

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. 90-387
KENTUCKY RURAL ELECTRIC 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 South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") from November 1, 1988 to October 31, 1990.

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 otherwise sufficiently advised, 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 0.54 mills per KWH increase in its base fuel cost to its base rates.¹

3. South Kentucky should be authorized to transfer (roll-in) a 0.58 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 South Kentucky through its FAC for the period November 1, 1988 to October 31, 1990 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 FAC to its base rates.

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.

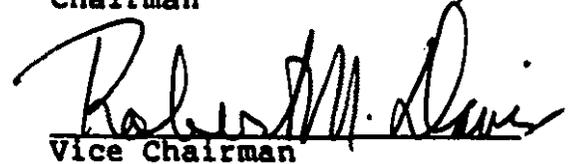
3. The rates in Appendix A are approved for service rendered by South Kentucky on and after May 1, 1991.

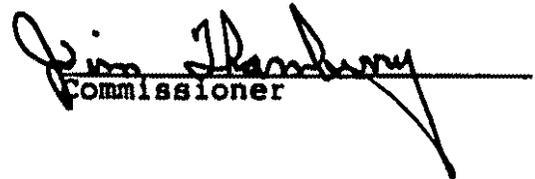
4. Within 30 days of the date of this Order, South Kentucky shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 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. 90-387 DATED 4/03/91

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 effective date of this Order.

SCHEDULE A
RESIDENTIAL, FARM AND NON-FARM SERVICE

RATES PER MONTH:

Energy Charge:

First 700 KWH Per Month	\$0.06098 per KWH
All over 700 KWH Per Month	0.05709 per KWH

MARKETING RATE - ETS

All KWH	\$0.034254
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SCHEDULE B
SMALL COMMERCIAL RATE

RATES PER MONTH:

Energy Charge:

First 1,000 KWH per Month	\$0.06782 per KWH
All Over 1,000 KWH per Month	0.06235 per KWH

MARKETING RATE - ETS

All KWH	\$0.03741
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**SCHEDULE LP
LARGE POWER RATE**

RATES PER MONTH:

Plus Energy Charge:

First	3,500 KWH per Month	\$0.04374 per KWH
Next	6,500 KWH per Month	0.04204 per KWH
Next	140,000 KWH per Month	0.03877 per KWH
Next	150,000 KWH per Month	0.03864 per KWH
Over	300,000 KWH per Month	0.03854 per KWH

**SCHEDULE LP-1
LARGE POWER RATE (1,000 KW TO 4,999 KW)**

RATES:

Energy Charge	\$0.03395 per KWH
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**SCHEDULE LP-2
LARGE POWER RATE (5,000 KW TO 9,999 KW)**

RATES:

Energy Charge	
Per KWH for the First 425 KWH per KW of Billing Demand	\$0.02975 per KWH
Per KWH for all Remaining KWH	\$0.02870 per KWH

**SCHEDULE OPS
OPTIONAL POWER SERVICE**

RATES PER MONTH:

Energy Charge

First	3,500 KWH per Month	\$0.07438 per KWH
Next	6,500 KWH per Month	0.07170 per KWH
Next	140,000 KWH per Month	0.06656 per KWH
Next	150,000 KWH per Month	0.06635 per KWH
Over	300,000 KWH per Month	0.06620 per KWH

**SCHEDULE STL
STREET LIGHTING SERVICE**

Rates Per Light Per Month:

Mercury Vapor or Sodium - 7,000-10,000 Lumens	\$4.06
Mercury Vapor or Sodium - 15,000-28,000 Lumens	6.49

**SCHEDULE OL
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS**

Rates Per Light Per Month:

Mercury Vapor or Sodium 7,000 - 10,000 Lumens	
Metered - Per Light per Month	\$4.63
Unmetered - Per Light per Month	5.86

**SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE**

CLASS AND RATES PER MONTH:

Cable TV Amplifiers - (75 KWH per Month)	\$7.48 per Month
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