COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF KENERGY)	CASE NO.
CORP. FROM JULY 17, 2009)	2010-00513
THROUGH OCTOBER 31, 2010)	

ORDER

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 Kenergy Corp. ("Kenergy") for the period from July 17, 2009 through October 31, 2010.

As part of this review, the Commission ordered Kenergy 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, Kenergy has complied in all material respects with the provisions of 807 KAR 5:056.

- 2. Big Rivers Electric Corporation ("Big Rivers"), the wholesale supplier of Kenergy, has been authorized to transfer (roll-in) to its base energy rates 10.212 mills per kWh of fuel costs that were being recovered through its FAC.¹
- 3. Except for its direct-served customers, Kenergy should be authorized to transfer (roll-in) to its base energy rates 10.749 mills per kWh to reflect, as adjusted for line loss, the transfer (roll-in) by Big Rivers of 10.212 mills per kWh of fuel costs to Big Rivers' base energy rates that were being recovered through its FAC. As there is no line adjustment for direct-served customers, Kenergy should be authorized to transfer (roll-in) 10.212 mills per kWh to the base energy rates applicable to its direct-served customers.
- 4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

- 1. The charges and credits applied by Kenergy through the FAC for the period from July 17, 2009 through October 31, 2010 are approved.
- 2. Except for its direct-served customers, Kenergy shall transfer (roll-in) 10.749 mills per kWh to base energy rates (as adjusted for line-loss) to reflect the transfer (roll-in) by Big Rivers of 10.212 mills per kWh of fuel costs from its FAC to its base energy rates as approved in Case No. 2010-00495. As there is no line adjustment

¹ Case No. 2010-00495, An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from July 17, 2009 through October 31, 2010 (Ky. PSC May 31, 2011).

for direct-served customers, Kenergy shall transfer (roll-in) 10.212 mills per kWh to the base energy rates applicable to its direct-served customers.

- 3. The rates in the Appendix to this Order are approved for service rendered by Kenergy on and after June 1, 2011, the effective date of Big Rivers' change in rates.
- 4. Within 20 days of the date of this Order, Kenergy 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

ENTERED MAY 3 1 2011

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00513 DATED MAY 3 1 2011

The following rates and charges are prescribed for the customers in the area served by Kenergy Corp. 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 1 RESIDENTIAL SERVICE - SINGLE AND THREE PHASE

Energy Charge per kWh \$.073076

SCHEDULE 3 ALL NON-RESIDENTIAL - SINGLE PHASE

Energy Charge per kWh \$.071489

SCHEDULE 5 THREE PHASE DEMAND – NON-RESIDENTIAL NON-DEDICATED DELIVERY POINTS - 0 – 1,000 kW

Energy Charge per kWh:

First 200 kWh per kW	\$.063949
Next 200 kWh per kW	\$.048749
All over 400 kWh per kW	\$.043749

SCHEDULE 7 THREE PHASE DEMAND NON-DEDICATED DELIVERY POINTS – 1,001 kW And Over

Option A – High Load Factor:	
Energy Charge per kWh:	
First 200 kWh per kW	\$.038249
Next 200 kWh per kW	\$.035749
All over 400 kWh per kW	\$.033749
Option B – Low Load Factor:	
Energy Charge per kWh	
First 150 kWh per kW	\$.052749
Over 150 kWh per kW	\$.046749

SCHEDULE 15 PRIVATE OUTDOOR LIGHTING

Flat rate per light per month as follows:

Standard: 175 Watt M.V. 250 Watt M.V. 400 Watt M.V. 100 Watt H.P.S. 250 Watt H.P.S. 400 Watt H.P.S Flood 100 Watt M.H. 400 Watt M.H. 200 Watt H.P.S.	\$\$\$\$\$\$\$\$\$	7.91 9.49 11.65 7.42 11.07 13.10 6.98 15.13 10.50
Flood Lighting Fixture: 250 Watt H.P.S. 400 Watt H.P.S. 1,000 Watt H.P.S. 250 Watt M.H. 400 Watt M.H. 1,000 Watt M.H.	\$ \$ \$ \$ \$ \$	10.10 13.11 30.22 9.66 13.04 30.18
Contemporary (Shoebox): 250 Watt H.P.S. 400 Watt H.P.S. 1,000 Watt H.P.S. 250 Watt M.H. 400 Watt M.H.	\$ \$ \$ \$ \$	11.38 14.47 30.22 10.96 14.18 30.18
Decorative Lighting: 100 Watt M.H. – Acorn Globe 175 Watt M.H. – Acorn Globe 100 Watt M.H. – Round Globe 175 Watt M.H. – Round Globe 175 Watt M.H. – Lantern Globe 100 Watt H.P.S. – Acorn Globe	\$ \$ \$ \$ \$	10.12 12.50 9.93 11.60 11.72 11.40

SCHEDULE 16 STREET LIGHTING SERVICE

Flat rate per light per month as follows:

175 Watt M.V. 400 Watt M.V. 100 Watt H.P.S. 250 Watt H.P.S. 100 Watt M.H.	\$ \$ \$ \$ \$ \$	7.91 11.69 7.41 11.01 6.98
400 Watt M.H.	\$	14.92
Decorative Underground With Non-standard Pole: 70 Watt H.P.S. – Acorn Globe 70 Watt H.P.S. – Lantern Globe 140 Watt H.P.S. 100 Watt H.P.S. – Acorn Globe	\$ \$ \$ \$ \$	10.15 10.15 18.00 19.44

SPECIAL STREET LIGHTING DISTRICTS

Flat rate per light per month as follows:

Basket	\$ 2.74
Meadow Hill	\$ 2.50
Spottsville	\$ 3.08

LARGE INDUSTRIAL CUSTOMERS SERVED UNDER SPECIAL CONTRACT DELIVERY DEDICATED POINTS

Class A: Energy Charge per kWh	\$.038365
Class B: Energy Charge per kWh	\$.024093
Class C: Energy Charge per kWh	\$.026927

Sanford Novick President & CEO Kenergy Corp. P. O. Box 18 Henderson, KY 42419