

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 GRAYSON) CASE NO. 10450
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 Grayson Rural Electric Cooperative Corporation ("Grayson") from November 1, 1986 to October 31, 1988.

As a part of this review, the Commission ordered Grayson 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. Grayson 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. Grayson 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 Grayson, has been authorized to transfer (roll-in) a 0.80 mills per KWH decrease in its base fuel cost to its base rates.¹

3. Grayson should be authorized to transfer (roll-in) a 0.87 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 Grayson through its fuel adjustment clause for the period November 1, 1986 to October 31, 1988 be and they hereby are approved.

2. Grayson 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.

¹ 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 Grayson on and after May 1, 1989.

4. Within 30 days of the date of this Order, Grayson 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. 10450 DATED 3/31/89

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*
DOMESTIC - FARM & HOME SERVICE

Rates:

Energy Charge .06320 Per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$7.86 where 25 kVA or less of transformer capacity is required.

Special Provisions

Delivery Point - The delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment on the load side of the delivery point shall be owned and maintained by the consumer.

SCHEDULE 1 - T-O-D
DOMESTIC - FARM AND HOME SERVICE
EXPERIMENTAL RESIDENTIAL SERVICE - TIME-OF-DAY

Availability of Service

Available for a period limited to 2 years, as an experimental tariff to consumers eligible for Tariff Domestic - Farm and Home Service, is for the purpose of conducting a time-of-day rate experiment designed to provide data to evaluate the cost and benefits of time-of-day pricing and its effect on the use of electricity by residential consumers in the Cooperative's service area. Consumers who will be eligible for this tariff will be selected by

the Cooperative and will agree voluntarily to participate in the Cooperative's residential time-of-day rate experiment.

This tariff is limited to the consumers selected by the Cooperative and will require the installation of a special meter capable of registering the on-peak and off-peak kilowatt-hours.

This tariff is available for single-phase service only.

Rates:

On-Peak Rate			
All KWH/Month	.06320	Per KWH	
Off-Peak Rate			
All KWH/Month	.03751	Per KWH	

SCHEDULE 2
COMMERCIAL AND SMALL POWER 50 KVA OR LESS,
INCLUDING PUBLIC BUILDINGS, SCHOOLS, CHURCHES, ETC.

Rates:

Energy Charge Per KWH	.06320 Per KWH
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Minimum Charge:

The minimum monthly charge under the above rate shall be \$7.86 where 25 kVA or less of transformer capacity is required. For members requiring more than 25 kVA of transformer capacity, the minimum monthly charge shall be increased at a rate of \$.75 for each additional kVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.

SCHEDULE 3
OFF-PEAK MARKETING RATE

Rates:

On-Peak Rate			
All KWH/Month	.06320	Per KWH	
Off-Peak Rate			
All KWH/Month	.03792	Per KWH	

SCHEDULE 4
LARGE POWER SERVICE - SINGLE AND THREE-
PHASE - 50-600 KVA(T)

Rates:

Energy Charge (for all KWH) .04409 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.

For the following monthly charges, the Cooperative will furnish, install and maintain the lighting fixtures and accessories including 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>
7000 Lumens	\$6.41	\$76.92

SCHEDULE 6
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Availability

Available to consumers, other than towns and villages, for dusk to dawn outdoor lighting on existing overhead secondary circuits.

Rate Per Light Per Month

7,000 Lumens	Mercury Vapor Lamp	\$6.21 per lamp per month
10,000 Lumens	Mercury Vapor Lamp	\$8.26 per lamp per month

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

Rates:

Energy Charge .04472 Per KW

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

Rates:

Energy Charge	.08170	Per KWH
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*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.