs (effective _____), I hereby certify that I
8 am (Title of Officer) _____ of the (Name of Utility) _____ a utility
9 furnishing _____ service within the Commonwealth of Kentucky, which on the
10 _____ day of _____, 19____, issued its *Tariff P.S.C. No. _____, cancelling
11 Tariff P.S.C. No. _____ to become effective _____, 19____, and that notice to
12 the public of the issuing of the same is being given in all respects as required by Section
13 8 of said administrative regulation, as follows:

14
15 *On the _____ day of _____, 19____, the same was exhibited for public
16 inspection at the offices and places of business of the Company in the territory affected
17 thereby, to wit, at the following places: (Give location of offices where rates are posted.)
18 _____ and that the same will be kept open to public inspection
19 at said offices and places of business in conformity with the requirements of Section 8 of
20 said administrative regulation.

21

1 ~~**On the _____ day of _____, 19____, typewritten or printed notice of the~~
2 ~~proposed rates or administrative regulations was mailed to each of the~~
3 ~~_____ customers of the company whose rates or charges will be~~
4 ~~increased thereby, a copy of said notice being attached thereto.~~

5
6 Given under my hand this _____ day of _____, 19____.

7 Address:

8
9 ~~*If a revised sheet or additional sheet of a loose leaf tariff is used to state changes~~
10 ~~in rates or administrative regulations, the filing should be described as Revision of~~
11 ~~Original Sheet No. _____ P.S.C. No. _____, or Original Sheet No. _____~~
12 ~~P.S.C. No. _____ cancelling _____ P.S.C. Adoption notice No. _____.~~

13 ~~**If Notice is given by publication as provided in Section 8, use the following:~~

14 ~~That more than 20 customers will be affected by said change by way of an~~
15 ~~increase in their rates or charges, and on the _____ day of _____, 19____, there~~
16 ~~was delivered to the _____, a newspaper of general circulation in the~~
17 ~~community in which the customers affected reside, for publication therein once a week for~~
18 ~~three consecutive weeks prior to the effective date of said change, a notice of the~~
19 ~~proposed rates or administrative regulations, a copy of said notice being attached hereto.~~
20 ~~A certificate of the publication of said notice will be furnished the Public Service~~
21 ~~Commission upon the completion of the same in accordance with Section 9(2), of said~~
22 ~~administrative regulation.~~

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FORM OF ADOPTION NOTICE

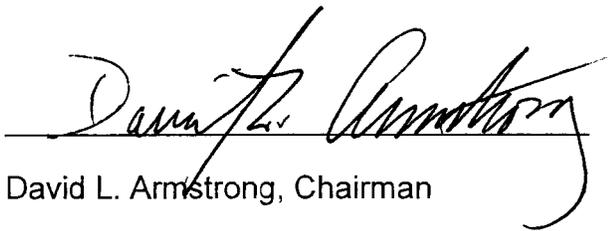
P.S.C. Adoption notice No.

ADOPTION NOTICE

The undersigned (Name of Utility) _____ of _____ hereby adopts, ratifies, and makes its own, in every respect as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and administrative regulations for furnishing (Nature of Service) _____ service at _____ in the Commonwealth of Kentucky, filed with the Public Service Commission by (Name of Predecessor) _____ of _____, and in effect on the _____ day of _____, 19____, the date on which the public service business of the said (Name of Predecessor) _____ was taken over by it.

This notice is issued on the _____ day of _____, 19____, in conformity with Section 10 of P.S.C. Tariff administrative regulations adopted by the Public Service Commission.

By:]



David L. Armstrong, Chairman

Public Service Commission

DATE: 7/12/12

PUBLIC HEARING: A public hearing on this administrative regulation shall be held on August 27, 2012, at 9:00 a.m., Eastern Daylight Time, at the Public Service Commission's office, 211 Sower Boulevard, Frankfort, Kentucky. Individuals interested in attending this hearing shall notify this agency in writing by August 20, 2012, five working days prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled.

This hearing is open to the public. Any person who attends will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to attend the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until August 31, 2012. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to:

Gerald E. Wuetcher
Executive Advisor/Attorney
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602
Tel: (502) 564-3940
Fax: (502) 564-7279

REGULATORY IMPACT ANALYSIS

Administrative Regulation #: 807 KAR 5:011

Contact Person: Gerald E. Wuetcher, Executive Advisor

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation provides the rules and guidelines for a utility to file its tariff or to file revisions to its existing tariff.

(b) The necessity of this administrative regulation: This regulation provides the structural framework for using electronic filing procedures that should reduce filing expenses for a utility as well as allow a utility to submit and receive documents in a timelier manner.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 278.160 provides that the commission shall prescribe rules under which a utility shall file schedules showing all rates and conditions of service it has established and that it collects or enforces.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: It provides a more cost effective and timely means for a utility to submit required documents to the Public Service Commission.

(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 current regulation requires a utility to file two (2) cover letters and four (4) complete copies of a new tariff or revisions to an existing tariff. This amendment will eliminate the requirement for the filing of originals and copies in a paper medium. It revises the notice requirements for a rate revision to provide greater flexibility in notifying customers of a rate change. It allows the utility to use electronic medium in lieu of paper documents when providing required information to the public at its place of business. It requires the utility to post notice of proposed rate changes at its website and to advise the public of where electronic copies of rate filings can be obtained at no cost.

(b) The necessity of the amendment to this administrative regulation: This regulation has not been amended in 28 years and currently makes no provision for

the use of electronic filing procedures. This amendment will incorporate Public Service Commission practices developed since the regulations last amendment in 1984 and will establish guidelines and procedures for a utility to electronically file tariffs with the Public Service Commission.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 278.160 requires all utilities to file their rate schedules with the Public Service Commission and to charge only rates that are filed with the Public Service Commission. The proposed amendment provides for electronic filing of tariffs which would eliminate certain inefficiencies in the current filing process and reduce transactional costs for utilities.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will benefit both utilities and the Public Service Commission by reducing expenses for paper, printing, and postage as well as eliminate timing inefficiencies caused by postal delays.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: The proposed amendment will affect all jurisdictional utilities that are required to file tariffs with the Public Service Commission.

(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: This amendment will require a utility to have access to a computer, scanner and internet connection. Nearly every utility meets this requirement and those that do not may request a deviation from this regulation to allow it to submit filings in a paper medium.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There are no costs to comply. The utilities without means to file tariffs electronically may continue to use the current filing procedures by requesting a deviation from this regulation to allow it to submit filings in a paper medium resulting in costs no greater than what is currently required.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): For a utility that electronically files its tariffs this amendment will reduce the number of documents that must be filed and allows for the use of electronic transmission of documents in lieu of service of paper documents which

should result in reduced costs for filing tariffs. The amendment will also provide for a timelier manner for a utility to submit a tariff filing to the Public Service Commission. The proposed amendment generally reflects ad hoc practices with which the Public Service Commission has employed over several years and which it found improved the filing process resulting in a favorable response from utilities.

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

(a) Initially: Implementation of the proposed amendment will not involve additional costs.

(b) On a continuing basis: No additional costs are expected.

(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 increase in fees or funding is necessary or will be required.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: No.

(9) TIERING: Is tiering applied? No.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation No.: 807 KAR 5:011

Contact Person: Gerald Wuetcher
(502) 564-3940 x259
gerald.wuetcher@ky.gov

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; sewer districts; municipalities.**

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 278.160(1) provides that the commission shall prescribe rules under which each utility shall file schedules showing all rates and conditions established by it and collected or enforced.

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 cost of reviewing new tariffs or revisions to existing tariffs is expected to result from the adoption of the proposed amendment. The Public Service Commission will be performing the same level of review and require the same number of employees to conduct its review. If the**

proposed amendment is adopted a utility may experience lower expenses when filing tariffs due to the reduced number of required documents. The exact amount of any savings is too difficult to quantify.

(d) How much will it cost to administer this program for subsequent years? No increase in the Public Service Commission's cost of reviewing new tariffs or revisions to existing tariffs is expected to result from the adoption of the proposed amendment. The Public Service Commission will be performing the same level of review and require the same number of employees to conduct its review. If the proposed amendment is adopted a utility may experience lower expenses when filing tariffs due to the reduced number of required documents. The exact amount of any savings is too difficult to quantify.

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:

SUMMARY OF INCORPORATED MATERIAL

(1) Tariff Form-1 – “Tariff Cover Sheet” is a one page form that a utility must file as the first page of its filed tariff. (A tariff is the compendium of the utility’s rate schedules, charges, tolls, maps, regulations, terms and conditions of service.) When properly completed, it provides basic information about the utility, including the utility’s name, address, type of service provided, and area served, and is used to properly file a utility’s effective rate schedules. It aids the Public Service Commission in organizing, reviewing and displaying for public inspection a utility’s rates, charges, rules and regulations, and conditions of service. KRS 278.160(1) provides that “each utility shall file with the commission, within such time and in such form at the commission designates, schedules showing all rates and conditions of service established by it and collected or enforced.”

(2) Tariff Form-2 is a one page form on which a utility will place its rates, charges, tolls, maps, rules and regulations, and conditions of service. It ensures a uniform method of filing such information with the Public Service Commission. KRS 278.160(1) provides that “each utility shall file with the commission, within such time and in such form at the commission designates, schedules showing all rates and conditions of service established by it and collected or enforced.”

(3) Tariff Form-3 – “Adoption Notice” is a one page form on which a person who acquires the ownership or control of a utility will acknowledge upon obtaining ownership or control of that utility that it is adopting the rules, regulations and charges of its predecessor. A person acquiring ownership or control of a utility will file a Tariff Form-3 within 10 days of such acquisition. The form ensures that the acquiring party has legal authority to continue assessing rates for utility service. KRS 278.160(1) provides that “each utility shall file with the commission, within such time and in such form at the commission designates, schedules showing all rates and conditions of service established by it and collected or enforced.” KRS 278.160(2) further provides that “[n]o utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.” Unless the Adoption Notice is filed, the acquiring party will lack legal authority to assess rates for service until the filing of its own rate schedules.

PSC KY. NO. _____

CANCELLING PSC KY. NO. _____

(UTILITY NAME)

OF

(ADDRESS)

(CITY – STATE – ZIP)

RATES – CHARGES – RULES - REGULATIONS

FOR FURNISHING

(TYPE OF SERVICE)

AT

(AREA SERVED)

FILED WITH THE

PUBLIC SERVICE COMMISSION

OF

KENTUCKY

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

_____	AREA _____
	PSC KY. NO. _____
	_____ SHEET NO. _____
	CANCELLING PSC KY. NO. _____
(NAME OF UTILITY)	_____ SHEET NO. _____

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

P.S.C. Ky. Adoption Notice No. _____

ADOPTION NOTICE

(Name)

hereby adopts, ratifies, and makes its own, in every respect, as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and regulations for furnishing _____ service in _____
(Nature of Service) (Location)

in the Commonwealth of Kentucky, filed with the Public Service Commission of Kentucky by _____ of _____
(Name of Predecessor) (Location)

and in effect on the _____ day of _____, 20____, the date on which the public service business of _____
(Name of Predecessor)

was taken over by it.

This notice is issued on the _____ day of _____, 20____,
in conformity with 807 KAR 5:011, Section 11, of the Regulations for the filing of Tariffs of Public Utilities with the Public Service Commission of Kentucky.

By _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____