

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF BLUE)	CASE NO.
GRASS ENERGY COOPERATIVE)	2017-00008
CORPORATION FROM NOVEMBER 1,)	
2014 THROUGH OCTOBER 31, 2016)	

ORDER

Pursuant to 807 KAR 5:056, the Commission, on February 6, 2017, established this case to review and evaluate the application of the Fuel Adjustment Clause ("FAC") of Blue Grass Energy Cooperative Corporation ("Blue Grass") for the two-year period from November 1, 2014, through October 31, 2016.

As part of this review, the Commission ordered Blue Grass 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. Blue Grass responded to one round of discovery. There are no intervenors in this proceeding.

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

1. During the period under review, Blue Grass 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 Blue Grass, has been directed to reduce its base energy rates by \$.00238 per kilowatt-hour (“kWh”) for fuel costs.¹

3. Except for its direct-served customer, Blue Grass should be directed to reduce its base energy rates by \$.00250 per kWh to reflect, as adjusted for line loss, the reduction by East Kentucky to its base energy rates. As there is no line loss adjustment for direct-served customers, Blue Grass should be directed to deduct \$.00238 per kWh from the base energy rate applicable to its direct-served customer.

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 Blue Grass’s base energy rates.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Blue Grass through the FAC for the period from November 1, 2014, through October 31, 2016, are approved.

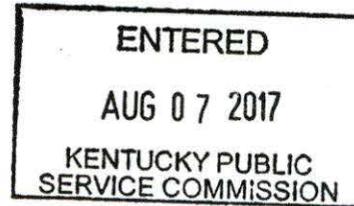
2. Except for its direct-served customer, Blue Grass shall deduct \$.00250 per kWh from its base energy rates (as adjusted for line loss) to reflect the reduction of \$.00238 per kWh by East Kentucky to its base energy rates as approved in Case No. 2017-00002. As there is no line loss adjustment for direct-served customers, Blue Grass shall deduct \$.00238 per kWh from the base energy rate applicable to its direct-served customer.

¹ Case No. 2017-00002, *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2014 through October 31, 2016* (Ky. PSC Aug. 7, 2017).

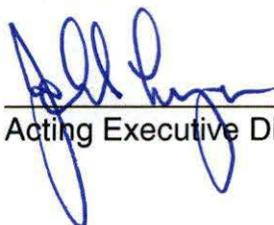
3. The rates in the Appendix to this Order are approved for service rendered by Blue Grass on and after September 1, 2017, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Blue Grass shall file, using the Commission's electronic Tariff Filing System, its revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00008 DATED **AUG 07 2017**

The following rates and charges are prescribed for the customers in the area served by Blue Grass Energy 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 GS-1
RESIDENTIAL AND FARM

Energy Charge per kWh \$.08281

SCHEDULE GS2
RESIDENTIAL AND FARM INCLINING BLOCK

Energy Charge:
First 200 kWh \$.07534
Next 300 kWh \$.09034
Over 500 kWh \$.10034

SCHEDULE GS-3
RESIDENTIAL AND FARM TIME OF DAY

Energy Charge:
On-Peak Energy per kWh \$.09978
Off-Peak Energy per kWh \$.05386

SCHEDULE SC-1
GENERAL SERVICE (0 - 100 kW)

Energy Charge per kWh \$.08325

SCHEDULE SC-2
GENERAL SERVICE (0 - 100 kW TIME OF DAY)

Energy Charge:
On-Peak Energy per kWh \$.12705
Off-Peak Energy per kWh \$.06750

SCHEDULE LP-1
LARGE POWER (101 kW - 500 kW)

Energy Charge per kWh \$.05358

SCHEDULE LP-1
LARGE POWER (101 kW - 500 kW TIME OF DAY)

Energy Charge:

On-Peak Energy per kWh \$.09312
Off-Peak Energy per kWh \$.06250

SCHEDULE LP-2
LARGE POWER (OVER 500 kW)

Energy Charge per kWh \$.04744

SCHEDULE B-1
LARGE INDUSTRIAL RATE (1,000 kW - 3,999 kW)

Energy Charge per kWh \$.04800

SCHEDULE B-2
LARGE INDUSTRIAL RATE (4,000 kW AND OVER)

Energy Charge per kWh \$.04256

OUTDOOR LIGHTS

Rates Per Light Per Month:

Open Bottom – Approx. 6,000-9,500 Lumens	\$ 11.53
Open Bottom – Approx. 25,000 Lumens	\$ 17.96
Directional Flood – Approx. 50,000 Lumens	\$ 18.02
Shoebox Fixture (Metal Pole) – Approx. 6,000-9,500 Lumens	\$ 20.22
Acorn Fixture (Fiberglass Pole) – Approx. 6,000-9,500 Lumens	\$ 19.61
Colonial Fixture – Approx. 6,000-9,000 Lumens	\$ 16.57
Cobra Head (Aluminum Pole) – Approx. 50,000 Lumens	\$ 25.07
Ornamental – Approx. 6,000-9,500 Lumens	\$ 11.38
Ornamental – Approx. 25,000 Lumens	\$ 16.27
Colonial Fixture – (15 ft. mnting hght.) Approx. 6,000-9,500 Lumens	\$ 10.08
Cobra Head (Aluminum Pole) – Approx. 25,000 Lumens	\$ 17.77
Cobra Head (Aluminum Pole) – Approx. 6,000-9,500 Lumens	\$ 12.10

SCHEDULE G-1
LARGE INDUSTRIAL RATE (15,000 kW AND OVER)

Energy Charge per kWh	\$.040967
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*Blue Grass Energy Cooperative Corp.
1201 Lexington Road
P. O. Box 990
Nicholasville, KY 40340-0990

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