

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF SOUTH)	CASE NO.
KENTUCKY RURAL ELECTRIC)	2010-00510
COOPERATIVE CORPORATION FROM)	
NOVEMBER 1, 2008 THROUGH)	
OCTOBER 31, 2010)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2011, established this case to review and evaluate the application of the Fuel Adjustment Clause ("FAC") of South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") for the two-year period from November 1, 2008 through October 31, 2010.

As part of this review, the Commission ordered South Kentucky to submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested person advised the Commission of his or her intent to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. During the period under review, South Kentucky has complied in all material respects with the provisions of 807 KAR 5:056.
2. East Kentucky Power Cooperative, Inc. ("East Kentucky"), the wholesale supplier of South Kentucky, has been authorized to transfer (roll-in) to its base energy

rates a negative 6.39 mills per kWh of fuel costs that were being credited to customers through its FAC.¹

3. South Kentucky should be authorized to transfer (roll-in) to its base energy rates a negative 6.71 mills per kWh to reflect, as adjusted for line loss, the transfer (roll-in) by East Kentucky of a negative 6.39 mills per kWh of fuel costs to East Kentucky's base energy rates that were being credited to customers through its FAC.

4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the reduction of fuel costs included in its base energy rates.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by South Kentucky through the FAC for the period from November 1, 2008 through October 31, 2010 are approved.

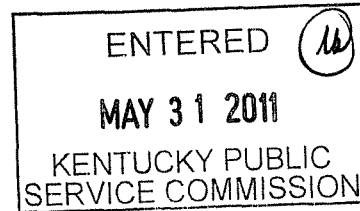
2. South Kentucky shall deduct 6.71 mills per kWh from its base energy rates (as adjusted for line loss) to reflect the transfer (roll-in) of a negative 6.39 mills per kWh of fuel costs by East Kentucky to its base energy rates as approved in Case No. 2010-00491.

3. The rates in the Appendix to this Order are approved for service rendered by South Kentucky on and after June 1, 2011, the effective date of East Kentucky's change in rates.

¹ Case No. 2010-00491, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

4. Within 20 days of the date of this Order, South Kentucky shall file revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved by this Order.

By the Commission



ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00510 DATED **MAY 3 1 2011**

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 the Commission prior to the effective date of this Order.

SCHEDULE A
RESIDENTIAL, FARM AND NON-FARM SERVICE

All kWh per kWh \$.08543

SCHEDULE A (ETS)
RESIDENTIAL, FARM AND NON-FARM SERVICE
MARKETING RATE

All kWh per kWh \$.05126

SCHEDULE B
SMALL COMMERCIAL RATE

All kWh per kWh \$.09718

SCHEDULE B (ETS)
SMALL COMMERCIAL
MARKETING RATE

All kWh per kWh \$.05831

SCHEDULE LP
LARGE POWER RATE

Energy Charge per kWh \$.05925

SCHEDULE LP-1
LARGE POWER RATE 1 (500 kW TO 4,999 kW)

Energy Charge per kW	\$.05420
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SCHEDULE LP-2
LARGE POWER RATE 2 (5,000 kW TO 9,999 kW)

Energy Charge:

First 400 kWh per KW of Billing Demand, Ltd. to First 5,000 kW	\$.05420
Per kWh for all remaining kWh	\$.04733

SCHEDULE LP-3
LARGE POWER RATE 2 (500 kW TO 2,999 kW)

Energy Charge per kWh	\$.05122
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SCHEDULE AES
ALL ELECTRIC SCHOOL SCHEDULE

Energy Charge per kWh	\$.07629
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SCHEDULE OPS
OPTIONAL POWER SERVICE

Energy Charge per kWh	\$.09954
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SCHEDULE STL
STREET LIGHTING SERVICE

Rate per Light per Month as Follows:

Mercury Vapor or Sodium 7,000-10,000 Lumens	\$	8.02
Mercury Vapor or Sodium 15,000-28,000 Lumens	\$	13.12

SCHEDULE DTSL
DECORATIVE STREET LIGHTING

Rate per Light per Month as Follows:

High Pressure Sodium Lamp:

Cobra Head Light Installed On Existing Pole:

7,000-10,000 Lumens (Unmetered)	\$	11.79
7,000-10,000 Lumens (Metered)	\$	9.42
15,000-28,000 Lumens (Unmetered)	\$	15.89

15,000-28,000 Lumens (Metered)	\$	10.16
Cobra Head Light Installed On 30' Aluminum Pole and Arm:		
7,000-10,000 Lumens (Unmetered)	\$	18.89
7,000-10,000 Lumens (Metered)	\$	16.32
15,000-28,000 Lumens (Unmetered)	\$	22.21
15,000-28,000 Lumens (Metered)	\$	16.32
Lexington Light Installed On 16' Aluminum Pole:		
Sodium 7,000-10,000 Lumens (Unmetered)	\$	12.48
Sodium 7,000-10,000 Lumens (Metered)	\$	10.09
Acorn Light Installed On 16' Fluted Pole:		
Sodium 7,000-10,000 Lumens (Unmetered)	\$	25.33
Sodium 7,000-10,000 Lumens (Metered)	\$	22.64
Metal Halide Lamp:		
100 Watt – Acorn (Unmetered)	\$	10.51
100 Watt – Acorn (Metered)	\$	7.81
100 Watt – Lexington (Unmetered)	\$	8.34
100 Watt – Lexington (Metered)	\$	5.70
400 Watt – Galleria (Unmetered)	\$	22.09
400 Watt – Galleria (Metered)	\$	12.29
1,000 Watt – Galleria (Unmetered)	\$	37.23
1,000 Watt – Galleria (Metered)	\$	14.37
250 Watt Cobra Head with 30' Aluminum Pole	\$	24.50
400 Watt Cobra Head Mercury Vapor with:		
8' Arm (Unmetered)	\$	18.62
8' Arm (Metered)	\$	8.91
12' Arm (Unmetered)	\$	21.74
12' Arm (Metered)	\$	11.96
16' Arm (Unmetered)	\$	22.72
16' Arm (Metered)	\$	12.90

SCHEDULE OL
OUTDOOR LIGHTING SERVICE-SECURITY LIGHTS

Rate per Light per Month as Follows:

Mercury Vapor or Sodium 7,000-10,000 Lumens (Unmetered)	\$	10.17
Mercury Vapor or Sodium 7,000-10,000 Lumens (Metered)	\$	7.23

Directional Flood Light:

250 Watt Sodium (Unmetered)	\$	16.28
250 Watt Sodium (Metered)	\$	9.18
250 Watt Metal Halide (Unmetered)	\$	17.63

250 Watt Metal Halide (Metered)	\$	10.22
400 Watt Metal Halide (Unmetered)	\$	22.02
400 Watt Metal Halide (Metered)	\$	10.22
1,000 Watt Metal Halide (Unmetered)	\$	39.05
1,000 Watt Metal Halide (Metered)	\$	11.41

SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE

Cable TV Amplifiers	\$	9.59
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