

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 ADJUSTMENT CLAUSE OF FLEMING- ) CASE NO. 10448  
MASON RURAL ELECTRIC COOPERATIVE )  
CORPORATION FROM NOVEMBER 1, 1986 )  
TO OCTOBER 31, 1988 )

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 6, 1988 established this case to review and evaluate the operation of the fuel adjustment clause of Fleming-Mason Rural Electric Cooperative Corporation ("Fleming-Mason") from November 1, 1986 to October 31, 1988.

As a part of this review, the Commission ordered Fleming-Mason to submit certain information including, inter alia, its monthly fuel charges for the period under review and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Fleming-Mason has complied with this Order. The Commission further ordered that a public hearing be held in this case, but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

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

1. Fleming-Mason has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Fleming-Mason, has been authorized to transfer (roll-in) a 0.80 mills per KWH decrease in its base fuel cost to its base rates.<sup>1</sup>

3. Fleming-Mason should be authorized to transfer (roll-in) a 0.84 mills per KWH decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.80 mills per KWH decrease in EKPC's base rates and this can best be accomplished by an energy adder to each KWH sold.

4. The rates and charges in Appendix A, attached and incorporated hereto, are fair, just, and reasonable and reflect the transfer of fuel costs from the fuel adjustment clause to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Fleming-Mason through its fuel adjustment clause for the period November 1, 1986 to October 31, 1988 be and they hereby are approved.

2. Fleming-Mason be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its fuel adjustment clause to its base rates.

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<sup>1</sup> Case No. 10437, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative Corporation, Inc.

3. The rates in Appendix A are approved for service rendered by Fleming-Mason on and after May 1, 1989.

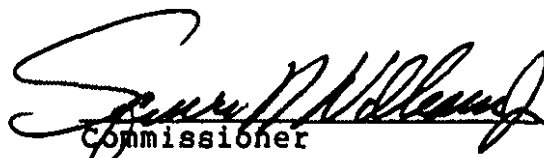
4. Within 30 days of the date of this Order, Fleming-Mason shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 31st day of March, 1989.

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. 10448 DATED 3/31/89

The following rates and charges are prescribed for the customers in the area served by Fleming-Mason 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 RSP  
RESIDENTIAL AND SMALL POWER\*

Rates:

Energy Charge (for all KWH)                      \$.05448      Per KWH

SCHEDULE SGS  
SMALL GENERAL SERVICE\*

Rates:

Energy Charge (for all KWH)                      \$.03016      Per KWH

SCHEDULE LGS  
LARGE GENERAL SERVICE\*

Rates:

Energy Charge (for all KWH)                      \$.03033      Per KWH

SCHEDULE OLS  
OUTDOOR LIGHTING SERVICE\*

Rates:

175 Watt Mercury Vapor  
(approximately 7,000 lumens)      \$5.33      Per Month

Minimum Charge:

First year, or any portion thereof, \$64.80 per unit payable in advance. Thereafter, \$5.40 per month per unit.

Additional Charges:

(a) For non Governmental members -

The above charge and term applies to lights mounted on existing cooperative poles with 120 volts available, or on cooperative poles, to be set, within 150 feet of an existing 120 volt source. If additional secondary service poles, or conductor, are required the terms of the agreement shall be extended in proportion to the number of additional poles needed in excess of one at the rate of \$64.80 per year for each additional pole, all paid in advance at the time of commencement of service. In the event a transformer must be installed, the member will be required to pay the installation cost of the transformer. Where extensions of primary line are required, the total cost of such construction shall be paid by the member.

SCHEDULE AES  
ALL ELECTRIC SCHOOL\*

Rates:

Energy Charge (for all KWH)                      \$.05074      Per KWH

TEXAS EASTERN TRANSMISSION CORPORATION  
SPECIAL CONTRACTED SERVICE\*

Rates:

Energy Charge (for all KWH)                      \$.02923      Per KWH

SCHEDULE LIS 1  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                      3.13¢      Per KWH

SCHEDULE LIS 2  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                      2.830¢      Per KWH

SCHEDULE LIS 3  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                    2.886¢            Per KWH

SCHEDULE LIS 4  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                    3.130¢            Per KWH

SCHEDULE LIS 5  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                    2.830¢            Per KWH

SCHEDULE LIS 6  
LARGE INDUSTRIAL SERVICE

Rates:

Energy Charge (for all KWH)                    2.655¢            Per KWH

**\*Fuel Adjustment Clause:**

The above rate 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 applicable provisions as set out in 807 KAR 5:056.