

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF FOX CREEK) CASE NO. 8067
RURAL ELECTRIC COOPERATIVE CORPORATION)
PURSUANT TO 807 KAR 5:056E, SECTIONS)
1(11) AND (12))

O R D E R

Pursuant to 807 KAR 5:056E, Sections 1(11) and (12), and following proper notice, a hearing was held on January 29, 1981, to review the operation of the standard fuel adjustment clause to determine the amount of fuel cost that should be transferred to the base rates of the utility and to re-establish the fuel adjustment charge.

The Commission in Case No. 8055 has approved a request by the Applicant's wholesale supplier, East Kentucky Power Cooperative, Inc. (EKP), to transfer (roll-in), to the base rates charged the Applicant, fuel cost in the amount of .105¢ per KWH. Granting EKP's request requires that the Applicant be authorized to transfer these fuel costs to its base rates.

As a part of this review the Commission has analyzed monthly filings made by the Applicant in conjunction with the schedule of over- or under-recoveries of fuel cost filed in this proceeding. The Commission's review indicates the monthly report should be revised in order to obtain a more accurate measure of under- or over-recovery of fuel cost shown in that report.

The Commission after review FINDS:

(1) That the Company's wholesale supplier, EKP, has been authorized to transfer to its base rates in Case No. 8055 fuel cost of .105¢ per KWH.

(2) That an amount of .114¢ per KWH should be added to the rates charged customers in order to transfer, to Applicant's base rates, fuel cost transferred by EKP from the fuel adjustment clause rate to the base rates pursuant to Commission Order in Case No. 8055.

(3) That the revised rates and charges set out in Appendix "A" of this Order are designed only to reflect the transfer to base rates of fuel cost which is currently being recovered in the fuel adjustment clause rate.

(4) That the transfer of fuel costs to the Applicant's base rates will not result in any additional net margin to the Applicant.

(5) That this transfer of fuel cost is most reasonably and practically accomplished by an energy adder to each KWH sold.

(6) That revisions should be made in the monthly report currently being filed by the Applicant.

IT IS THEREFORE ORDERED, that Fox Creek Rural Electric Cooperative Corporation is hereby authorized to transfer to base rates fuel cost transferred by its wholesale supplier, EKP, in Case No. 8055.

IT IS FURTHER ORDERED, that the rates set out in Appendix "A" shall be placed into effect for service rendered on and after April 1, 1981, which is the same effective date approved for EKP.

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

IT IS FURTHER ORDERED, that the revised monthly report, Appendix "B" to this Order, be used by the Applicant for all filings made after the date of this Order under 807 KAR 5:056E to recover or refund fuel charges or credits billed or refunded by its wholesale supplier.

Done at Frankfort, Kentucky, this 13th day of March, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Votz
Chairman

Katherine Randall
Vice Chairman

Don Carson
Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC
SERVICE COMMISSION IN CASE NO. 8067 DATED MARCH 13, 1981.

The following rates and charges are prescribed for the customers in the area served by Fox Creek Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE R
RESIDENTIAL SERVICE*

Rate

Minimum Bill	30 KWH Per Month	\$5.33
Next	50 KWH Per Month	.11442 Per KWH
Next	420 KWH Per Month	.05812 Per KWH
All Over	500 KWH Per Month	.05252 Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$.90 per kVA of transformer capacity but in no case less than \$5.33.

SCHEDULE C
COMMERCIAL AND SMALL POWER*

Rate

First	10 KW of Billing Demand	No Charge
Over	10 KW of Billing Demand	\$2.37 Per KW
Minimum Bill	30 KWH Per Month	\$5.33
Next	50 KWH Per Month	.11442 Per KWH
Next	20 KWH Per Month	.05812 Per KWH
Next	900 KWH Per Month	.07212 Per KWH
Next	2,000 KWH Per Month	.06512 Per KWH
Over	3,000 KWH Per Month	.05532 Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$0.90 per kVA of transformer capacity but in no case less than \$5.33.

SCHEDULE L
LARGE POWER SERVICE (50 to 200 KW)*

Rate

Demand Charge	\$2.37 Per KW of Billing Demand	
First	50 KWH Per KW of Billing Demand	\$.06532 Per KWH
Next	100 KWH Per KW of Billing Demand	.06132 Per KWH
Over	150 KWH Per KW of Billing Demand	.05142 Per KWH

Monthly Minimum

- 1) Contract minimum
- 2) \$0.90 per kVA of transformer capacity
- 3) \$30.00

SCHEDULE A
RURAL LIGHTING AND COMMUNITY STREET LIGHTING*

Service for the above unit shall be unmetered and billed on the members bill for other electrical service furnished by the Cooperative at the rate of \$4.82 each and every month.

*Fuel Adjustment Charge

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056E.

COMPANY _____

POWER SUPPLIER _____

Purchased Power - Month of: _____

Disposition of Energy (KWH)-Month of: _____

Fuel Adjustment Charge (Credit): _____

9. Total Purchases for the Month _____

a. Billed by Supplier \$ _____

10. Sales (Ultimate Consumer) _____

b. (Over) Under Recovery on L20 _____

11. Company Use _____

c. Unrecoverable - Schedule 1 _____

12. Total Sales (L9 + L10) _____

d. Recoverable Fuel Cost (L1a + L1b minus 1c) _____

13. Line Loss and Unaccounted For (L9 Less L12) _____

2. Number of KWH Purchased _____

Under or (Over) Recovery

3. Supplier's FAC: _____

14. Last Distributor FAC Rate Billed to All Cycles _____

a. \$ Per KWH (L1a + L2) _____

15. Gross KWH Billed at the Rate on L14 _____

b. ¢ Per KWH (L3a x 100) _____

16. Adjustments to Customer Bills (KWH) _____

4. Sales as a Percent of Purchases (100% Less Percentage on L6) _____

17. Net KWH Billed at the Rate on L14 (L15 Less L16) _____

5. Calculation of Distributor's FAC: _____

18. FAC Revenue (Refund) Resulting From the Rate on L14 _____

a. Recovery Rate \$ Per KWH (L1d + L2) _____

19. Fuel Charge (Credit) Used to Compute the Rate on L14 _____

b. FAC \$ Per KWH (L5a + L4) _____

20. Total (Over) Under Recovery (L18 Less L19) _____

c. ¢ Per KWH (L5b x 100) _____

6. Twelve Months Average (%) _____

7. Last Month Used to Compute L6 _____

8. Line Loss for Month on L7 (%) _____

5c above reflects a Fuel Adjustment Charge (Credit) of _____ ¢/KWH to be applied to bills rendered on and after _____, 19____. Date of Issue _____, 19____. Issued by _____

Title _____ Address _____ Telephone Number _____

CALCULATION OF UNRECOVERABLE FUEL COST
DUE TO EXCESSIVE LINE LOSS
FOR THE MONTH ENDED

1.	Purchases For the Month (KWH)		
2.	Less Line Loss (10% X L1)		
3.	Sales (L1 less L2)		
4.	Unrecoverable Fuel Charge Per KWH:		
	a. FAC Rate based on Actual Line Loss (Current Month's Report L3a ÷ (100% Less L6))	\$	
	b. FAC Rate based on 10% Line Loss (Current Month's Report L3a ÷ 90%)	_____	
	c. Increment unrecoverable	\$ _____	
5.	Unrecoverable Fuel Cost -L4c X L3 carry to Line 1b of current month's report)	\$ _____	

Note: This schedule is to be filed for each month that the 12 month average Line Loss exceeds 10% and the amount billed by the supplier is a charge. This schedule is not to be filed if the amount billed by the supplier is a credit.