

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 SALT RIVER ) CASE NO. 96-544  
ELECTRIC COOPERATIVE CORPORATION FROM )  
NOVEMBER 1, 1994 TO OCTOBER 31, 1996 )

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 14, 1996 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Salt River Electric Cooperative Corporation ("Salt River") for the two years ended October 31, 1996.

As part of this review, the Commission ordered Salt River to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Salt River 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. Salt River 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 Salt River, has been authorized to transfer (roll-in) a 0.23 mills per Kwh decrease in its base fuel cost to its base rates.<sup>1</sup>

3. Salt River should be authorized to transfer (roll-in) a 0.24 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.23 mills per Kwh decrease in EKPC's base rates. This transfer 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 Salt River through the FAC for the period November 1, 1994 to October 31, 1996 are approved.

2. Salt River 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 Salt River on and after September 1, 1997.


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

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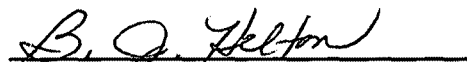
<sup>1</sup> Case No. 96-522, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1994 to October 31, 1996.

Done at Frankfort, Kentucky, this 20th day of August, 1997.


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. 96-544 DATED AUGUST 20, 1997

The following rates and charges are prescribed for the customers in the area served by Salt River 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-5  
FARM AND HOME SERVICE

Rates:

All KWH per Month \$0.050961 Per KWH

SCHEDULE A-5T  
FARM AND HOME SERVICE - TAXABLE

Rates:

All KWH per Month \$0.050961 Per KWH

SCHEDULE A-5 - TOD  
TIME OF DAY

Rates:

Energy Charge - On Peak \$0.069800 Per KWH  
Energy Charge - Off Peak 0.030760 Per KWH  
Summer Season 0.050961 Per KWH

SCHEDULE A-5T - TOD  
TIME OF DAY

Rates:

Energy Charge - On Peak \$0.069800 Per KWH  
Energy Charge - Off Peak 0.030760 Per KWH  
Summer Season 0.050961 Per KWH



SCHEDULE LLP-3-B1  
LARGE POWER 500 KW - 999 KW

Rates:

All KWH per Month \$0.029067 Per KWH

SCHEDULE LLP-3-C1  
LARGE POWER 500 KW - 999 KW

Rates:

All KWH per Month \$0.029067 Per KWH

SCHEDULE LLP-3  
LARGE POWER 500 KW - 3,000 KW  
(PRIMARY VOLTAGE)

Rates:

All KWH per Month \$0.035291 Per KWH

SCHEDULE LLP-4-B1  
LARGE POWER 1,000 KW - 2,999 KW

Rates:

All KWH per Month \$0.026147 Per KWH

SCHEDULE LLP-4-C1

Rates:

All KWH per Month \$0.026147 Per KWH

SCHEDULE LPR-1  
LARGE POWER 3,000 KW AND OVER

Rates:

All KWH per Month \$0.23791 Per KWH

SCHEDULE LPR-2

Rates:

All KWH per Month \$0.023791 Per KWH

SCHEDULE LPR-1-B1

Rates:

All KWH per Month \$0.021181 Per KWH

SCHEDULE LPR-1-C1

Rates:

All KWH per Month

\$0.021181 Per KWH

SCHEDULE LPR-1-B2

Rates:

All KWH per Month

\$0.020997 Per KWH

SCHEDULE LPR-1-C2

Rates:

All KWH per Month

\$0.020997 Per KWH

SCHEDULE LPR-1-B3

Rates:

All KWH per Month

\$0.020697 Per KWH

SCHEDULE LPR-1-C3

Rates:

All KWH per Month

\$0.020697 Per KWH