

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE APPLICA-)
TION OF THE FUEL ADJUSTMENT CLAUSE)
OF CUMBERLAND VALLEY RURAL ELECTRIC) CASE NO. 90-370
COOPERATIVE CORPORATION FROM NOVEMBER)
1, 1988 TO OCTOBER 31, 1990)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 30, 1990 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Cumberland Valley Rural Electric Cooperative Corporation ("Cumberland Valley") from November 1, 1988 to October 31, 1990.

As a part of this review, the Commission ordered Cumberland Valley 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. Cumberland Valley 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 otherwise sufficiently advised, finds that:

1. Cumberland Valley 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 Cumberland Valley, has been authorized to transfer (roll-in) a 0.54 mills per Kwh increase in its base fuel cost to its base rates.¹

3. Cumberland Valley should be authorized to transfer (roll-in) a 0.57 mills per Kwh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.54 mills per Kwh increase 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 hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Cumberland Valley through the FAC for the period from November 1, 1988 to October 31, 1990 be and they hereby are approved.

2. Cumberland Valley 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 FAC to its base rates.

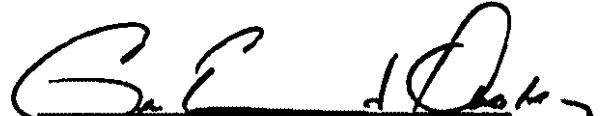
3. The rates in Appendix A are approved for service rendered by Cumberland Valley on and after May 1, 1991.


¹ Case No. 90-361, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1988 to October 31, 1990.


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

Done at Frankfort, Kentucky, this 3rd day of April, 1991.

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. 90-370 DATED 4/03/91

The following rates and charges are prescribed for the customers in the area served by Cumberland Valley 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 I
FARM, HOME, SCHOOLS AND CHURCHES

Rates:

First 500 KWH	\$.06382 Per KWH
Over 500 KWH	.05383 Per KWH
Marketing Rate	.03230 Per KWH

SCHEDULE II
SMALL COMMERCIAL AND SMALL POWER

Rates:

Energy Charge:

First 3,000 KWH	\$.07893 Per KWH
Over 3,000 KWH	.06015 Per KWH

SCHEDULE III
ALL ELECTRIC SCHOOL (A.E.S.)

Rates:

All KWH	\$.05853 Per KWH
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**SCHEDULE IV
LARGE POWER RATE - INDUSTRIAL**

Rates:

Energy Charge:

All KWH \$.03365 Per KWH

**SCHEDULE IV-A
LARGE POWER RATE - 50 KW to 2,500 KW**

Rates:

Energy Charge:

All KWH \$.04253 Per KWH

**SCHEDULE V
LARGE POWER 1000KW TO 2500 KW**

Rates:

Energy Charge:

All KWH \$.03522

**SCHEDULE V-A
LARGE POWER INDUSTRIAL**

Rates:

Energy Charge:

All KWH \$.02886

**SCHEDULE VI
OUTDOOR LIGHTING - SECURITY LIGHTS**

Rates:

Mercury Vapor Lamps

1)	175 Watt	\$5.92 Per Lamp Per Month
2)	400 Watt	8.30 Per Lamp Per Month