

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLARK)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER) CASE NO. 10175
AUTHORIZING AN ADDITIONAL)
LARGE POWER RATE TARIFF)

O R D E R

On May 15, 1986, East Kentucky Power Cooperative, Inc., ("EKPC") filed 2 optional schedules to its wholesale tariff Schedule B and C, in Case No. 9582, "The Notice of East Kentucky Power Cooperative, Inc., of a Revision to its Wholesale Electric Power Tariff." On October 16, 1986, the Commission found that Schedule C was reasonable and just and ordered that it be accepted. In the October 16, 1986, Order the Commission stated that:

Of the three distribution cooperatives which have already filed retail tariffs to pass through EKPC's wholesale rates, two have followed EKPC's advice and one has not. The one which has not followed the advice instead proposed a retail tariff so as to maintain a neutral effect on its net income. Thus, the cooperative is not adversely affected by this proposal. The Commission prefers this methodology which maintains the same net income for member cooperatives.

On February 29, 1988, Clark Rural Electric Cooperative Corporation ("Clark") filed its application to establish an additional Large Power Rate Tariff Schedule Industrial Rate Class "J" for qualifying customers. The purpose of the proposed new

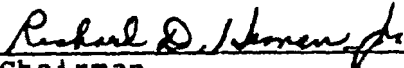
tariff is to provide equitable rates for prospective future industrial customers locating within the applicant's service area and to provide a degree of uniformity of industrial rates within the 18-member EKPC service area. The proposed retail rate has been developed based upon wholesale rates that have been filed with the Commission by EKPC in Case No. 9582. Currently, none of Clark's existing customers would qualify for the proposed new rate schedule. Industrial Rate Class "J" would be available to all commercial and industrial consumers for general power requirements with kilowatt ("kw") demands of 1,000 kw or greater but less than 5,000 kw. The rates in Schedule Industrial Rate Class "J" track EKPC's Wholesale Rate Schedule C with an 8 mill adder to the energy charge.


The Commission, having considered the evidence of record and being advised, finds that Clark has no existing customers that qualify for the proposed Schedule J. This schedule passes through EKPC's Wholesale Rate Schedule C. The proposed schedule is reasonable and just and should be accepted.

IT IS THEREFORE ORDERED that Clark's Rate Schedule J be and it hereby is accepted. Clark shall file with the Commission a signed copy of Schedule J within 20 days of this Order.

Done at Frankfort, Kentucky, this 5th day of April, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director