COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION FOR AN ADJUSTMENT OF RATES

CASE NO. 2012-00426

ORDER

On February 3, 2014, Grayson Rural Electric Cooperative Corporation ("Grayson") filed a motion to amend the Commission's Order of July 31, 2013, in this matter. Grayson's request includes amending the demand rate for the tariffs under Schedule 13(b) and Schedule 13(c); amending the customer charge under Schedule 14(b); and modifying Schedule 3, the Off-Peak Marketing Rate schedule, to remove the customer charge and on-peak rate, and to designate the Off-Peak Marketing Rate as a tariff rider to be attached to other tariffs.

In support of its motion, Grayson states that for Schedules 13(b) and 13(c), the demand rates should be \$7.23 per kW, not the \$10.50 per kW granted in the Commission's Order of July 31, 2013. Grayson contends that \$7.23 per kW was the rate prior to its application in this proceeding, and that no increase in that charge was proposed in the application. Grayson also states that the Schedule 14(b) customer charge should be \$1,131.19, the same as was in existence prior to the Commission's July 31, 2013 Order, and not the \$1,136.37 granted in that Order. Finally, Grayson proposes that Schedule 3 should be modified to act as a rider to be attached to various other tariffs, and to include no specific customer charge or on peak energy charge

associated with customers being served under those tariffs who have installed approved load-management devices for the use of power during off-peak hours.

Based on a review of the motion and the proposed tariffs and being otherwise sufficiently advised, the Commission finds that Appendix A to its Order of July 31, 2013, should be amended to reflect the correct demand rate of \$7.23 per kW for tariff Schedules 13(b) and 13(c). The Commission also finds that an investigation of the issues raised by Grayson's motion regarding Schedule 14(b) and Schedule 3 is necessary.

IT IS THEREFORE ORDERED that:

1. Appendix A to the Commission's Order to July 31, 2013 is amended, nunc pro tunc, to reflect that Grayson's demand charge for tariff Schedules 13(b) and 13(c) is \$7.23 per kW.

2. The revised tariff sheets for Schedules 13(b) and 13(c) filed by Grayson with its motion are approved.

3. A new case shall be established to investigate the issues raised by Grayson's motion regarding Schedule 14(b) and Schedule 3.

4. The Commission shall incorporate the July 31, 2013 Order and Grayson's February 3, 2014 motion into the new proceeding.

5. All other provisions of the July 31, 2013 Order shall remain in full force and effect.

-2-

By the Commission



ATTES Executive Director

Case No. 2012-00426

Don M Combs Manager Finance & Administration Grayson R.E.C.C. 109 Bagby Park Grayson, KY 41143

Carol Hall Fraley President & CEO Grayson R.E.C.C. 109 Bagby Park Grayson, KY 41143

Honorable W. Jeffrey Scott Attorney At Law P.O. Box 608 311 West Main Street Grayson, KENTUCKY 41143