

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	—	(Y/N)
FAILED TO ADOPT	—	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	—	

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1 Committee/Subcommittee hearing bill: Regulatory Affairs  
2 Committee

3 Representative Beshears offered the following:

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5 **Amendment (with title amendment)**

6 Remove lines 199-206 and insert:

7 (c) In establishing rates for a utility, the commission  
8 shall permit a utility to establish a storm cost reserve fund  
9 and shall recognize that amounts accrued for the reserve in  
10 anticipation of future casualty losses from tropical storms,  
11 hurricanes, tornadoes, and other severe weather events are  
12 legitimate operating expenses so long as the reserve balance  
13 does not exceed the reasonable needs of the utility. The  
14 commission may adopt rules to govern the fund, including, but  
15 not limited to, rules relating to expenses for which the fund  
16 may be used, segregation of reserve account funds, and

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17 requirements for commission authorization before disbursements  
18 are made from the reserve fund.

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**T I T L E   A M E N D M E N T**

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Remove line 23 and insert:

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to create a storm cost reserve fund when establishing rates

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