

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF SOUTH)
KENTUCKY RURAL ELECTRIC) CASE NO. 2004-00482
COOPERATIVE CORPORATION FROM)
NOVEMBER 1, 2002 TO OCTOBER 31,)
2004)

O R D E R

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission on December 13, 2004 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") for the 2 years ended October 31, 2004.

As part of this review, the Commission ordered South Kentucky to submit certain information and an affidavit attesting to its compliance with Administrative 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 Administrative 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 4.65 mills per kWh increase in the base fuel cost to its base rates.¹

3. South Kentucky should be authorized to transfer (roll-in) a 4.92 mills per kWh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 4.65 mills per kWh increase in EKPC's base rates. This transfer can best be accomplished by an energy adder to each kWh sold.

4. The rates and charges in Appendix A are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rates.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by South Kentucky through the FAC for the period November 1, 2002 to October 31, 2004 are approved.

2. South Kentucky 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 South Kentucky on and after June 1, 2005, the effective date of EKPC's change in rates.

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

¹ Case No. 2004-00464, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2002 to October 31, 2004.

Done at Frankfort, Kentucky, this 24th day of May, 2005.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00482 DATED May 24, 2005

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 in this Order 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

All kWh per kWh \$.06111

SCHEDULE A (ETS)
RESIDENTIAL, FARM AND NON-FARM SERVICE
MARKETING RATE

All kWh per kWh \$.03667

SCHEDULE B
SMALL COMMERCIAL RATE

All kWh per kWh \$.06658

SCHEDULE B (ETS)
SMALL COMMERCIAL
MARKETING RATE

All kWh per kWh \$.03995

SCHEDULE LP
LARGE POWER RATE

Energy Charge per kWh \$.04156

SCHEDULE LP
LARGE POWER (Contract 11)

Energy Charge:	
First 3,500 kWh	\$.04503
Next 6,500 kWh	\$.04397
Next 140,000 kWh	\$.04289
Next 150,000 kWh	\$.04236
Over 300,000 kWh	\$.04182

SCHEDULE LP
LARGE POWER (Contract 14)

Energy Charge:	
First 3,500 kWh	\$.04573
Next 6,500 kWh	\$.04403
Next 140,000 kWh	\$.04076
Next 150,000 kWh	\$.04063
Over 300,000 kWh	\$.04053

SCHEDULE LP-1
LARGE POWER RATE 1 (500 KW TO 4,999 KW)

Energy Charge per Kw	\$.03713
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SCHEDULE LP-2
LARGE POWER RATE 2 (5,000 KW TO 9,999 KW)

Energy Charge:	
First 400 kWh per Kw of Billing Demand, Ltd. to First 5,000 kW	\$.03713
Per kWh for all remaining kWh	\$.03112

SCHEDULE LP-3
LARGE POWER RATE 2 (500 KW TO 2,999 KW)

Energy Charge per kWh	\$.03232
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SCHEDULE AES
ALL ELECTRIC SCHOOL SCHEDULE

Energy Charge per kWh	\$.05646
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SCHEDULE OPS
OPTIONAL POWER SERVICE

Energy Charge per kWh	\$.07315
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SCHEDULE STL
STREET LIGHTING SERVICE

Rate per Light per Month As Follows:

Mercury Vapor or Sodium 7,000-10,000 Lumens	\$ 4.20
Mercury Vapor or Sodium 15,000-28,000 Lumens	\$ 6.63

SCHEDULE DTSL
DECORATIVE STREET LIGHTING

Rate per Light per Month As Follows:

High Pressure Sodium Lamp

Cobra Head Light Installed On Existing Pole

7,000-10,000 Lumens (Unmetered)	\$ 9.02
7,000-10,000 Lumens (Metered)	\$ 7.68
15,000-28,000 Lumens (Unmetered)	\$ 11.70
15,000-28,000 Lumens (Metered)	\$ 8.28

Cobra Head Light Installed On 30' Aluminum Pole and Arm

7,000-10,000 Lumens (Unmetered)	\$ 14.65
7,000-10,000 Lumens (Metered)	\$ 13.31
15,000-28,000 Lumens (Unmetered)	\$ 16.73
15,000-28,000 Lumens (Metered)	\$ 13.31

Lexington Light Installed On 16' Aluminum Pole

Sodium 7,000-10,000 Lumens (Unmetered)	\$ 9.57
Sodium 7,000-10,000 Lumens (Metered)	\$ 8.23

Acorn Light Installed On 16' Fluted Pole

Sodium 7,000-10,000 Lumens (Unmetered)	\$ 19.80
Sodium 7,000-10,000 Lumens (Metered)	\$ 18.46

Metal Halide Lamp

100 Watt – Acorn (Unmetered)	\$ 7.95
100 Watt – Acorn (Metered)	\$ 6.37
100 Watt – Lexington (Unmetered)	\$ 6.23
100 Watt – Lexington (Metered)	\$ 4.65
400 Watt – Galleria (Unmetered)	\$ 16.01
400 Watt – Galleria (Metered)	\$ 10.03
1,000 Watt – Galleria (Unmetered)	\$ 25.90
1,000 Watt – Galleria (Metered)	\$ 11.72

400 Watt Cobra Head Mercury Vapor with:	
8' Arm (Unmetered)	\$ 13.24
8' Arm (Metered)	\$ 7.26
12' Arm (Unmetered)	\$ 15.73
12' Arm (Metered)	\$ 9.75
16' Arm (Unmetered)	\$ 16.50
16' Arm (Metered)	\$ 10.52

SCHEDULE OL
OUTDOOR LIGHTING SERVICE-SECURITY LIGHTS

Rate per Light per Month As Follows:

Mercury Vapor or Sodium 7,000-10,000 Lumens (Unmetered)	\$ 5.92
Mercury Vapor or Sodium 7,000-10,000 Lumens (Metered)	\$ 4.63
Directional Flood Light:	
250 Watt Sodium (Unmetered)	\$ 9.39
250 Watt Sodium (Metered)	\$ 5.88
250 Watt Metal Halide (Unmetered)	\$ 10.24
250 Watt Metal Halide (Metered)	\$ 6.55
400 Watt Metal Halide (Unmetered)	\$ 12.53
400 Watt Metal Halide (Metered)	\$ 6.55
1,000 Watt Metal Halide (Unmetered)	\$ 21.49
1,000 Watt Metal Halide (Metered)	\$ 7.31

SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE

Cable TV Amplifiers	\$ 7.62
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