The Kentucky PSC: Intergovernmental Relations

Presentation to the Georgian National Energy and Water Supply Regulatory Commission

> Kutaisi, Georgia September 2010

Stephanie Bell Deputy Executive Director for External Relations Kentucky Public Service Commission







Executive Branch

Governor's office -

- PSC operates independently of governor's office
- Most communication is by the Executive Director and Commissioners
- Provide updates on major matters before the PSC
- Provide input on matters such as budget (governor's office proposes budget), energy policy
- Constituent service referrals

Executive Branch

Other state agencies -

 Communication with other agencies, especially Division of Water, on matters affecting jurisdictional utilities

 Policy input, especially to Energy and Environment Cabinet

 Participate in coordinated state response to disasters affecting utility services

 Attorney General represents general interests of ratepayers in cases before the PSC

Legislative Branch

Formal communications

Testimony before legislative committees;

- Budget issues (legislature determines final budget)
- Legislation (proposed by PSC or others)

 Regulations (PSC proposes regulations, legislature must approve)

Biennial report

Legislative Branch

Informal communications

Legislative Liaison, Executive Director, Commissioners on budget, legislation and policy issues; also to address local concerns about specific utilities

Consumer Services regarding constituent complaints

Judicial Branch

- PSC decisions are subject to review by state courts
- Three levels of review Circuit Court, Court of Appeals, Supreme Court
- Most cases begin in Franklin Circuit Court (local circuit court for state government)
- Telecommunication cases often go to federal court due to jurisdictional issues

FEDERAL AGENCIES

Federal

 Formal - Comments on regulatory actions, mainly by Federal Energy Regulatory Commission (FERC) or Federal Communications Commission (FCC)

 Informal dialogue - mostly at senior staff or commission level regarding federal policies

• FERC – Has authority over wholesale electricity sales, electric transmission issues, interstate natural gas pipelines

FCC – Telecommunications policy

 Department of Transportation – Natural gas and pipeline safety; PSC has delegated authority in Kentucky

OTHER STATES

Frequent informal information sharing by regulatory commission staff, Commissioners with counterparts in other states

Membership in a number of multi-state national and regional organizations representing utility regulators and in multi-state electric transmission grid operators

NATIONAL/REGIONAL ENTITIES

National Association of Regulatory Utility Commissioners (NARUC)

- PSC commissioners are members
- PSC commissioners and staff serve on NARUC committees, often in leadership roles
- Participate in NARUC initiatives

Southeastern Association of Regulatory Utility Commissioners (SEARUC)

Mid-Atlantic Conference of Regulatory Utilities Commissions (MACRUC)

NATIONAL/REGIONAL ENTITIES

Regional electric transmission organizations and corresponding multi-state advisory bodies

- Midwest Independent System Operator (MISO)/ Organization of MISO States
- PJM Interconnection/Organization of PJM States



LOCAL GOVERNMENTS

- Senior staff, Commissioner contacts with local elected officials regarding PSC actions and policies; concerns about specific utilities
- Staff-to-staff contacts on issues, policy, cases, customer concerns



