COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF GRAYSON RURAL) CASE NO. ELECTRIC COOPERATIVE CORPORATION'S) 2014-00083 REQUEST TO MODIFY SCHEDULE 14(b) AND) SCHEDULE 3 OF ITS TARIFF PROVISIONS

ORDER

On February 3, 2014, Grayson Rural Electric Cooperative Corporation ("Grayson") filed a motion to amend Appendix A to the Commission's Order of July 31, 2013, in Case No. 2012-00426. Grayson's motion requested 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. The Commission found that Appendix A to its Order of July 31, 2013, contained an error in the demand rate for tariff Schedules 13(b) and 13(c) and amended its Order to reflect the correct demand rate of \$7.23 per kW. The Commission also found that Grayson's motion regarding Schedule 14(b) and Schedule 3 did not appear to relate to errors in the Order of July 31, 2013, and that an investigation would be necessary to review Grayson's motion relating to those issues.

Based on a review of Grayson's motion and the proposed tariffs and being otherwise sufficiently advised, the Commission finds that this case should be

¹ Case No. 2012-00426, Application of Grayson Rural Electric Cooperative Corporation for an Adjustment of Rates (Ky. PSC July 31, 2013).

established to investigate Grayson's motion to amend the customer charge under Schedule 14(b); and to modify 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 separate tariff rider. The Commission also finds that the July 31, 2013 Order in Case No. 2012-00426, and Grayson's February 3, 2013 motion to amend that Order, should be incorporated herein and made a part of this proceeding.

IT IS THEREFORE ORDERED that:

- 1. This proceeding is established to investigate the issues raised by Grayson's motion regarding Schedule 14(b) and Schedule 3 of the Commission's Order of July 31, 2013, in Case No. 2012-00426.
- 2. The Commission's Order of July 31, 2013, in Case No. 2012-00426 and Grayson's motion to amend that Order are incorporated and made a part of this proceeding.
- 3. All other provisions of the July 31, 2013 Order, with the exception of the demand rate for the tariffs under Schedule 13(b) and Schedule 13(c), which have been amended by separate Order, remain in full force and effect.

By the Commission

ENTERED

MAR 1 8 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

Case No. 2014-00083

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