

COMMONWEALTH OF KENTUCKY

BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE APPLICATION OF SHELBY)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER AUTHO-)
RIZING A PASS-THROUGH OF EAST) Case No. 7707
KENTUCKY POWER COOPERATIVE, INC.'S)
WHOLESALE POWER RATE INCREASE IN)
CASE NO. 7702)

ORDER

On January 22, 1980, Shelby Rural Electric Cooperative Corporation (Applicant) filed its Application to flow-through any increase in rates granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., (East Kentucky) in Case No. 7702. Applicant is one of eighteen member distribution cooperatives of East Kentucky. In Case No. 7702, East Kentucky requested an increase in revenue of approximately \$8,576,789. Of this total increase, Applicant would experience an increase in power costs of approximately \$251,755. This increase represents 2.94% of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of 5.69%.

The matter was scheduled for hearing on March 18, 1980, at the Commission's offices in Frankfort, Kentucky. A further hearing was scheduled for May 9, 1980. The hearings were conducted as scheduled and the Consumer Protection Division of the Attorney General's office was the only intervenor present.

The Commission after review of the evidence of record and being advised is of the opinion and so finds:

(1) That the actual increase granted East Kentucky Power in Case No. 7702 is \$7,345,000 which will result in an increase in power costs to Applicant of \$215,864.

(2) That Applicant is entitled to recover the increased wholesale power costs granted in Case No. 7702 and its financial condition would be materially impaired if it were not allowed to recover this additional cost.

(3) That the revised rates and charges set out in the attached Appendix "A" are designed to reflect only the increased power costs from East Kentucky Power Cooperative, Inc., granted in the final order in Case No. 7702 and will not result in any additional net margin to Applicant.

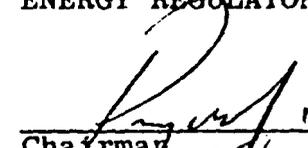
IT IS THEREFORE ORDERED that Shelby Rural Electric Cooperative Corporation is hereby authorized to flow-through the increased power costs resulting from the rate increase granted its wholesale power supplier in Case No. 7702.

IT IS FURTHER ORDERED that the rates set out in Appendix "A" shall be placed into effect simultaneously with the effective date of the East Kentucky wholesale power increase.

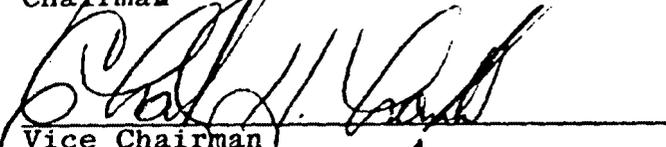
IT IS FURTHER ORDERED that Shelby Rural Electric Cooperative Corporation shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 1st day of July, 1980.

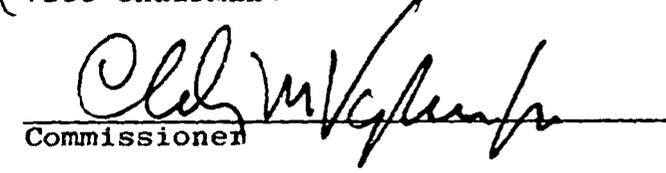
ENERGY REGULATORY COMMISSION



Chairman



Vice Chairman



Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 7707 DATED July 1, 1980

The following rates and charges are prescribed for the customers in the area served by Shelby Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

General Service-Rate 1*

Facility Charge	\$6.72	
First 400 KWH per month	.05439	per KWH
Next 600 KWH per month	.04049	per KWH
Next 2,000 KWH per month	.03469	per KWH
All Over 3,000 KWH per month	.04149	per KWH

General Service-Rate 2*

Demand Charge:

First 20 KW of billing demand per month, no demand charge
Excess above 20 KW of billing demand per month @\$3.14 per KW

Energy Charge:

Facility Charge	\$6.72	
First 400 KWH per month	.05439	per KWH
Next 600 KWH per month	.04049	per KWH
Next 2,000 KWH per month	.03469	per KWH
All Over 3,000 KWH per month	.04149	per KWH

Large Power Service-Rate 3*

Demand Charge:

\$3.14 per month per KW of billing demand

Energy Charge:

First 100 KWH per KW demand	\$.0348	per KWH
Next 100 KWH per KW demand	.0296	per KWH
All Over 200 KWH per KW demand	.0244	per KWH

Outdoor and Street Lighting Service-Rate 4*

<u>Type of Fixture</u>	<u>Lamp Size</u>	<u>KWH/Lamp</u>	<u>Monthly Charge</u>
Mercury Vapor	Up to 200 Watts	75	\$5.65
Mercury Vapor	200 to 400 Watts	148	\$7.90

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."