

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 HARRISON COUNTY RURAL) CASE NO. 9746
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 Harrison County Rural Electric Cooperative Corporation ("Harrison 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. Harrison County 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.

Harrison County 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 Harrison County 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 Harrison County's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9731. Approval of East Kentucky's proposal requires that Harrison County 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. Harrison County has complied in all material respects with the provisions of 807 KAR 5:056.

2. Harrison County'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. Harrison County should be authorized to decrease the rates charged its customers by 1.58 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 Harrison County through the fuel adjustment clause for the period November 1, 1984, through October 31, 1986, be and they hereby are approved.

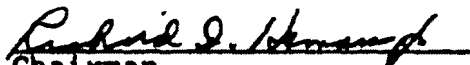
(2) Harrison County be and it hereby is authorized to transfer to its base rates fuel costs transferred (rolled-in) by its wholesale supplier pursuant to Case No. 9731.

(3) The rates in Appendix A be and they hereby are approved for service rendered by Harrison County 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 Harrison County 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. 9746 DATED 4/28/87

The following rates and charges are prescribed for the customers in the area served by Harrison 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 - RATE 1
FARM AND HOME SERVICE*

Rates:

Consumer Charge	\$6.26	Per Month
All KWH used	.06543	Per KWH

SCHEDULE A - RATE 1 - T-O-D
FARM AND HOME SERVICE T-O-D*

Rates:

On-Peak Rate:		
Customer Charge	\$6.26	Per Month
All KWH/Month	.06543	Per KWH
Off-Peak Rate:		
All KWH/Month	.03863	Per KWH

RATE 2
COMMERCIAL AND SMALL POWER SERVICE (0 - 50 KW DEMAND)*

Rates:

Consumer Charge	\$11.47	Per Month
All KWH Used	.05265	Per KWH
All KW Demand Used	7.82	Per KW

RATE 8
LARGE POWER SERVICE (50 TO 500 KW DEMAND)*

Rates:

Consumer Charge	\$28.68	Per Month
All KWH Used	.04204	Per KWH
All KW Demand Used	7.82	Per KW

LPR-1, RATE 8
LARGE POWER SERVICE OVER 500 KW DEMAND*

Rates:

Consumer Charge	\$40.16	Per Month
All KWH Used	.03824	Per KWH
All KW Demand Used	7.82	Per KW

SECURITY LIGHTS
OUTDOOR LIGHTING SERVICE*

Rate Per Fixture:

<u>Type of Fixture</u>	<u>Lamp Size</u>	<u>Monthly Charge</u>
Mercury Vapor	175 Watts (73 KWH/lamp)	\$5.91 Per Month
Mercury Vapor	400 Watts (154 KWH/lamp)	\$9.37 Per Month

LPR-2, RATE 8
LARGE POWER SERVICE 1,000 KW TO 4,999 KW*

Rates:

Consumer Charge	\$40.16	Per Month
All KWH Used	.03824	Per KWH
All KW Demand Used	5.39	Per KW

*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 percent 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.