807 KAR 5:007. Filing and notice requirements for a generation and transmission cooperative or a distribution cooperative to decrease rates or for a distribution cooperative to change rates to reflect a change in the rates of its wholesale supplier.

RELATES TO: KRS 278.180, 278.455
STATUTORY AUTHORITY: KRS 278.040(3), 278.180(1), 278.455(4)
CERTIFICATION STATEMENT:
NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.040(3) provides that the commission may promulgate administrative regulations to implement the provisions of KRS Chapter 278. KRS 278.180(1) provides that, except upon application of a utility for a lesser time, a change shall not be made in a rate except upon thirty (30) days' notice to the commission, stating plainly the changes proposed to be made and the time when the changed rates shall go into effect. KRS 278.455(1) provides that a generation and transmission cooperative or a distribution cooperative may decrease regulated operating revenues if the decrease is allocated proportionately among customer classes so that a change will not result to the rate design currently in effect. KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. KRS 278.455(4) requires the commission to promulgate administrative regulations establishing filing requirements and notice requirements to the commission, the Attorney General, and the public for rate changes made pursuant to KRS 278.455. This administrative regulation prescribes filing and notice requirements for a generation and transmission cooperative or a distribution cooperative to decrease rates and for a distribution cooperative to change rates to reflect a change in the rates of its wholesale supplier.

Section 1. Filing Requirements. To decrease rates, a generation and transmission cooperative or a distribution cooperative shall file with the commission an original and five (5) copies, and with the Attorney General's Office of Rate Intervention one (1) copy, of the following information:

(1) The tariff incorporating the reduced rates, specifying an effective date no sooner than thirty (30) days from the date filed;
(2) The name and address of the filing cooperative;
(3) A brief statement of the facts demonstrating that the filing is made pursuant to the authority of KRS 278.455;
(4) A comparison of the current and proposed rates;
(5) An analysis demonstrating that:
  (a) The rate change does not change the rate design currently in effect; and
  (b) The revenue change has been allocated to each class and within each tariff on a proportional basis;
(6) A certification that a complete copy of the materials filed with the commission has been sent to the Attorney General's Office of Rate Intervention;
(7) A statement that notice of the rate change pursuant to Section 3 of this administrative regulation has been given, not more than thirty (30) days prior to the date the application is filed, by one (1) of the following methods:
  (a) By typewritten notice mailed to all customers;
  (b) By publication in a newspaper of general circulation in the affected area; or
  (c) By publication in a periodical distributed to all members of the cooperative; and
(8) A copy of the notice given pursuant to subsection (7) of this section.

Section 2. To change rates to reflect an increase or decrease in its wholesale supplier's rates, a distribution cooperative shall file with the commission an original and five (5) copies, and

with the Attorney General's Office of Rate Intervention one (1) copy, of the following information:

(1) The tariff incorporating the new rates and specifying an effective date no sooner than the effective date of the wholesale supplier's rate change; and

(2) The information required by Section 1(2) through (8) of this administrative regulation.

Section 3. Contents of Notice. Notice given pursuant to Section 1(7) of this administrative regulation shall include the following information:

(1) The name, address, and phone number of the cooperative;

(2) The existing rates and the revised rates for each customer class;

(3) The effect of the rate change, stated both in dollars and as a percentage, upon the average bill for each customer class;

(4) A statement, as appropriate, that:

(a) The rate reduction is being made at the sole discretion of the utility, pursuant to KRS 278.455(1); or

(b) The rates are being revised to reflect a change in wholesale rates pursuant to KRS 278.455(2); and

(5) A statement that a person may examine the rate application at the main office of the utility or at the office of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

(25 Ky.R. 2989; 26 Ky.R. 385; eff. 8-20-1999; Crt eff. 3-27-2019; Crt eff. 3-23-2026.)