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 ADJUST
MENT CLAUSE OF TAYLOR COUNTY

CORPORATION FROM NOVEMBER 1,

1980, TO OCTOBER 31, 1982

)

ORDER

Public Service Commission ("Commission") issued its Order on November 4, 1982, scheduling a hearing to review the operation of the fuel adjustment clause of Taylor County Rural Electric Cooperative Corporation ("Taylor 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.

Taylor 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.

The Commission approved a transfer (roll-in) of 3.11 mills per KWH to the base rates of Taylor County's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 8588. Approval of East Kentucky's proposal requires that

Taylor 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 Taylor 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:

- l. Taylor County has complied in all material respects with the provisions of 807 KAR 5:056.
- 2. Taylor 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.
- 3. Taylor County should be authorized to increase the rates charged its customers by 3.36 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.
- 4. 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.
- 5. The monthly fuel adjustment clause filing form currently being filed by Taylor County should be revised.

IT IS THEREFORE ORDERED that the charges collected by Taylor 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 Taylor 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 Taylor County on and after June 1, 1983, which is also the effective date for East Kentucky's rates.

IT IS FURTHER ORDERED that within 30 days from the date of this Order Taylor 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 Taylor 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.

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

PUBLIC SERVICE COMMISSION

ATTEST:

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8615 DATED JUNE 3, 1983

The following rates and charges are prescribed for the customers in the area served by Taylor 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 A FARM AND HOME SERVICE*

Rates:

Customer Charge All KWH Per Month \$4.15 Per Meter Per Month .05765 Per KWH

SCHEDULE GP-1
GENERAL PURPOSE SERVICE (LESS THAN 25 KW)*

Rates:

Demand Charge:

None

Energy:

Customer Charge All KWH Per Month \$5.15 Per Meter Per Month .06538 Per KWH

SCHEDULE GP-2
GENERAL PURPOSE SERVICE (GREATER THAN 25 KVA)*

Rates:

Demand Charge:

\$3.95 Per KW of Billing Demand

Energy Charge:

All KWH Per Month

\$.04123 Per KWH

SCHEDULE SL STREET LIGHTING SERVICE

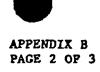
Rates:

Incandescent	Charge/Fixture		
75 Watts 150 Watts 200 Watts 300 Watts	\$2.26 plus 2.90 plus 2.97 plus 3.65 plus		© CP-1 Rate
Mercury Vapor	Charge/Fixture		•
175 Watts 250 Watts 400 Watts	\$2.94 plus 3.59 plus 4.84 plus	70 KWH/Light/Month 100 KWH/Light/Month 160 KWH/Light/Month	@ GP-1 Rate @ GP-1 Rate @ GP-1 Rate

*Fuel Adjustment Clause

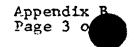
All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month 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:
1. Total Purchases	13. Fuel Adjustment Charge (Credit):A. Billed by supplier
2. Sales (Ultimate Consumer)	(Over) Under Re
3. Company Use	
	D. Recoverable Fuel Cost (L13 A+B-C)
5. Line Loss & Unaccounted for	14. Number of KWH Purchased
(Ll less L4)	\$ per KWH (L13A + 14)
(Over) or Under Recovery - Honth of:	Line Loss
6. Last FAC Rate Billed Consumers	16. Last 12 Months Actual (%) -
7. Gross 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	15
L6 (L7 ± L8)	(100% less percentage on L16)
	20. Recovery Rate \$ per KWII
ll. FAC Revenue (Refund) Resulting	(L13D + L14) 21. FAC \$ per KWH (L2O + L19)
Recovery (L10 less L11)	FAC & per KWI
ine 22 reflects a Fuel Adjustment Charge (Credit) of	er KWH to be applied to bills rendered on and after
, 19 . Issued on:	, 19
ssued by: Title:	
Jdress: Telephone:	



SCHEDULE 1 TWELVE MONTH ACTUAL LINE LOSS FOR FUEL ADJUSTMENT CHARGE COMPUTATION FOR _______, 198_____

	(a) KWH PURCHASED	(b) KWH SOLD	(c) 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	nt month's



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

1.	Purc	hases For the Month (KWH)	
2.	Less	Line Loss (10% x L1)	
3.	Sale	s (Ll less L2)	
4.	Unre	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 ch	is schedule <u>is</u> to be filed for each month that the ne Loss exceeds 10% and the amount billed by the starge. This schedule is not to be filed if the amount supplier is a credit.	supplier is a