

278.277 Any coal severance taxes imposed a factor in any fuel adjustment clause review.

- (1) In any review by the commission of any fuel adjustment clause, for any contracts entered into on or after July 1, 2021, the commission shall, in determining the reasonableness of fuel costs in procurement contracts and fuel procurement practices, evaluate the reasonableness of fuel costs in contracts and competing bids based on the cost of the fuel less any coal severance tax imposed by any jurisdiction.
- (2) As used in this section, "fuel adjustment clause" means any clause or provision in any tariff or contract by which an electric utility may immediately recover increases in fuel costs subject to later scrutiny or review by the commission.

Effective: June 29, 2021

History: Created 2021 Ky. Acts ch. 142, sec. 1, effective June 29, 2021.