COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| ELECTRONIC APPLICATION OF SHELBY |) | |
|--|---|------------|
| ENERGY COOPERATIVE, INC. FOR A GENERAL |) | CASE NO. |
| ADJUSTMENT OF RATES PURSUANT TO |) | 2023-00213 |
| STREAMLINED PROCEDURE PILOT PROGRAM |) | |
| ESTABLISHED IN CASE NO. 2018-00407 |) | |

ORDER

On August 4, 2023, Shelby Energy Cooperative Inc. (Shelby Energy), pursuant to the amended streamlined procedure established in Case No. 2018-00407,¹ filed an application seeking a general adjustment in its rates.

Under the procedure established in Case No. 2018-00407,² the Commission finds that the application meets the standards for the streamlined procedure and should be accepted for filing and processed according to the procedure established in Case No. 2018-00407. Accordingly, Shelby Energy should be granted deviation from the filing requirements of 807 KAR 5:001, Section 12(1)(a), and 807 KAR 5:001, Sections 16(1)(b)(2), (4)(j)–(s), 4(v), and 5(b)–(d).

As required by the streamlined procedure set forth in Appendix A of the Commission's December 20, 2019, Order in Case No. 2018-00407,³ the Commission

¹ Case No. 2018-00407, A Review of the Rate Case Procedure for Electric Distribution Cooperatives (Ky. PSC Dec. 20, 2019).

² Case No. 2018-00407, Dec. 20, 2019 Order, Appendices A and B.

³ Case No. 2018-00407. Dec 20, 2019 Order, Appendix A at 2, subpart B.4.

finds that Shelby Energy's Annual Reports for 2021⁴ and 2022⁵ should be incorporated by reference into the record of this proceeding.

The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General) filed a motion on August 10, 2023, pursuant to KRS 367.150(8), for full intervention. Such intervention is authorized by statute. Being otherwise sufficiently advised, the Commission finds that the motion should be granted. The Commission directs the Attorney General to the Commission's July 22, 2021, Order in Case No. 2020-000851⁶ regarding filings with the Commission.

Shelby Energy has proposed that its rates go into effect on or after September 1, 2023. Under the procedure outlined in Case No. 2018-00407, the Commission is to issue a final Order addressing the application no later than 75 days after Shelby Energy filed its application. Pursuant to KRS 278.180(1), no change in utility rates is permitted except upon 30 days' notice to the Commission. Therefore, since the application was accepted for filing as of August 4, 2023, the earliest date that Shelby Energy's proposed rates can be effective is September 3, 2023. Having reviewed Shelby Energy's application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that an investigation cannot be completed by September 3, 2023. Pursuant to KRS 278.190(2), the Commission will, therefore,

⁴ Annual Report of Shelby Energy to the Public Service Commission for the Calendar Year Ended Dec. 31, 2021 (2021 Annual Report).

⁵ Annual Report of Shelby Energy to the Public Service Commission for the Calendar Year Ended Dec. 31, 2022 (2022 Annual Report).

⁶ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus* COVID-19 (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

suspend the effective date of the proposed rates for five months, up to and including February 3, 2024.

The Commission also finds that a procedural schedule should be established for the orderly processing of this case, and that pursuant to the streamlined procedure outlined in Case No. 2018-00407 the procedural schedule should contain a seven-day deadline to file comments regarding Shelby Energy's request to use the streamlined procedure rather than the procedure for a traditional rate case.⁷ A procedural schedule is set forth in the Appendix to this Order.

IT IS THEREFORE ORDERED that:

- 1. Shelby Energy's application for a general adjustment of its rates using the streamlined procedure established in Case No. 2018-00407 is accepted for filing as of August 4, 2023.
- 2. Shelby Energy's rates are suspended for five months, from September 3, 2023, until February 3, 2024.
- 3. The procedural schedule set forth in the Appendix attached to this Order shall be followed.
- 4. Shelby Energy is granted a deviation from the requirements of 807 KAR 5:001, Section 12(1)(a), and 807 KAR 5:001, Sections 16(1)(b)(2), (4)(j)–(s), 4(v), and 5(b)–(d).

-3-

5. The Attorney General's motion to intervene is granted.

⁷ Case No. 2018-00407, Dec. 20, 2019 Order, Appendix A, subpart B.2.

- 6. The Attorney General is entitled to the full rights of a party and shall be served with the Commission's Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by parties after the date of this Order.
- 7. The Attorney General shall comply with all provisions of the Commission's regulations, 807 KAR 5:001, Section 8, related to the service and electronic filing of documents.
- 8. Shelby Energy's 2021 and 2022 Annual Reports are incorporated by reference into the record of this proceeding.
- 9. Shelby Energy shall respond to all requests for information propounded by Commission Staff, whether identified on the procedural schedule or otherwise, as provided in those requests.
- 10. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021, Order in Case No. 2020-00085⁸ regarding filings with the Commission.
- 11. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly

⁸ Case No. 2020-00085, Electronic Emergency Docket Related to the Novel Coronavirus COVID-19 (Ky. PSC July 22, 2021).

complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

12. Any motion to intervene filed after the date established in the procedural schedule attached as an Appendix to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ENTERED

AUG 17 2023 rcs

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

2. Bridwell Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2023-00213 DATED AUG 17 2023

| Last day for intervention requests to be accepted | . 08/24/2023 |
|---|--------------|
| Last day for comments upon use of the streamlined procedure to be accepted | 08/25/2023 |
| All requests for information to Shelby Energy shall be filed no later than | . 08/29/2023 |
| Shelby Energy shall file responses to requests for information no later than | . 09/12/2023 |
| Any written comments regarding Shelby Energy's application shall be filed no later than | . 09/19/2023 |
| This case shall be submitted for a decision on | . 09/28/2023 |

*L. Allyson Honaker Honaker Law Office, PLLC 1795 Alysheba Way Suite 6202 Lexington, KENTUCKY 40509 *Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Angela M Goad Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204 *Michael Moriarty Shelby Energy Cooperative, Inc. 620 Old Finchville Road Shelbyville, KY 40065

*Brittany H. Koenig Honaker Law Office, PLLC 1795 Alysheba Way Suite 6202 Lexington, KENTUCKY 40509

*Shelby Energy Cooperative, Inc. 620 Old Finchville Road Shelbyville, KY 40065

*Gregory B Ladd
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Jack Bragg, Jr. Shelby Energy Cooperative, Inc. 620 Old Finchville Road Shelbyville, KY 40065

*John Horne
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204