

1 AN ACT relating to water rates.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 278.170 is amended to read as follows:

- 4 (1) No utility shall, as to rates or service, give any unreasonable preference or
5 advantage to any person or subject any person to any unreasonable prejudice or
6 disadvantage, or establish or maintain any unreasonable difference between
7 localities or between classes of service for doing a like and contemporaneous
8 service under the same or substantially the same conditions.
- 9 (2) Any utility may grant free or reduced rate service to its officers, agents, or
10 employees, and may exchange free or reduced rate service with other utilities for the
11 benefit of the officers, agents, and employees of both utilities. Any utility may grant
12 free or reduced rate service to the United States, to charitable and eleemosynary
13 institutions, and to persons engaged in charitable and eleemosynary work, and may
14 grant free or reduced rate service for the purpose of providing relief in case of flood,
15 epidemic, pestilence, or other calamity. The terms "officers" and "employees," as
16 used in this subsection, include furloughed, pensioned, and superannuated officers
17 and employees, and persons who have become disabled or infirm in the service of
18 the utility. Notice must be given to the commission and its agreement obtained for
19 such reduced rate service except in case of an emergency, in which case the
20 commission shall be notified at least five (5) days after the service is rendered.
- 21 (3) Upon obtaining commission approval of a tariff setting forth terms and conditions
22 of service the commission deems necessary, a utility as defined in KRS
23 278.010(3)(d) may grant free or reduced rate service for the purpose of fighting fires
24 or training firefighters to any city, county, urban-county, charter county, fire
25 protection district, or volunteer fire protection district. Any tariff under this section
26 shall require the water user to maintain estimates of the amount of water used for
27 fire protection and training, and to report this water usage to the utility on a regular

1 basis.

- 2 (4) Upon obtaining commission approval of a tariff setting forth terms and
3 conditions of service, a utility as defined in KRS 278.010(3)(d) may grant free or
4 reduced rate service to any commercial food production operation that produces
5 any of the following food items intended for human consumption:
6 (a) Livestock;
7 (b) Poultry;
8 (c) Eggs;
9 (d) Milk;
10 (e) Produce as defined in 21 C.F.R. pt. 112; or
11 (f) Food grains as defined in 21 C.F.R. pt. 112.
12 Any tariff under this subsection shall require the water user to maintain
13 estimates of the amount of water used for food production and report this water
14 usage to the utility on a regular basis.

15 (5) The commission may determine any question of fact arising under this section.

16 ➔Section 2. KRS 278.035 is amended to read as follows:

17 Any entity receiving public funds from the Commonwealth of Kentucky, or any political
18 subdivision thereof, for the purpose of offsetting at least fifty percent (50%) of its
19 operational expenses shall not be entitled to preferential retail rates for services provided
20 by utilities subject to the provisions of KRS Chapter 278. This section shall not prohibit
21 the provision of free or reduced rate service under KRS 278.170(3) and (4).