

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 BLUE) CASE NO. 92-497
GRASS RURAL ELECTRIC COOPERATIVE)
CORPORATION FROM NOVEMBER 1, 1990 TO)
OCTOBER 31, 1992)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 3, 1992 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Blue Grass Rural Electric Cooperative Corporation ("Blue Grass") for the two years ended October 31, 1992.

As a part of this review, the Commission ordered Blue Grass to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Blue Grass 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. Blue Grass 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 Blue Grass, has been authorized to transfer

(roll-in) a 0.31 mills per Kwh decrease in its base fuel cost to its base rates.¹

3. Blue Grass should be authorized to transfer (roll-in) a 0.33 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.31 mills per Kwh decrease in EKPC's base rates and this can best be accomplished by a negative 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 Blue Grass through the FAC for the period from November 1, 1990 to October 31, 1992 be and they hereby are approved.

2. Blue Grass 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.

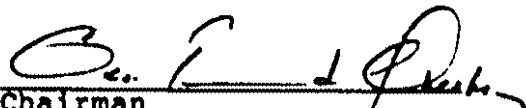
3. The rates in Appendix A are approved for service rendered by Blue Grass on and after May 1, 1993.

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

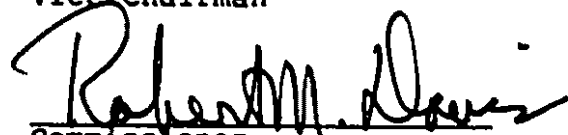
¹ Case No. 92-491, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1990 to October 31, 1992.

Done at Frankfort, Kentucky, this 5th day of April, 1993.

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. 92-497 DATED April 5, 1993

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

GS-1 (RESIDENTIAL, FARM AND NON-FARM)

Rates:

First	600 KWH Per Month	\$.06504
All Over	600 KWH Per Month	.05467

C-1 - COMMERCIAL AND INDUSTRIAL LIGHTING & POWER SERVICE

Energy Charge (Under 50 KW)

First	3,000 KWH	\$.06686
All Over	3,000 KWH	.05225

LP - #1 - LARGE POWER

Energy Charge (51-500 KW)

First	10,000 KWH	\$.04738 Per KWH
Next	15,000 KWH	.04068 Per KWH
Next	50,000 KWH	.03508 Per KWH
Next	75,000 KWH	.03278 Per KWH
All Over	150,000 KWH	.03108 Per KWH

LP - #2 - LARGE POWER

Rate:

Energy Charge (Over 500 KW)

First	3,500 KWH	\$.04821 Per KWH
Next	6,500 KWH	.03994 Per KWH
Next	140,000 KWH	.03481 Per KWH
Next	200,000 KWH	.03326 Per KWH
Next	400,000 KWH	.03234 Per KWH
Next	550,000 KWH	.03142 Per KWH
All Over	1,300,000 KWH	.02615 Per KWH

SECURITY LIGHTS

Rate Per Light Per Month:

175 Watt Mercury Vapor	\$4.92
400 Watt Mercury Vapor	7.37
100 Watt High Pressure Sodium	5.06
250 Watt High Pressure Sodium	7.29

STREET LIGHTING

Rate Per Light Per Month:

70 Watt High Pressure Sodium (ornamental)	\$5.17
100 Watt High Pressure Sodium (ornamental)	6.67
250 Watt High Pressure Sodium (ornamental)	9.03
70 Watt High Pressure Sodium (colonial) (15' Mounting Height)	7.95

GS-2 OFF-PEAK RETAIL MARKETING RATE
(ETS)

Rate:

All KWH Per Month	\$.03280
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LARGE INDUSTRIAL RATE
SCHEDULE C-1

Monthly Rate:

Energy Charge	\$.03162
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LARGE INDUSTRIAL RATE
SCHEDULE C-2

Monthly Rate:

Energy Charge

\$.02662

LARGE INDUSTRIAL RATE
SCHEDULE C-3

Monthly Rate:

Energy Charge

\$.02562