

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF FLEMING-)	CASE NO.
MASON ENERGY COOPERATIVE, INC. FOR A)	2023-00223
GENERAL ADJUSTMENT OF RATES)	

ORDER

On August 4, 2023, Fleming-Mason Energy Cooperative, Inc. (Fleming-Mason Energy) tendered an application for a general adjustment of rates. On August 11, 2023, the Commission issued a deficiency letter noting multiple deficiencies. On August 17, 2023, Fleming-Mason Energy filed a response to the deficiency letter. A second deficiency letter was issued on August 21, 2023, which addressed two deficiencies still not cured. Fleming-Mason Energy filed a response to the second deficiency letter on August 28, 2023. In its response, Fleming-Mason Energy requested that the Commission find that the deficiencies were cured and that it met the minimum filing requirements. Fleming-Mason Energy also requested that, if the deficiencies were not cured, the Commission grant it a deviation or grant an informal conference (IC).

LEGAL STANDARD

Commission regulation 807 KAR 5:001, Section 16(4)(g) requires an applicant filing for a general rate adjustment to provide a detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class.

Commission regulation 807 KAR 5:001, Section 16(4)(e) requires an applicant to provide the average bill for each customer classification to which the proposed rate change will apply.

Commission regulation 807 KAR 5:001, Section 16(4)(i) requires an applicant to provide a reconciliation of the rate base and capital used to determine its revenue requirement.

Commission regulation 807 KAR 5:001, Section 22 permits the Commission to grant deviations of 807 KAR 5:001 upon a showing of good cause.

DISCUSSION AND FINDINGS

Having reviewed the motion and record and being otherwise sufficiently advised, the Commission finds that Fleming-Mason Energy has cured the deficiency regarding 807 KAR 5:001, Section 16(4)(i). Fleming-Mason Energy filed the reconciliation of rate base and capital in its response to the August 21, 2023 deficiency letter as required by the regulation.

The Commission finds that Fleming-Mason Energy has not cured the deficiency regarding 807 KAR 5:001, Section 16(4)(g). Commission regulation 807 KAR 5:001, Section 16(4)(g) requires Fleming-Mason Energy to file a detailed analysis of customers' bills where the revenues from the past and proposed rates can be determined. Fleming-Mason Energy provided the percentage increase for the customer classification revenues but failed to provide the average customer's usage.

If the Commission did not find that the deficiency had been cured, then Fleming-Mason Energy alternatively requested a deviation from 807 KAR 5:001, Section 16(4)(g). Commission regulation 807 KAR 5:001, Section 22 allows the Commission to grant a

deviation when good cause has been provided. Fleming-Mason Energy stated that it requested the deviation because it in good faith believed the information satisfied the application requirement.¹ No other reasons were provided. Therefore, the Commission finds that Fleming-Mason Energy did not establish good cause and the motion to deviate should be denied.

Alternatively, Fleming-Mason Energy also requested an IC. The Commission finds that there is good cause to schedule an IC and that Fleming-Mason Energy's motion for an IC to discuss the deficiencies should be granted. Fleming-Mason Energy has received two deficiency letters and has still failed to provide the required information under 807 KAR 5:001, Section 16(4)(g). A virtual IC is scheduled on September 20, 2023, at 10 a.m. Eastern Daylight Time. Commission Staff will contact participants by electronic mail to provide details for joining the video conference.

The Commission also notes that there is a filing deficiency regarding 807 KAR 5:001, Section 16(4)(e) which requires the average bill for each customer classification to which the proposed rate change will apply. Fleming-Mason Energy has provided the rates, increase in revenues, the percentage increases for rates and the percentage increase for revenues for each customer class but has not provided the average bill for each customer classification to which the proposed rate change will apply. Fleming-Mason Energy is put on notice that this deficiency needs to be cured.

¹ Fleming-Mason Energy's Response to Deficiency Notice; In the Alternative, Motion for Leave to Deviate from Application Rules; and In the Alternative, Motion for an Informal Conference (filed Aug. 28, 2023) at 2.

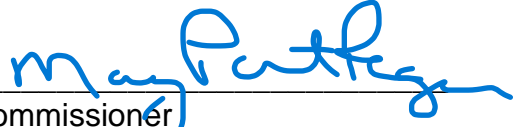
IT IS THEREFORE ORDERED that:

1. Fleming-Mason Energy has cured the deficiency for 807 KAR 5:001, Section 16(4)(i).
2. Fleming-Mason Energy has not cured the deficiency for 807 KAR 5:001, Section 16(4)(g).
3. Fleming-Mason Energy's motion for a deviation of 807 KAR 5:001, Section 16(4)(g) is denied.
4. Fleming-Mason Energy's motion for an IC is granted.
5. Fleming-Mason Energy's application is deficient regarding 807 KAR 5:001, Section 16(4)(e).
6. A virtual IC is scheduled on September 20, 2023, at 10 a.m. Eastern Daylight Time.
7. Commission Staff will contact the parties with instructions how to participate in the virtual IC.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner



ATTEST:


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