

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF LICKING)	CASE NO.
VALLEY RURAL ELECTRIC)	2017-00016
COOPERATIVE 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 Licking Valley Rural Electric Cooperative Corporation ("Licking Valley") for the two-year period from November 1, 2014, through October 31, 2016.

As part of this review, the Commission ordered Licking Valley 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. Licking Valley responded to two rounds 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, Licking Valley 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 Licking Valley, has been directed to reduce its base energy rates by \$.00238 per kilowatt-hour ("kWh") for fuel costs.¹

3. Licking Valley should be directed to reduce its base energy rates by \$.00254 per kWh to reflect, as adjusted for line loss, the reduction by East Kentucky to its base energy rates.

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 Licking Valley's base energy rates.²

IT IS THEREFORE ORDERED that:

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

2. Licking Valley shall deduct \$.00254 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.

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

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).

² The rates in the appendix reflect a correction to the following rate filed by Licking Valley in response to Commission Staff's April 6, 2017 Request for Information, Exhibit 5: Schedule SL - 175 Watt Mercury Vapor Light.

4. Within 20 days of the date of this Order, Licking Valley 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

ENTERED
AUG 07 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00016 DATED **AUG 07 2017**

The following rates and charges are prescribed for the customers in the area served by Licking Valley 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, SMALL COMMUNITY HALL AND CHURCH SERVICE

Energy Charge per kWh \$.092002

SCHEDULE B
COMMERCIAL AND SMALL POWER

Energy Charge per kWh \$.08046

PREPAY SERVICE

Schedule A - Energy Charge per kWh \$.092002
Schedule B - Energy Charge per kWh \$.08046

SCHEDULE LP
LARGE POWER SERVICE

Energy Charge per kWh \$.066347

SCHEDULE LPR
LARGE POWER RATE

Energy Charge per kWh \$.057899

SCHEDULE SL
SECURITY LIGHTS AND RURAL LIGHTING

Monthly Rate:

175 Watt Mercury Vapor	\$ 10.34
100 Watt Metal Halide	\$ 10.43
250 Watt Metal Halide	\$ 15.99
400 Watt Metal Halide	\$ 22.01
68 Watt LED	\$ 9.33
108 Watt LED	\$ 11.18
202 Watt LED	\$ 17.62

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