

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF SOUTH KENTUCKY)
RURAL ELECTRIC COOPERATIVE CORPORATION))
FOR AN ORDER AUTHORIZING A PASS-) CASE NO. 8705
THROUGH OF EAST KENTUCKY POWER WHOLE-)
SALE POWER RATE INCREASE IN)
CASE NO. 8648)

O R D E R

South Kentucky 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. 8648. Applicant is one of 18 member distribution cooperatives of East Kentucky. In Case No. 8648, East Kentucky requested an increase in revenue of approximately \$31,176,207. Of this total increase, Applicant would experience an increase in power costs of approximately \$3,424,973, which represents 10.99 percent of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of approximately 15.3 percent.

On November 12, 1982, the 18 distribution cooperatives of East Kentucky filed a motion requesting that they be permitted to deviate from the Commission's rules regarding tariffs and to flow through the increase by use of a proposed procedure for pass-through of the wholesale rate increase ("proposed

procedure"). In its Order of November 19, 1982, the Commission authorized Applicant to deviate from the rules on tariffs and approved the utilization of the proposed procedure.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

(1) The actual increase allowed East Kentucky in Case No. 8648 is \$18,849,182 which will result in an increase in power costs to Applicant of \$2,070,636.

(2) Applicant's financial condition would be materially impaired if it were not allowed to recover the increased wholesale power costs allowed in Case No. 8648.

(3) The revised rates and charges in Appendix A are designed to reflect only the increased power costs from East Kentucky allowed in the final Order in Case No. 8648.

(4) The flow-through of the wholesale power costs will not result in any additional net margin to Applicant.

IT IS THEREFORE ORDERED that South Kentucky Rural Electric Cooperative Corporation be and it hereby is authorized to flow through the increased power costs resulting from the rate increase granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., in Case No. 8648.

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

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

Done at Frankfort, Kentucky, this 1st day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8705 DATED APRIL 1, 1983.

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

SCHEDULE A
RESIDENTIAL, FARM AND NON-FARM SERVICE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$5.00

Energy Charge:

First 700 KWH Per Month @05954
All over 700 KWH per Month05327

SCHEDULE B
SMALL COMMERCIAL RATE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$6.00

Energy Charge:

First 1,000 KWH per Month @ \$.06457
All Over 1,000 KWH per Month @ \$.05950

SCHEDULE LP
LARGE POWER RATE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$10.00

Demand Charge:

Billing Demand per KW per Month \$5.66

Plus Energy Charge:

First	3,500 KWH per Month @	\$.04201
Next	6,500 KWH per Month @	\$.04046
Next	140,000 KWH per Month @	\$.03747
Next	150,000 KWH per Month @	\$.03735
Over	300,000 KWH per Month @	\$.03726

SCHEDULE OPS
OPTIONAL POWER SERVICE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$10.00

Energy Charge

First	3,500 KWH per Month @	\$.07051
Next	6,500 KWH per Month @	.06804
Next	140,000 KWH per Month @	.06328
Next	150,000 KWH per Month @	.06309
Over	300,000 KWH per Month @	.06295

SCHEDULE STL
STREET LIGHTING SERVICE*

Rate:

Mercury Vapor Bulbs

Up to and including 175 Watts
(74 KWH/Light) \$3.86

Excess of 175 Watts up to
including 400 Watts
(162 KWH/Light) 6.22

Sodium Bulbs

Up to and including 150 Watts
(63 KWH/Light) 5.01

Excess of 150 Watts up to and
including 360 Watts (135 KWH/
Light) 7.10

SCHEDULE OL
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Rates:

175 Watt Mercury Vapor - Metered \$4.07

175 Watt Mercury Vapor - unmetered 5.54
(74 KWH/Light)

SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE*

CLASS AND RATES PER MONTH:

Cable TV Amplifiers - (75
KWH per Month) . . . \$7.06

*Fuel Clause Adjustment

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.