

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 FOX CREEK RURAL) CASE NO. 9743
ELECTRIC COOPERATIVE CORPORATION)
FROM NOVEMBER 1, 1984, TO)
OCTOBER 31, 1986)

O R D E R

Pursuant to 807 KAR 5:056, Sections 1 (11) and 1 (12), the Public Service Commission ("Commission") issued its Order on November 14, 1986, scheduling a hearing to review the operation of the fuel adjustment clause of Fox Creek Rural Electric Cooperative Corporation ("Fox Creek") 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. Fox Creek was not required to appear at the scheduled hearing unless an appearance was requested by the Attorney General's Utility and Rate Intervention Division or other interested parties or by the Commission on its own motion.

Fox Creek filed all requested information, including its monthly fuel charges for the 2-year period under review and its affidavit of compliance with the provisions of the fuel adjustment clause as prescribed in 807 KAR 5:056. Following proper notice, no party of record requested Fox Creek to appear at the hearing scheduled for February 10, 1987.

The Commission approved a transfer (roll-in) of (1.46) mills per KWH to the base rates of Fox Creek's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9731. Approval of East Kentucky's proposal requires that Fox Creek 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, finds that:

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

2. Fox Creek's wholesale supplier has been authorized to transfer (roll-in) to its base rates fuel costs of (1.46) mills per KWH in Case No. 9731.

3. Fox Creek should be authorized to decrease the rates charged its customers by 1.59 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. 9731 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:

(1) The charges and credits applied by Fox Creek through the fuel adjustment clause for the period November 1, 1984, through October 31, 1986, be and they hereby are approved.

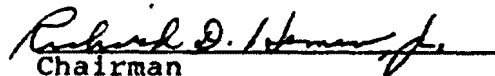
(2) Fox Creek be and it hereby is authorized to transfer to its base rates fuel costs transferred (rolled-in) by its wholesale supplier pursuant to Case No. 9731.

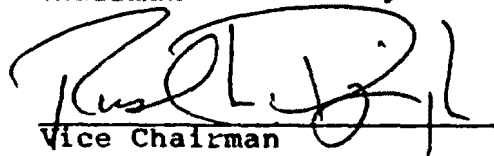
(3) The rates in Appendix A be and they hereby are approved for service rendered by Fox Creek on and after May 1, 1987, which is also the effective date for East Kentucky's rates.

(4) Within 30 days from the date of this Order Fox Creek shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 28th day of April, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9743 DATED 4/28/87

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	\$5.60 Per Month
Next	50 KWH Per Month	.12356 Per KWH
Next	420 KWH Per Month	.06726 Per KWH
All Over	500 KWH Per Month	.06166 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 \$5.60.

SCHEDULE R - T-O-D
RESIDENTIAL SERVICE T-O-D*

Rate

On-Peak Rate

Service Charge	\$1.90
First 80 KWH/Month	.12356 per KWH
Service Charge	6.40
81 to 500 KWH/Month	.06726 per KWH
Service Charge	9.19
Over 500 KWH/Month	.06166 per KWH

Off-Peak Rate

First 80 KWH/Month	.07244 per KWH
81 to 500 KWH/Month	.03866 per KWH
Over 500 KWH/Month	.03530 per KWH

SCHEDULE C
COMMERCIAL AND SMALL POWER*

Rate

First	10 KW of Billing Demand	No Charge	
Over	10 KW of Billing Demand	\$3.18 Per KW	
Minimum Bill	30 KWH Per Month	\$5.60 Per Month	
Next	50 KWH Per Month	.12387	Per KWH
Next	20 KWH Per Month	.06757	Per KWH
Next	900 KWH Per Month	.08157	Per KWH
Next	2,000 KWH Per Month	.07457	Per KWH
Over	3,000 KWH Per Month	.06477	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 \$5.60.

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

Rate

Demand Charge	\$3.18 Per KW of Billing Demand
First	50 KWH Per KW of Billing Demand .07105 Per KWH
Next	100 KWH Per KW of Billing Demand .06705 Per KWH
Over	150 KWH Per KW of Billing Demand .05715 Per KWH

SCHEDULE A
RURAL LIGHTING AND COMMUNITY STREET LIGHTING

Service for the above unit shall be unmetered and billed on the member's monthly bill for other electrical service furnished by the Cooperative at the rate of \$5.35 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 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.