

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 SHELBY RURAL ELECTRIC COOPERATIVE)	CASE NO. 90-386
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 Shelby Rural Electric Cooperative Corporation ("Shelby") from November 1, 1988 to October 31, 1990.

As a part of this review, the Commission ordered Shelby 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. Shelby 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. Shelby 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 Shelby, 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. Shelby should be authorized to transfer (roll-in) a 0.56 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 Shelby through the FAC for the period from November 1, 1988 to October 31, 1990 be and they hereby are approved.

2. Shelby 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 Shelby 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.

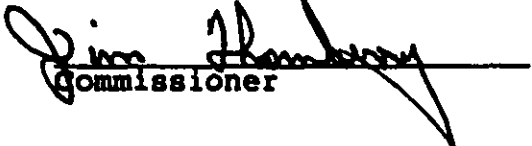
4. Within 30 days of the date of this Order, Shelby shall file with the Commission revised tariff sheets setting out the rates approved herein.

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. 90-386 DATED 4/03/91

The following rates and charges are prescribed for the customers in the area served by Shelby 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.

RATE 1
GENERAL SERVICE

Rates:

Energy Charge:

First	600 KWH per month	\$.07367 per KWH
Next	1400 KWH per month	.05876 per KWH
All Over	2000 KWH per month	.05744 per KWH

RATE 2
LARGE POWER SERVICE

Rates:

Energy Charge

First	100 KWH per month	\$.05217 per KWH
Next	100 KWH per month	.04660 per KWH
All Over	200 KWH per month	.04104 per KWH

RATE 3
OUTDOOR AND STREET LIGHTING SERVICE

Rates:

<u>Type of Fixture</u>	<u>Lumen Output</u>	<u>Monthly Charge</u>
Mercury Vapor or HPS	7,000 - 10,000	\$6.66
Mercury Vapor or HPS	20,000 - 30,000	9.47

**RATE 4
STANDBY POWER RATE**

Rates:

Energy Charge

First	100 KWH per KW Demand	\$.04985 per KWH
Next	100 KWH per KW Demand	.04395 per KWH
All Over	200 KWH per KW Demand	.03808 per KWH

OFF-PEAK RETAIL MARKETING - ETS

Rates:

All KWH \$.03446 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - B-1

Rates:

All KWH \$.03183 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - B-2

Rates:

All KWH \$.02683 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - B-3

Rates:

All KWH \$.02583 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - C-1

Monthly Rate

Energy Charge \$.03183 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - C-2

Monthly Rate

Energy Charge \$.02683 Per KWH

LARGE INDUSTRIAL RATE SCHEDULE - C-3

Monthly Rate

Energy Charge

\$.02583 Per KWH