

A JOINT RESOLUTION directing the Public Service Commission to require retail electric service providers to modify their tariffs to provide a school rate for public primary and secondary schools that are subject to KRS 160.325.

WHEREAS, in an effort to reduce rising energy costs, KRS 160.325 mandates local boards of education to enroll in the Kentucky Energy Efficiency Program; and

WHEREAS, KRS 160.325 envisions the development and implementation of energy management plans by boards of education and requires reporting on the status of anticipated savings from those plans to the Energy and Environment Cabinet and Legislative Research Commission; and

WHEREAS, nearly 70% of the energy used by public primary and secondary schools is electric, which has increased in cost by over 20% in the last five years; and

WHEREAS, boards of education have made significant progress in energy management, having reduced their energy use by 6.5% even with conditioned square footage having increased by 6.3%; and

WHEREAS, Kentucky public schools are national leaders in efficient use of energy and now rank 10th in the United States of public schools being ENERGY STAR certified; and

WHEREAS, utilities plan and construct facilities as required to meet peak system electric demand requirements; and

WHEREAS, utilities charge monthly for the maximum customer load regardless of the time it occurs; and

WHEREAS, most public primary and secondary schools are billed at the same rate as commercial and industrial customers; and

WHEREAS, the typical hours of operation for public primary and secondary schools differ significantly from those of commercial and industrial customers; and

WHEREAS, public primary and secondary schools' peak electric consumption occurs during the lunch period rather than at utility system peak times; and

WHEREAS, public primary and secondary schools are unreasonably disadvantaged by being served at the same rates as commercial and industrial customers;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. The Public Service Commission shall direct retail electric providers to amend their tariffs by adding a public primary and secondary school rate schedule.

➔Section 2. The public primary and secondary school rate schedules shall become effective no later than December 31, 2016.

➔Section 3. The Public Service Commission shall treat any revenue lost as a result as a regulatory asset for recovery in the next general rate case of the affected retail electric service provider.