

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CLARK ENERGY	)	
COOPERATIVE, INC. FOR PASS-THROUGH OF	)	CASE NO.
EAST KENTUCKY POWER COOPERATIVE, INC.	)	2010-00170
WHOLESALE RATE ADJUSTMENT	)	

O R D E R

On May 27, 2010, Clark Energy Cooperative, Inc. ("Clark Energy") submitted an application to pass through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. ("EKPC") in Case No. 2010-00167.<sup>1</sup> Clark Energy submitted its application pursuant to the authority of KRS 278.455(2) and 807 KAR 5:007, Sections 1(3) and 2(2).

In its application, Clark Energy described how its proposed pass-through rates were developed:

Clark Energy Cooperative, Inc. hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.

KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that

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<sup>1</sup> Case No. 2010-00167, Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates (Ky. PSC Jan. 14, 2011).

will result in no change in the rate design currently in effect. Further, 807 KAR 5:007, Section 2(2), provides that the distribution cooperative shall file an analysis demonstrating that the rate change does not alter the rate design currently in effect and that the revenue change has been allocated to each class and within each tariff on a proportional basis.

The Commission has reviewed the approach proposed by Clark Energy to pass through the increase in the wholesale rates of EKPC and to allocate such increase to its retail rates. Based upon this review, the Commission finds that Clark Energy's approach complies with the provisions of KRS 278.455(2) and 807 KAR 5:007, Section 2(2), and, therefore, should be accepted.

The Commission issued an Order today in Case No. 2010-00167 authorizing a \$43 million annualized increase in EKPC's wholesale rates effective for service rendered on and after today's date. According to Clark Energy, this will increase its wholesale power cost by \$1,660,157 annually.<sup>2</sup>

IT IS THEREFORE ORDERED that:

1. The proposed rates submitted with Clark Energy's application are rejected.
2. The approach proposed by Clark Energy to allocate its portion of the increase in wholesale rates authorized in Case No. 2010-00167 is accepted.
3. The rates set forth in the tariff sheets in the Appendix hereto are approved for service rendered on and after the date of this Order.

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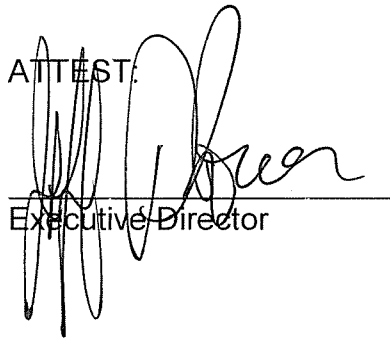
<sup>2</sup> Supplemental Information filed by Clark Energy on December 9, 2010, Item 2.

4. Within 20 days of the date of this Order, Clark Energy shall file its revised tariffs with this Commission setting out the rates approved herein and stating that they were approved pursuant to this Order.

By the Commission

ENTERED <sup>R</sup>  
JAN 14 2011  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2010-00170 DATED JAN 14 2011

For All Areas Served  
Community, Town or City

P.S.C. No. 2

4<sup>th</sup> Revision SHEET NO. 43

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 43

Clark Energy Cooperative Inc.  
Name of Issuing Corporation

**CLASSIFICATION OF SERVICE**

Schedule R: Residential

AVAILABILITY

Available to all residential consumers subject to established rules and regulations of the Distributor.

CHARACTER OF SERVICE

Single phase, 60 Hertz, at available secondary voltages.

DELIVERY POINT

The delivery point at which the secondary or utilization voltage is provided shall be specified by the Distributor.

RATES

\$12.43	Facility Charge	(I)
\$0.099165	per kWh for all energy	(I)

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be \$12.43. (I)

FUEL ADJUSTMENT CHARGE

The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses.

**DATE OF ISSUE:** May 27, 2010

**DATE EFFECTIVE:** Service rendered on and after July 1, 2010

**ISSUED BY:** \_\_\_\_\_ **TITLE :** PRESIDENT & C.E.O.  
Name of Officer

Issued by authority of an Order of the Public Service Commission in Case No. 2010-00170, dated \_\_\_\_\_.

For All Areas Served  
Community, Town or City

P.S.C. No. 2

4<sup>th</sup> Revision SHEET NO. 45

Clark Energy Cooperative Inc.  
Name of Issuing Corporation

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 45

**CLASSIFICATION OF SERVICE**

Schedule D: Time of-Use Marketing Service

AVAILABILITY

Available to all Rate "R" consumers for separately metered off peak requirements subject to the established time of use restrictions. Applicable to programs approved by the Kentucky PSC as a part of EKPC wholesale marketing rates.

CHARACTER OF SERVICE

Single phase, 60 Hertz, at available secondary voltages.

DELIVERY POINT

The delivery point at which the secondary or utilization voltage is provided shall be specified by the Distributor.

TIME OF DAY RESTRICTIONS

<u>MONTH</u>	<u>OFF PEAK HOURS</u>
October thru April	10:00 P.M. To 7:00 A.M., EST
	12:00 Noon to 5:00 P.M., EST
May thru September	10:00 P.M. thru 10:00 A.M., EST

RATES

\$0.06719 per kWh for all energy

(I)

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4<sup>th</sup> Revision SHEET NO. 47

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 47

Clark Energy Cooperative Inc.  
**Name of Issuing Corporation**

**CLASSIFICATION OF SERVICE**

Schedule T: Outdoor lighting Facilities

AVAILABILITY

Available for general outdoor lighting facilities.

RATES

Lamp Rating	Annual Rate Per Lamp	Average Annual Energy Use Per Lamp	Average Monthly Energy Use Per Lamp
400 Watt	\$18.71 per mo	1,848 kWh	154 kWh

(I)

CONDITIONS OF SERVICE

Rates applicable only to lamps and associated appurtenances. Other facilities required may be provided subject to the Distributor's established contract policies and practices.

TERMS OF PAYMENT

The above charges are net and payable within ten days from the date of the bill.

FUEL ADJUSTMENT CHARGES

The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The

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4<sup>th</sup> Revision SHEET NO. 49

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 49

Clark Energy Cooperative Inc.  
**Name of Issuing Corporation**

**CLASSIFICATION OF SERVICE**

Schedule S: Outdoor Lighting Facilities

AVAILABILITY

Available for general outdoor lighting facilities.

RATES

<u>Lamp Rating</u>	<u>Monthly Rate Per Lamp</u>	<u>Average Annual Energy Use Per Lamp</u>	<u>Average Monthly Energy Use Per Lamp</u>
175 Watt	\$10.10 per mo	840 kWh	70 kWh

(I)

CONDITIONS OF SERVICE

1. Rate applicable only to lamps and associated appurtenances. Other facilities required may be provided subject to the Distributor's established policies and practices.
2. The Consumer shall execute an agreement for service under this schedule for a period of not less than one year.

FUEL ADJUSTMENT CHARGE

The above rates may be increased or decreased by an amount per kWh equal of the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses.

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4<sup>th</sup> Revision SHEET NO. 51

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 51

Clark Energy Cooperative Inc.  
Name of Issuing Corporation

**CLASSIFICATION OF SERVICE**

Schedule E: Public Facilities

AVAILABILITY

Available to public facilities with Kilowatt (kW) demands less than 50 kW subject to established rules and regulations of the Distributor. Not applicable to outdoor lighting system requirements.

CHARACTER OF SERVICE

Single phase, 60 Hertz, at available secondary voltages.

DELIVERY POINT

The delivery point at which the secondary or utilization voltage is provided shall be specified by the Distributor.

RATES

\$ 16.57	Facility Charge	(I)
\$ 0.10611	All kWh	(I)

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be \$ 16.57. (I)

FUEL ADJUSTMENT CHARGE

The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The

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4<sup>th</sup> Revision SHEET NO. 53

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 53

Clark Energy Cooperative Inc.  
Name of Issuing Corporation

**CLASSIFICATION OF SERVICE**

Schedule C: General Power Service

AVAILABILITY

Available for all non-residential general power requirements with Kilowatt (kW) demands less than 50 kW subject to established rules and regulations of the Distributor.

CHARACTER OF SERVICE

Single or three phase, 60 Hertz, at available secondary voltages.

DELIVERY POINT

The delivery point at which the secondary or utilization voltage is provided shall be specified by the Distributor.

RATES

\$25.33	Facility Charge-Single Phase	(I)
\$50.14	Facility Charge-Three Phase	(I)
\$0.10559	Per kWh for all energy	(I)

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be \$25.33 single phase and \$50.14 for three phase service. (I)

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For All Areas Served  
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P.S.C. No. 2

4<sup>th</sup> Revision SHEET NO. 56

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 56

Clark Energy Cooperative Inc.  
**Name of Issuing Corporation**

**CLASSIFICATION OF SERVICE**

Schedule L: General Power Service

AVAILABILITY

Available to all commercial and industrial consumers for general power requirements with Kilowatt (kW) demands of 50 kW or greater but less than 500 kW.

CONDITIONS OF SERVICE

A power contract shall be executed by the consumer for service under this rate schedule. The power contract shall specify a contract demand for minimum billing purposes of 50 kW or greater but less than 500 kW.

CHARACTER OF SERVICE

Limited to single or three phase, 60 Hertz, at a secondary delivery voltage of 480 volts or less.

DELIVERY POINT

The delivery point shall be specified within the power contract.

RATES

\$63.81	Facility Charge	(I)
\$ 6.47	per kW of billing demand	(I)
\$ 0.07806	per kWh for all energy	(I)

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For All Areas Served  
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P.S.C. No. 2

4<sup>th</sup> Revision SHEET NO. 59

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 59

Clark Energy Cooperative Inc.  
Name of Issuing Corporation

**CLASSIFICATION OF SERVICE**

Schedule P: General Power Service

AVAILABILITY

Available to all commercial and industrial consumers for general power requirements with Kilowatt (kW) demands of 500 kW or greater.

CONDITIONS OF SERVICE

A power contract shall be executed by the consumer for service under this rate schedule. The power contract shall specify a contract demand for minimum billing purposes of 500 kW or greater.

CHARACTER OF SERVICES

Limited to three phase, 60 Hertz, at a secondary of delivery voltage specified within the power contract.

DELIVERY POINT

The delivery point shall be specified within the power contract.

RATES

\$86.88	Facility Charge	(I)
\$ 6.21	per kW of billing demand	(I)
\$ 0.06790	per kWh for all energy	(I)

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For All Areas Served  
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P.S.C. No. 2

4<sup>th</sup> Revision SHEET NO. 62

CANCELLING P.S.C. NO. 2

3<sup>rd</sup> Revision SHEET NO. 62

Clark Energy Cooperative Inc.  
**Name of Issuing Corporation**

**CLASSIFICATION OF SERVICE**

Schedule M: General Power Service

AVAILABILITY

Available to all commercial and industrial consumers for general power requirements at primary delivery voltage with Kilowatt (kW) demands of 1,000 kW or greater but less than 5,000 kW.

CONDITIONS OF SERVICE

A power contract shall be executed by the consumer for service under this rate schedule. The power contract shall specify a contract demand for minimum billing purposes of 1,000 or greater but less than 5,000 kW.

CHARACTER OF SERVICE

Three phase, 60 Hertz, at a delivery voltage specified within the power contract.

DELIVERY POINT

The delivery point shall be specified within the power contract.

RATES

Demand Charge:	\$10.07	per kW of billing demand	(I)
Energy Charge:	\$0.07130	per kWh for all energy	(I)

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Paul G Embs  
President & CEO  
Clark Energy Cooperative, Inc.  
2640 Ironworks Road  
P. O. Box 748  
Winchester, KY 40392-0748

Honorable Robert L Rose  
Attorney at Law  
51 South Main Street  
Winchester, KY 40391