

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION FOR AN)	
ALTERNATIVE RATE ADJUSTMENT FOR)	CASE NO.
JACKSON ENERGY COOPERATIVE PURSUANT)	2024-00324
TO 807 KAR 5:078)	

ORDER

On January 30, 2025, Jackson Energy Cooperative Corporation (Jackson Energy) filed a motion to establish effective dates for proposed tariffs,¹ requesting that the Commission set March 1, 2025, as the effective date for its proposed rates. Jackson Energy asserted that establishing this date will provide certainty in its implementation process and avoid the complications associated with back-billing customers for previously rendered service under prior rates.² No objections were filed in response to the motion.

LEGAL STANDARD

Commission regulation 807 KAR 5:078 provides a streamlined process for Kentucky electric cooperatives to request modest rate adjustments. The regulation allows for simplified filings, expedited review, and is designed to help cooperatives manage necessary rate changes frequently and efficiently. Specifically, 807 KAR 5:078 Section 3(3) requires a utility to tender revised tariff sheets with an effective date at least 30 days out.

¹ Jackson Energy's Motion to Set Effective Date for Rates (Motion) (filed Jan. 30, 2025).

² Motion at 2-3.

Additionally, KRS 278.190(2), sets forth that a utility may begin collecting its proposed rates as set forth in the tendered tariffs on or after the proposed date. A utility may implement rates subject to refund upon a final Order from the Commission.

BACKGROUND

On December 26, 2024,³ Jackson Energy filed an application seeking an alternative rate adjustment pursuant to 807 KAR 5:078, with a proposed effective date of January 1, 2025.⁴ By Order dated December 26, 2024,³ the Commission accepted Jackson Energy's application and established a procedural schedule for processing this case.

In accordance with 807 KAR 5:078, Section 8(11), the Commission is required to issue a final order within 75 days of accepting the application, unless there is good cause to extend the 75 days, setting the deadline for a final decision no later than March 11, 2025. Jackson Energy contended that setting the effective date as March 1, 2025, aligns with its billing cycle and prevents undue administrative burden and customer hardship arising from retroactive billing adjustments.⁵

DISCUSSION AND FINDINGS

Pursuant to 807 KAR 5:078, Section 3(3), a utility filing for a rate adjustment pursuant to the alternative streamline regulation must submit revised tariff sheets with an

³ Jackson Energy tendered its application on November 8, 2024. By Order dated November 15, 2024, the Commission rejected the application for filing deficiencies. Jackson Energy filed its amended application on November 25, 2024. By Order dated December 10, 2024, the Commission rejected the application for filing deficiencies. Jackson Energy filed its second amended application and motion for deviation on December 11, 2024. The motion was granted by Order dated December 26, 2024, and the application deemed filed as of the date of the Order.

⁴ Amended Application at 19 (Application) (filed Dec. 11, 2024).

⁵ Motion at 2-3.

effective date at least 30 days from the date of filing. In this case, the earliest possible effective date for Jackson Energy's proposed rates was January 25, 2025, based on the application filing date of December 26, 2024.

The Commission sets fair, just and reasonable rates on a prospective basis. In this matter, the 75-day deadline set by the regulation was, as noted above, to improve the efficiency of an electric utility's ability to increase rates. As with any rate increase proposed in an application, unless suspended by the Commission, a utility may implement its proposed rates and tariffs no sooner than 30 days after the application was accepted for filing. However, the Commission may, after review of the application, modify or approve any of the proposed rates or tariffs in a final Order.

As such, the Commission will treat this as a notice to implement proposed rates rather than a request for the Commission to post-date the implementation of the new rates. Having reviewed the notice, pursuant to KRS 278.190(2), the Commission believes that Jackson Energy intends to place the proposed rates, charges, classifications, and services set forth in the tariffs in effect for service rendered on and after March 1, 2025.⁶ Pursuant to KRS 278.190(2), a utility is permitted to place proposed rates into effect upon written notice to the Commission and subject to refund, pending a final Order. If Jackson Energy does implement its proposed rates on or after March 1, 2025, Jackson Energy is required to maintain records that will allow the utility, the Commission, or any customer to determine the amounts to be refunded and to whom, in the event of a refund. In addition, Jackson Energy should file updated tariff sheets through the tariff filing system.

⁶ Application, Exhibit 3 Attachment (Official Notice).

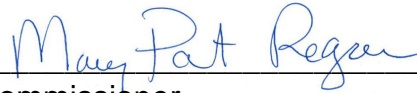
IT IS THEREFORE ORDERED that:

1. Jackson Energy's motion to establish effective dates for proposed tariffs is denied.
2. Jackson Energy may implement its proposed rates, subject to refund, on or after March 1, 2025.
3. Pursuant to KRS 278.190(2), Jackson Energy shall maintain its records in such manner as will allow it, the Commission, or any customer to determine the amounts to be refunded, and to whom, in the event a refund is ordered upon final resolution of this matter.
4. Within 20 days of placing its proposed rates into effect, Jackson Energy shall, using the Commission's electronic Tariff Filing System, file its revised tariffs setting out the rates authorized in this Order and reflecting that they were approved pursuant to this Order.

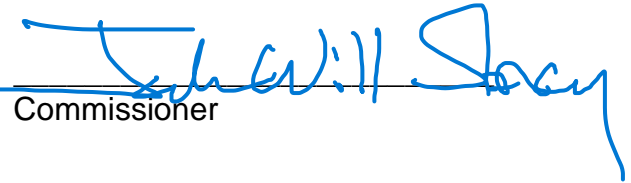
PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



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