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 FARMERS)	CASE NO	. 92-500
RURAL ELECTRIC COOPERATIVE)		
CORPORATION FROM NOVEMBER 1, 1990 TO)		
OCTOBER 31, 1992)		

ORDER

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 Farmers Rural Electric Cooperative Corporation ("Farmers") for the two years ended October 31, 1992.

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

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

- 3. Farmers 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 Farmers through the FAC for the period from November 1, 1990 to October 31, 1992 be and they hereby are approved.
- 2. Farmers 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 Farmers on and after May 1, 1993.
- 4. Within 30 days of the date of this Order, Farmers shall file with the Commission revised tariff sheets setting out the rates approved herein.

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. 92-500 DATED April 5, 1993

The following rates and charges are prescribed for the customers in the area served by Farmers 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 R RESIDENTIAL SERVICE

Rates:

First	50 KW	H (Minimum Charge	\$.13737	Per Month
Next 1	50 KW	H	.08146	
Remaining	KW	H	.05602	

SCHEDULE C-1 COMMERCIAL AND INDUSTRIAL SERVICE (LESS THAN 50 KW)

Rates Per Month:

For all consumers whose kilowatt demand is less than 50 KW

First	50	KWH	(Minimum	Charge)	\$.13737	Per	KWH
Next	150	KWH			.08364	Per	KWH
Remaining		KWH			.06098	Per	KWH

SCHEDULE C-2 COMMERCIAL AND INDUSTRIAL SERVICE (50 KW OR ABOVE)

Energy Charge:

First	10,000 KWH	\$.04930 Per KWH
Next	20,000 KWH	.04760 Per KWH
Remaini	ng KWH	.04615 Per KWH

SCHEDULE D LARGE COMMERCIAL/INDUSTRIAL SERVICE OPTIONAL TIME-OF-DAY RATE

Energy Charge:

First	10,000 KWH	\$.04930 Per KW	H
Next	20,000 KWH	.04760 Per KW	H
Remaini	ng KWH	.04615 Per KW	H

SCHEDULE RM RESIDENTIAL OFF-PEAK MARKETING

Rate:

All KWH \$.03361

SCHEDULE CM SMALL COMMERCIAL OFF-PEAK MARKETING

Rate:

All KWH \$.03659

SCHEDULE OL OUTDOOR LIGHTING SERVICE

Rate Per Fixture:

Type of Lamp	Watts		Monthly Charge Per Lamp
Mercury Vapor	175		\$ 6.22
Mercury Vapor	250	•	6.93
Mercury Vapor	400		10.46
Mercury Vapor	1000		17.40
Sodium Vapor	100		6.76
Sodium Vapor	150		7.75
Sodium Vapor	250		10.32
Sodium Vapor	400		12.99
Sodium Vapor	1000		27.86

SCHEDULE SL STREET LIGHTING

Rate:

Per KWH Per Month as Determined in Table I for Each Lamp

\$.03667

SCHEDULE E LARGE COMMERCIAL

Rate:

Energy Charge/KWH

\$.03160