

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 GRAYSON) CASE NO. 9184
RURAL ELECTRIC COOPERATIVE)
CORPORATION FROM NOVEMBER 1,)
1982, TO OCTOBER 31, 1984)

O R D E R

Pursuant to 807 KAR 5:056, Sections 1(11) and (12), the Public Service Commission ("Commission") issued its Order on November 20, 1984, scheduling a hearing to review the operation of the fuel adjustment clause of Grayson Rural Electric Cooperative Corporation ("Grayson") 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.

Grayson filed all requested information, including its monthly fuel charges for the 2-year period under review. Following proper notice, a hearing was held on April 4, 1984.

The Commission approved a transfer (roll-in) of (2.47) mills per KWH to the base rates of Grayson's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9171. Approval of East Kentucky's proposal requires that Grayson also be authorized to roll in those same fuel costs to its base rates.

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

1. Grayson has complied in all material respects with the provisions of 807 KAR 5:056.

2. Grayson's wholesale supplier has been authorized to transfer (roll in) to its base rates fuel costs of (2.47) mills per KWH in Case No. 9171.

3. Grayson should be authorized to decrease the rates charged its customers by 2.70 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. 9171 and applicable line loss, and this can best be accomplished by a uniform reduction in all energy rates.

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.

IT IS THEREFORE ORDERED that the charges collected by Grayson through the fuel adjustment clause for the period November 1, 1982, through October 31, 1984, be and they hereby are approved.

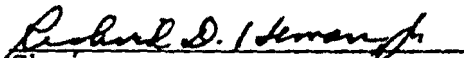
IT IS FURTHER ORDERED that Grayson be and it hereby is authorized to transfer to its base rates fuel costs transferred by its wholesale supplier pursuant to Case No. 9171.

IT IS FURTHER ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Grayson on and after June 1, 1985, 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 Grayson shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 7th day of May, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9184 DATED 5/7/85

The following rates and charges are prescribed for the customers in the area served by Grayson 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 1 and 3*
DOMESTIC-FARM & HOME SERVICE, PUBLIC BUILDINGS,
SCHOOLS, CHURCHES, ETC.
COMMERCIAL & SMALL POWER 0 - 49 KVA

Rates:

| | |
|---------------------------|---------------|
| Customer Charge Per Month | \$6.89 |
| Energy Charge | .0587 per KWH |

SCHEDULE 1 - T-O-D

Rates:

| | |
|-----------------|----------------|
| On-Peak Rate: | |
| Customer Charge | \$6.89 |
| All KWH/Month | .0587 per KWH |
| Off-Peak Rate: | |
| All KWH/Month | .03414 per KWH |

SCHEDULE 4
LARGE POWER SERVICE 50 - 600 KW*

Rates:

Demand Charge

\$5.39 per Month per KW of Billing Demand

Customer Charge per Month \$52.83

Energy Charge .04573 per KWH

SCHEDULE 5
STREET LIGHTING SERVICE*

Base Rate per light per Year:

For dusk to dawn lighting with lights mounted on existing wooden poles with bracket attachments and connected to existing overhead secondary circuits. The Cooperative shall furnish and install wooden pole and secondary extension if required for street lights, within 200 feet of the existing secondary circuits.

For the following monthly charges the Cooperative will furnish, install and maintain the lighting fixtures and accessories including pole, hardware, control, lamps, overhead wiring, etc.; and the energy required.

| <u>Lamp Size</u> | <u>Mercury Vapor Lamps</u> | <u>Annual Charge Per Lamp</u> |
|------------------|----------------------------|-------------------------------|
| 175 Watt | \$5.70 | \$68.40 |

SCHEDULE 6
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Rate Per Light Per Month:

| | |
|-----------------------------|--------|
| 175 Watt Mercury Vapor Lamp | \$5.70 |
| 250 Watt Mercury Vapor Lamp | 7.58 |

SCHEDULE 7
ALL ELECTRIC SCHOOLS (A.E.S.)*

Rates:

All KWH \$.06399

SCHEDULE 8
SEASONAL SERVICES - SERVICES ACTIVE LESS THAN NINE (9)
MONTHS OUT OF A YEAR

Rates:

Customer Charge Per Month \$8.45

Energy Charge .07585 per KWH

*Fuel Clause Adjustment

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.