

278.2205 Cost allocation manual for nonregulated activity -- Contents -- Maintenance.

- (1) Any utility that engages in a nonregulated activity whose revenue exceeds the amount provided for incidental nonregulated activities under KRS 278.2203(4)(a), shall develop and maintain a CAM as described in subsections (2) to (5) of this section.
- (2) A CAM shall contain the following information for a utility's jurisdictional operations in the Commonwealth:
 - (a) A list of regulated and nonregulated divisions within the utility;
 - (b) A list of all regulated and nonregulated affiliates of the utility to which the utility provides services or products and where the affiliates provide nonregulated activities as defined in KRS 278.010(21);
 - (c) A list of services and products provided by the utility, an identification of each as regulated or nonregulated, and the cost allocation method generally applicable to each category;
 - (d) A list of incidental, nonregulated activities that are subject to the provisions of KRS 278.2203(4);
 - (e) A description of the nature of transactions between the utility and the affiliate; and
 - (f) For each USoA account and subaccount, a report that identifies whether the account contains costs attributable to regulated operations and nonregulated operations. The report shall also identify whether the costs are joint costs that cannot be directly identified. A description of the methodology used to apportion each of these cost shall be included and the allocation methodology shall be consistent with the provisions of KRS 278.2203.
- (3) Within two hundred seventy (270) days of July 14, 2000, the utility shall file:
 - (a) A statement with the commission that certifies the CAM has been developed and will be adopted by the management, effective with the beginning of the next calendar year. The statement shall be signed by an officer of the utility; and
 - (b) One (1) copy of the CAM.
- (4) Within sixty (60) days of any material change in matters required to be listed in the CAM, the utility shall amend the CAM to reflect the change.
- (5) The CAM shall be available for public inspection at the utility and at the commission.
- (6) The CAM shall be filed as part of the initial filing requirement in a proceeding involving an application for an adjustment in rates pursuant to KRS 278.190.

Effective: July 14, 2000

History: Created 2000 Ky. Acts ch. 511, sec. 4, effective July 14, 2000.