

1201. Rules Applicable to FHA/Non-Profit Systems

C. Streamlined Requests for Increases in Rates:

1. An FHA/Non-Profit system may request an increase in rates, using a streamlined review process, by submitting an application containing the following:

- a. A list of the existing and proposed rates by customer class, i.e. residential, commercial, industrial, etc.,
- b. The application fee by check or money order made payable to the LPSC,
- c. Proof of publication in the official journals as required by the constitution,
- d. A rate study conducted by the Louisiana Rural Water Association justifying the increase in rates, and
- e. documentation providing evidence of board, and member, approval of the change in rates, as outlined in the following election process:

- (i) The board of directors shall conduct a meeting of the board to discuss evidence of a need for a rate change and shall provide all directors with an opportunity to participate. If by a majority vote of the board of directors, the board agrees that a change in rates is needed, the board shall conduct an election of the water user members to request approval of the rate change.
- (ii) Written notice by mail shall be given to all water user members sixty days prior to an election. The notice may be included in a billing notice, but shall be a separate and prominent document. The notice shall contain a brief explanation of the reasons for the rate change increase on water user members and inform the water user members of the availability of a

complete, written explanation of the reasons for the rate change. Such written explanation shall be available for examination by any water user member or his representative at all cooperative or corporation offices during regular business hours at least sixty days prior to the election.

(iii) Sixty days after notification to the water user members, an election to determine approval of a change in rates shall be conducted. The election may be by mail ballot sent to each water user member or may be conducted by written ballot during a public hearing in a meeting of the water user members. No rate change shall be allowed without the approval of a majority of the water user members.

(iv) If a mail ballot is conducted, a written ballot may be included in a billing notice, but shall be a separate and prominent document. The ballot shall contain a brief explanation of the reasons for the effect of the rate change and the amount of the requested rate change and any other information the board deems necessary, including a deadline for ballot return. Ballots shall be collected and counted at the cooperative or corporation office.

(v) If the election is conducted during a meeting of the water user members, written ballots shall be collected and counted at the meeting.

(vi) Affirmative approval by a majority vote of the water user members shall be required to change the rates.

(vii) All costs of the election shall be paid by the cooperative or corporation.

(viii) If the board of directors fails to implement the approved rate change within sixty days after the ballots are tabulated, the election is void and a new election shall be held prior to a change in rates.

2. Commission Staff will review a proposal submitted pursuant to this section and, following review, submit it to the Commission for approval.

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