COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF OWEN ELECTRIC COOPERATIVE, INC. FROM NOVEMBER 1, 2014 THROUGH OCTOBER 31, 2016

CASE NO. 2017-00018

<u>ORDER</u>

Pursuant to 807 KAR 5:056, the Commission, on February 6, 2017, established this case to review and evaluate the application of the Fuel Adjustment Clause ("FAC") of Owen Electric Cooperative, Inc. ("Owen") for the two-year period from November 1, 2014, through October 31, 2016.

As part of this review, the Commission ordered Owen to submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested person advised the Commission of his or her intent to attend. Owen responded to one round of discovery. There are no intervenors in this proceeding.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. During the period under review, Owen has complied in all material respects with the provisions of 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("East Kentucky"), the wholesale supplier of Owen, has been directed to reduce its base energy rates by \$.00238 per kilowatt-hour ("kWh") for fuel costs.¹

3. Except for its direct-served customer, Owen should be directed to reduce its base energy rates by \$.00246 per kWh to reflect, as adjusted for line loss, the reduction by East Kentucky to its base energy rates. As there is no line loss adjustment for direct-served customers, Owen should be directed to deduct \$.00238 per kWh from the base energy rate applicable to its direct-served customer.

4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the reduction of fuel costs included in Owen's base energy rates.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Owen through the FAC for the period from November 1, 2014, through October 31, 2016, are approved.

2. Except for its direct-served customer, Owen shall deduct \$.00246 per kWh from its base energy rates (as adjusted for line loss) to reflect the reduction of \$.00238 per kWh by East Kentucky to its base energy rates as approved in Case No. 2017-00002. As there is no line loss adjustment for direct-served customers, Owen shall deduct \$.00238 per kWh from the base energy rate applicable to its direct-served customer.

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¹ Case No. 2017-00002, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2014 through October 31, 2016 (Ky. PSC Aug. 7, 2017).

3. The rates in the Appendix to this Order are approved for service rendered by Owen on and after September 1, 2017, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Owen shall file, using the Commission's electronic Tariff Filing System, its revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED

AUG 0 7 2017

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST: Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00018 DATED AUG 0 7 2017

The following rates and charges are prescribed for the customers in the area served by Owen Electric Cooperative, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE I FARM AND HOME

All kWh per kWh

\$.08245

SCHEDULE I-A FARM AND HOME – OFF-PEAK MARKETING RATE

All kWh per kWh

\$.04947

\$.06549

\$.08799

\$.11799

SCHEDULE I-D FARM AND HOME – INCLINING BLOCK

Energy Charge per kWh: 0-300 kWh 301-500 kWh Over 500 kWh

SMALL COMMERCIAL

Energy Charge per kWh

\$.08388

SCHEDULE II LARGE POWER

Energy Charge per kWh

\$.06252

SCHEDULE VIII LARGE INDUSTRIAL RATE – LPC1

| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | | .04704 .04339 |
|--|----------|------------------|
| <u>SCHEDULE IX</u> LARGE INDUSTRIAL RATE – LPC2 | | |
| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | \$ | .04204 .04117 |
| <u>SCHEDULE X</u> LARGE INDUSTRIAL RATE – LPC1-A | | |
| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | \$ \$ | .04254 .04124 |
| <u>SCHEDULE XI</u> LARGE INDUSTRIAL RATE – LPB1 | | |
| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | \$ \$ | .04704 .04339 |
| <u>SCHEDULE XII</u> LARGE INDUSTRIAL RATE – LPB1-A | | |
| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | \$ \$ | .04254 .04124 |
| <u>SCHEDULE XIII</u> LARGE INDUSTRIAL RATE – LPB2 | | |
| Energy Charge per kWh: For all kWh equal to 425 per kW of billing demand For all kWh in excess of 425 per kW of billing demand | \$ | .04204 .04117 |

<u>SCHEDULE XIV</u> LARGE INDUSTRIAL RATE – LPB

| Energy Charge per kWh | | \$ | .04860 |
|---|--|----------|----------------------------|
| | <u>SCHEDULE I-B</u> FARM AND HOME – TIME OF DAY | | |
| Energy Charge per kWh: On-Peak Off-Peak | | \$ \$ | .12099 .06029 |
| | <u>SCHEDULE I-B2</u> FARM AND HOME – TIME OF DAY | | |
| Energy Charge per kWh: On-Peak Off-Peak | | \$ | .10341 .06029 |
| | <u>SCHEDULE I-B3</u> FARM AND HOME – TIME OF DAY | | |
| Energy Charge per kWh: On-Peak Off-Peak Shoulder | ÷ | \$ \$ \$ | .10242 .06029 .07779 |
| <u>S</u> | <u>SCHEDULE I-C</u> MALL COMMERCIAL – TIME OF DAY | | |
| Energy Charge per kWh: On-Peak Off-Peak | | \$ | .10167 .05780 |
| | SCHEDULE 2-A | | |

| Energy Charge per kWh: | | |
|------------------------|----|--------|
| On-Peak | \$ | .10099 |
| Off-Peak | \$ | .05756 |

SCHEDULE I – OLS OUTDOOR LIGHTING SERVICE

| Monthly Rates: | | |
|---|----------|-------|
| LED Outdoor Light on Existing Pole (48 Watts) | \$ | 10.96 |
| LED Outdoor Light One Pole Added (48 Watts) | | 15.96 |
| 100 Watt S/L on Existing Pole | \$ \$ \$ | 10.99 |
| 100 Watt S/L One Pole Added | \$ | 15.99 |
| Cobrahead Lighting: | | |
| 100 Watt on Existing Pole | \$ | 16.36 |
| 100 Watt One Pole Added | \$ | 22.40 |
| 250 Watt on Existing Pole | \$ \$ \$ | 22.15 |
| 250 Watt One Pole Added | \$ | 28.19 |
| 400 Watt on Existing Pole | \$ | 27.45 |
| 400 Watt One Pole Added | \$ | 33.49 |
| Directional Lighting: | | |
| 100 Watt on Existing Pole | \$ | 15.31 |
| 100 Watt One Pole Added | | 21.35 |
| 250 Watt on Existing Pole | \$ \$ | 18.73 |
| 250 Watt One Pole Added | \$ | 24.77 |
| 400 Watt on Existing Pole | \$ | 23.73 |
| 400 Watt One Pole Added | \$ | 29.77 |

SPECIAL OUTDOOR LIGHTING SERVICE

| Traditional Light with Fiberglass Pole | \$ 16.16 |
|--|-------------|
| Holophane Light with Fiberglass Pole | \$ 19.21 |

SCHEDULE III – SOLS SPECIAL OUTDOOR LIGHTING SERVICE

Energy Rate for each type of light per kWh \$.05728

SPECIAL CONTRACT CUSTOMER

| Energy Charge per kWh: | | |
|------------------------|------------|---|
| On-Peak | \$.040710 | |
| Off-Peak | \$.037282 | ! |

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