

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE APPLICATION OF GRAYSON)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER AUTHO-)
RIZING A PASS-THROUGH OF EAST) Case No. 7736
KENTUCKY POWER COOPERATIVE, INC.'S)
WHOLESALE POWER RATE INCREASE IN)
CASE NO. 7702)

ORDER

On February 12, 1980, Grayson Rural Electric Cooperative Corporation (Applicant) filed its Application to flow-through any increase in rates granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., (East Kentucky) in Case No. 7702. Applicant is one of eighteen member distribution cooperatives of East Kentucky. In Case No. 7702, East Kentucky requested an increase in revenue of approximately \$8,576,789. Of this total increase, Applicant would experience an increase in power costs of approximately \$258,434. This increase represents 3.01% of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of 6.43%.

The matter was scheduled for hearing on March 18, 1980, at the Commission's offices in Frankfort, Kentucky. A further hearing was scheduled for May 9, 1980. The hearings were conducted as scheduled and the Consumer Protection Division of the Attorney General's office was the only intervenor present.

The Commission after review of the evidence of record and being advised is of the opinion and so finds:

(1) That the actual increase granted East Kentucky Power in Case No. 7702 is \$7,345,000 which will result in an increase in power costs to Applicant of \$221,576.

(2) That Applicant is entitled to recover the increased wholesale power costs granted in Case No. 7702 and its financial condition would be materially impaired if it were not allowed to recover this additional cost.

(3) That the rates granted herein are in addition to the Applicants general rate increase, Case No. 7605, issued on April 18, 1980.

(4) That the revised rates and charges set out in the attached Appendix "A" are designed to reflect only the increased power costs from East Kentucky Power Cooperative, Inc., granted in the final order in Case No. 7702 and will not result in any additional net margin to Applicant.

IT IS THEREFORE ORDERED that Grayson Rural Electric Cooperative Corporation is hereby authorized to flow-through the increased power costs resulting from the rate increase granted its wholesale power supplier in Case No. 7702.

IT IS FURTHER ORDERED that the rates set out in Appendix "A" shall be placed into effect simultaneously with the effective date of the East Kentucky wholesale power increase.

IT IS FURTHER ORDERED that Grayson Rural Electric Cooperative Corporation shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 1st day of July, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 7736 DATED July 1, 1980

The following rates and charges are hereby prescribed for the customers served by Grayson Rural Electric Cooperative Corporation to become effective for service rendered on and after the date of this Order. All other rates and charges not mentioned specifically herein shall remain the same as those in effect prior to the date of this Order.

Rates: Monthly

Schedule 1

DOMESTIC-FARM & HOME SERVICE, PUBLIC BUILDINGS, SCHOOLS, CHURCHES, ETC., COMMERCIAL & SMALL POWER - 0 to 49 KVA

Customer Charge Per Month	\$ 6.89
Energy Charge	.0391 per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$6.89 where 25 KVA or less of transformer capacity is required. For members requiring more than 25 KVA of transformer capacity the minimum monthly charge shall be increased at the rate of 75¢ for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with the terms of this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.

Schedule 4

LARGE POWER SERVICE - 50 to 600 KW

Demand Charge

\$4.02 per month per KW of billing demand

Customer Charge Per Month	\$52.83
Energy Charge	.0313 per KWH

Schedule 5

STREET LIGHTING SERVICE

<u>Lamp Size</u>	<u>Mercury Vapor Lamps</u>	<u>Annual Charge Per Lamp</u>
175 Watt	\$5.12 per month	\$61.44

Schedule 6

OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS

RATE PER LIGHT PER MONTH

175 Watt Mercury Vapor Lamp	\$5.12
250 Watt Mercury Vapor Lamp	\$6.79

Schedule 7

ALL ELECTRIC SCHOOLS (A.E.S.)

All in KWH \$.0447 per KWH

Schedule 8

SEASONAL SERVICES - SERVICES ACTIVE LESS THAN NINE (9) MONTHS OUT OF A YEAR

Customer Charge Per Month \$ 8.45
Energy Charge .0528 per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$8.45 where 25 KVA or less of transformer capacity is required. For members requiring more than 25 KVA of transformer capacity the minimum monthly charge shall be increased at the rate of 75¢ for each additional KVA or fraction thereof required.