

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 GREEN RIVER ) CASE NO. 8069  
ELECTRIC 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. 8054 has approved a request by the Applicant's wholesale supplier, Big Rivers Electric Cooperative Corporation (BRECC), to transfer (roll-in) to the base rates charged the Applicant, fuel cost in the amount of .260¢ per KWH. The granting of BRECC'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, BRECC, has been authorized to transfer to its base rates in Case No. 8054 fuel cost of .260¢ per KWH.

(2) That an amount of .271¢ per KWH should be added to the base rates for service to the rural system consumers, in order to transfer to Applicant's base rates the fuel cost transferred by BRECC from the fuel adjustment clause rate to the base rates pursuant to Commission Order in Case No. 8054; and, further, that an amount of .260¢ per KWH should be added to the rates charged

the large industrial customers under special contract in order to accomplish this transfer to the base rates charged these customers.

(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 through 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 Green River Electric Corporation is hereby authorized to transfer to base rates fuel cost transferred by its wholesale supplier, BRECC, in Case No. 8054.

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 BRECC.

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, shall 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. Vohz  
Chairman

Katherine Randall  
Vice Chairman

Don L. Carraway  
Commissioner

ATTEST:

\_\_\_\_\_  
Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 8069 DATED MARCH 13, 1981.

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

Monthly Rates:

Residential Service (Single Phase & Three Phase) and All Other Single Phase Service\*

Facilities Charge	\$ 5.64
First 600 KWH	5.1850¢
Next 400 KWH	4.3390¢
All Over 1,000 KWH	3.8085¢

Commercial, Large Power and Public Buildings - Three-Phase Demand\*

Facilities Charge	\$16.90
Plus Demand Charge of:	
Per KW of Billing Demand	\$ 3.40
Plus Energy Charge of:	
Per KWH for the first 150 KWH per KW of Billing Demand	4.2260¢
Per KWH for all over 150 KWH per KW of Billing Demand	3.8880¢

Street and Individual Consumer Lighting\*

175 Watt Mercury Vapor Lamps	\$ 6.69
250 Watt Mercury Vapor Lamps	\$ 7.71
400 Watt Mercury Vapor Lamps	\$ 9.23

RATES TO LARGE INDUSTRIAL CONSUMERS SERVED UNDER SPECIAL CONTRACTS\*

BASE MONTHLY DELIVERY POINT RATE

National-Southwire Aluminum Co.

Demand charge per KW of billing demand of	\$ 6.25
Plus an energy charge per KWH consumed of	18.191 mills

Martin-Marietta Aluminum, Inc., and Western Kraft Paper Group, Williamette Industries

Demand charge per KW of billing demand of	\$ 6.25
Plus an energy charge per KWH consumed of	18.441 mills

\*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."

COMPANY \_\_\_\_\_

POWER SUPPLIER \_\_\_\_\_

Purchased Power - Month of: \_\_\_\_\_

Disposition of Energy (KWH) -Month of: \_\_\_\_\_

1. Fuel Adjustment Charge (Credit):
- a. Billed by Supplier \$ \_\_\_\_\_
  - b. (Over) Under Recovery on L20 \_\_\_\_\_
  - c. Unrecoverable - Schedule 1 \_\_\_\_\_
  - d. Recoverable Fuel Cost (L1a + L1b minus 1c) \_\_\_\_\_
2. Number of KWH Purchased \_\_\_\_\_
3. Supplier's FAC:
- a. \$ Per KWH (L1a + L2) \_\_\_\_\_
  - b. ¢ Per KWH (L3a x 100) \_\_\_\_\_
4. Sales as a Percent of Purchases (100% less percentage on L6) \_\_\_\_\_
5. Calculation of Distributor's FAC:
- a. Recovery Rate \$ Per KWH (L1d ÷ L2) \_\_\_\_\_
  - b. FAC \$ Per KWH (L5a ÷ L4) \_\_\_\_\_
  - c. ¢ Per KWH (L5b x 100) \_\_\_\_\_
- Line Loss \_\_\_\_\_
6. Twelve Months Average (%) \_\_\_\_\_
7. Last Month Used to Compute L6 \_\_\_\_\_
8. Line Loss for Month on L7 (%) \_\_\_\_\_

9. Total Purchases for the Month \_\_\_\_\_
10. Sales (Ultimate Consumer) \_\_\_\_\_
11. Company Use \_\_\_\_\_
12. Total Sales (L9 + L10) \_\_\_\_\_
13. Line Loss and Unaccounted For (L9 Less L12) \_\_\_\_\_
- Under or (Over) Recovery
14. Last Distributor FAC Rate Billed to All Cycles \_\_\_\_\_
15. Gross KWH Billed at the Rate on L14 \_\_\_\_\_
16. Adjustments to Customer Bills (KWH) \_\_\_\_\_
17. Net KWH Billed at the Rate on L14 (L15 Less L16) \_\_\_\_\_
18. FAC Revenue (Refund) Resulting From the Rate on L14 \_\_\_\_\_
19. Fuel Charge (Credit) Used to Compute the Rate on L14 \_\_\_\_\_
20. Total (Over) Under Recovery (L18 Less L19) \_\_\_\_\_

See 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.