

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 SOUTH) CASE NO. 10463
KENTUCKY 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 South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") from November 1, 1986 to October 31, 1988.

As a part of this review, the Commission ordered South Kentucky 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. South Kentucky 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. South Kentucky 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 South Kentucky, 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. South Kentucky should be authorized to transfer (roll-in) a 0.86 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 South Kentucky through its fuel adjustment clause for the period November 1, 1986 to October 31, 1988 be and they hereby are approved.

2. South Kentucky 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 South Kentucky on and after May 1, 1989.

4. Within 30 days of the date of this Order, South Kentucky 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. 10463 DATED 3/31/89

The following rates and charges are prescribed for the customers in the area served by South Kentucky 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
RESIDENTIAL, FARM AND NON-FARM SERVICE*

RATES PER MONTH:

Energy Charge:

First 700 KWH Per Month	.05853 per KWH
All over 700 KWH per Month	.05241 per KWH

MARKETING RATE - ETS

All KWH	.031446
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SCHEDULE B
SMALL COMMERCIAL RATE*

RATES PER MONTH:

Energy Charge:

First 1,000 KWH per Month	\$.06384 per KWH
All Over 1,000 KWH per Month	\$.05869 per KWH

MARKETING RATE - ETS

All KWH	.035214
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SCHEDULE LP
LARGE POWER RATE*

RATES PER MONTH:

Plus Energy Charge:

First	3,500 KWH per Month	\$.04155 per KWH
Next	6,500 KWH per Month	\$.03995 per KWH
Next	140,000 KWH per Month	\$.03687 per KWH
Next	150,000 KWH per Month	\$.03675 per KWH
Over	300,000 KWH per Month	\$.03666 per KWH

SCHEDULE OPS
OPTIONAL POWER SERVICE*

RATES PER MONTH:

Energy Charge

First	3,500 KWH per Month	\$.07000 per KWH
Next	6,500 KWH per Month	.06749 per KWH
Next	140,000 KWH per Month	.06265 per KWH
Next	150,000 KWH per Month	.06246 per KWH
Over	300,000 KWH per Month	.06232 per KWH

SCHEDULE STL
STREET LIGHTING SERVICE*

Rate:

Mercury Vapor Bulbs

Up to and including 175 Watts
(74 KWH/Light) \$3.82 Per Month

Excess of 175 Watts up to
and including 400 Watts
(162 KWH/Light) 6.10 Per Month

Sodium Bulbs

Up to and including 150 Watts
(63 KWH/Light) 3.82 Per Month

Excess of 150 Watts up to and
including 360 Watts (135 KWH/
Light) 6.10 Per Month

SCHEDULE OL
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Rates Per Light Per Month:

Mercury Vapor or Sodium 7,000 - 10,000 Lumens

Unmetered	5.54
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SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE*

CLASS AND RATES PER MONTH:

Cable TV Amplifiers - (75 KWH per Month) . . .	\$7.05 Per Month
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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.