# COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE )
COMMISSION OF THE APPLICATION OF THE )
FUEL ADJUSTMENT CLAUSE OF JACKSON )
COUNTY RURAL ELECTRIC COOPERATIVE )
CORPORATION FROM NOVEMBER 1, 1980, )
TO OCTOBER 31, 1982 )

### ORDER

Pursuant to 807 KAR 5:056, Sections 1(11) and (12), the Public Service Commission ("Commission") issued its Order on September 28, 1982, scheduling a hearing to review the operation of the fuel adjustment clause of Jackson County Rural Electric Cooperative Corporation ("Jackson County") for the past 2 years and to determine the amount of fuel cost that should be transferred (rolled in) to the base rates in order to reestablish the fuel adjustment charge.

Jackson County filed all requested information, including its monthly fuel charges for the 2-year period under review. Following proper notice, a hearing was held on January 25, 1983.

Jackson County filed a petition on December 3, 1982, requesting to recover \$33,381.70 to correct various filing errors resulting in the understatement of the fuel adjustment charge. After reviewing Jackson County's monthly fuel adjustment clause filings together with evidence in this case, the Commission has determined that these filing errors resulted in an understatement of Jackson County's recoverable fuel costs of \$34,572.02.

Therefore, the Commission is of the opinion that Jackson County should adjust its next monthly fuel adjustment clause filing by \$34,572.02.

The Commission approved a transfer (roll-in) of 3.11 mills per KWH to the base rates of Jackson County's wholesale supplier, East Kentucky Power Cooperative, Inc. ("East Kentucky"), in Case No. 8588. Approval of East Kentucky's proposal requires that Jackson County also be authorized to roll in those same fuel costs to its base rates.

The Commission has reviewed the monthly fuel adjustment clause filing made by Jackson County in conjunction with the schedule of over- or under-recovered fuel costs filed in this proceeding. This review indicates that the Commission should revise the monthly fuel adjustment clause filing form to minimize errors.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

- 1. With the exception of the filing errors discussed herein, Jackson County has complied in all material respects with the provisions of 807 KAR 5:056.
- 2. Jackson County should adjust its next monthly fuel adjustment clause filing by \$34,572.02 to correct previous filing errors.
- 3. Jackson County's wholesale supplier has been authorized to transfer (roll in) to its base rates fuel costs of 3.11 mills per KWH in Case No. 8588.

- 4. Jackson County should be authorized to increase the rates charged its customers by 3.43 mills per KWH in order to transfer fuel costs rolled in by East Kentucky from the fuel adjustment clause to the base rates pursuant to the Commission's Order in Case No. 8588 and applicable line loss, and this can best be accomplished by an energy adder to each KWH sold.
- 5. The revised rates and charges in Appendix A are designed to reflect the transfer of fuel costs from the fuel adjustment clause rate to the base rates.
- 6. The monthly fuel adjustment clause filing form currently being filed by Jackson County should be revised.

IT IS THEREFORE ORDERED that the charges collected by Jackson County through the fuel adjustment clause for the period November 1, 1980, through October 31, 1982, be and they hereby are approved.

IT IS FURTHER ORDERED that Jackson County be and it hereby is authorized to transfer to its base rates fuel costs transferred by its wholesale supplier pursuant to Case No. 8588.

IT IS FURTHER ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Jackson County on and after June 1, 1983, which is also the effective date for East Kentucky.

IT IS FURTHER ORDERED that within 30 days from the date of this Order Jackson County shall file with the Commission its revised tariff sheets setting out the rates approved herein.

IT IS FURTHER ORDERED that the revised monthly fuel clause form in Appendix B shall be used by Jackson County for all filings made after the date of this Order pursuant to 807 KAR 5:056 to

recover or refund fuel charges or credits billed or refunded by its wholesale supplier, East Kentucky.

IT IS FURTHER ORDERED that Jackson County shall adjust its next monthly FAC filing by \$34,572.02 using a separate line item as shown in Appendix C.

Done at Frankfort, Kentucky, this 3rd day of June, 1983.

PUBLIC SERVICE COMMISSION

Katherine Landall
Vice Chairman

Commissioner

ATTEST:

Secretary

### APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COM! ISSION IN CASE NO. 8606 DATED June 3, 1983.

The following rates and charges are prescribed for the customers in the area served by Jackson County 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 10 RESIDENTIAL, FARM AND NON-FARM SERVICE\*

### Rate

	Charge Per Month	\$4.85	
	650 KWH Per Month	.06855 pe	
All Over	650 KWH Per Month	.05916 pe	r KWH

SCHEDULE 20 COMMERCIAL, SMALL POWER, AND THREE-PHASE FARM SERVICE\*

### Rate

Customer Charge Per Month	\$5.35 per KWH
First 1,000 KWH Per Month	.07042 per KWN
Next 1,000 KWH Per Month	.06881 per KWH
All Over 2,000 KWH Per Month	.06595 per KWH

# SCHEDULE 30 LARGE POWER SERVICE LESS THAN 50 KW\*

### Rate

Customer Charge Per Month Demand Charge Per Month	\$6.40 \$4.87 per	KW
Energy Charge Per KWH		
First 1,000 KWH Per Month	.06252 per	KWH
All Over 1,000 KWH Per Month	.05930 per	KWH

# SCHEDULE 33 WATER PUMPING SERVICE\*

R	9	t	e

Customer	Charge	Per	Month	\$10,70		
First	10,000	KWH	Per Month	.06225	per	KWH
Next	40,000	KWH	Per Month	.05981		
All Over	50,000	KUH	Per Month	,05607		

# SCHEDULE 40 LARGE POWER MORE THAN 50 KW BUT LESS THAN 275 KW\*

## Rate

Customer Charge Per Month Demand Charge Per Month	\$1 <b>6,2</b> 0 4,87	per KW
Energy Charge First 10,000 KWH Per Month Next 40,000 KWH Per Month All Over 50,000 KWH Per Month	,05582 ,05441 .05240	per KWH per KWH per KWH

# SCHEDULE 43 LARGE POWER RATE - OVER 275 KW\*

# Rate

Customer Charge Per Month Demand Charge Per Month	\$32,00 4,87	per KW
Energy Charge First 150,000 KWH Per Month All Over 150,000 KWH Per Month	.05140 .04968	per KWH per KWH

# SCHEDULE 50 AND 60 SCHOOLS, CHURCHES AND COMMUNITY HALLS\*

# Rate

Customer Charge Per Month	<b>\$5.35</b>	
First 800 KWH Per Month	,06230	per KWH
All Over 800 KWH Per Month	. 05974	per KWH

# SCHEDULE SL OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS\*

Rate Per Light Per Month			
Mercury Vapor Lamp	175 Vatt	90 KUH \$5,96	per Month

### SCHEDULE 52 ALL ELECTRIC SCHOOLS

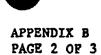
### Rate

Customer Charge Per Month - Includes No KNH Usage \$10,70
All KVH ,05823Per KWH

\*Fuel Cost Adjustment Charge

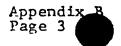
All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month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

COMPANY:	POWER SUPPLIER:
Disposition of Energy (KWII) - Month of:	Purchased Power - Month of:
l. Total Purchases	<ul><li>13. Fuel Adjustment Charge (Credit):</li><li>A. Billed by supplier</li></ul>
2. Sales (Ultimate Consumer) 3. Company Use 4. Total Sales (L2 + L3)	(Over) Und Unrecovers Recoverabl
5. Line Loss & Unaccounted for (L1 less 14)	(L13 A+B-C)  14. Number of KNH Purchased  15. Supplier's FAC:
	\$ per KWH (L13A + 14)
(Over) or Under Recovery - Month of:	Line Loss
6. Last FAC Rate Billed Consumers	16. Last 12 Months Actual (%) -
7. Cross KWH Billed at the Rate	17. Last Month Used to Compute L16 18. Line Loss for Month on L17 (%)
8. Adjustments to Billing (KWH) 9. Not KWH Billed at the Rate on L6 (L7 + L8)	Calculation of FAC Billed Consumers 19. Sales as a Percent of Purchases
10. Fuel Charge (Credit) Used to Compute 16	(100% less percentage on L16)  20. Recovery Rate \$ per KWII
	FAC \$ per KWH
12. Total (Over) or Under  Recovery (L10 less L11)	22. FAC € per KWH (L21 x 100)
Line 22 reflects a Fuel Adjustment Charge (Credit) of	per KWH to be applied to bills rend
, 19 . Issued on:	, 19
Issued by:	
Address: Telephone:	



# SCHEDULE 1 TWELVE MONTH ACTUAL LINE LOSS FOR FUEL ADJUSTMENT CHARGE COMPUTATION FOR \_\_\_\_\_\_, 198\_\_\_\_

	(a) KWH PURCHASED	(b) KWH SOLD	OFFICE USE	(d) KWH LOSSES
Previous twelve months total - Less: Prior year-current month total - Plus: Current year-current month total - Most Recent Twelve Month Total -				
(d) ÷ (a) =		on line 16 Report	of the curre	ent month's



# SCHEDULE 2 CALCULATION OF UNRECOVERABLE FUEL COST DUE TO EXCESSIVE LINE LOSS FOR THE MONTH ENDED

1.	Purch	nases For the Month (KWH)	
2.	Less	Line Loss (10% x L1)	
3.	Sales	s (L1 less L2)	
4.	Unred	coverable Fuel Charge Per KWH:	
	a.	FAC Rate based on Actual Line Loss (Current Month's Report L15 ÷ (100% Less L16) \$	
	ъ.	FAC Rate based on 10% Line Loss (Current Month's Report L15 ÷ 90%)	
	c.	Increment unrecoverable	\$
5.		coverable Fuel Cost - (L4c x L3 enter on Line of current month's FAC report)	\$
Note	Li:	is schedule <u>is</u> to be filed for each month that the ne Loss exceeds 10% and the amount billed by the suarge. This schedule <u>is not</u> to be filed if the amount supplier is a credit.	applier is a

# MONTHLY FUEL ADJUSTMENT CLAUSE (FAC) Report

Appendix C
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Addı	Issı	Line	11.	8. 9.	7.	6.	(Q)	5.	4 12 12	****	Dis	COM
Address: Telephone:	Issued by: Title:	22 reflects a Fuel Adjustment Charge (Credit) of, 19 Issued on	FAC Revenue (Refund) Resulting from L6 (net of billing adj.) Total (Over) or Under Recovery (L10 less L11)	Adjustments to Billing (KWH)  Net KWH Billed at the Rate on  L6 (L7 ± L8)  Fuel Charge (Credit) Used to  Compute L6	Gross KWH Billed at the Rate	Last FAC Rate Billed Consumers	(Over) or Under Recovery - Month of:	Line Loss & Unaccounted for (L1 less L4)	Sales (Ultimate Consumer) Company Use Total Sales (L2 + L3)	Total Purchases	Disposition of Energy (KWH) - Month of:	COMPANY:
		e per KWH to be applied to bills rendered on and after	(LI3D + LI4)  21. FAC \$ per KWH (L2O + LI9)  22. FAC \$ per KWH (L21 x 100)  *Per Commission's Order in Case No. 8606	Calculation of FAC Billed Consumers 19. Sales as a Percent of Purchases (100% less percentage on L16) 20. Recovery Rate \$ per KWH	17. Last Month Used to Compute L16 18. Line Loss for Month on L17 (%)	16. Last 12 Months Actual (%) -	Line Loss	14. Number of KWH Purchased 15. Supplier's FAC: \$ per KWH (L13A + 14)		<pre>13. Fuel Adjustment Charge (Credit):     A. Billed by supplier</pre>	Purchased Power - Month of:	POWER SUPPLIER: