

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE	)	
APPLICATION OF THE FUEL	)	
ADJUSTMENT CLAUSE OF OWEN	)	CASE NO.
ELECTRIC COOPERATIVE, INC. FROM	)	2010-00507
NOVEMBER 1, 2008 THROUGH	)	
OCTOBER 31, 2010	)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2011, 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, 2008 through October 31, 2010.

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.

The Commission, having considered the evidence of record<sup>1</sup> 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.

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<sup>1</sup> On May 6, 2011, Owen filed certain additional information for the record.

2. East Kentucky Power Cooperative, Inc. ("East Kentucky"), the wholesale supplier of Owen, has been authorized to transfer (roll-in) to its base energy rates a negative 6.39 mills per kWh of fuel costs that were being credited to customers through its FAC.<sup>2</sup>

3. Except for its direct-served customer, Owen should be authorized to transfer (roll-in) to its base energy rates a negative 6.68 mills per kWh to reflect, as adjusted for line loss, the transfer (roll-in) by East Kentucky of a negative 6.39 mills per kWh of fuel costs to East Kentucky's base energy rates that were being credited to customers through its FAC. As there is no line loss adjustment for direct-served customers, Owen should be authorized to deduct 6.39 mills 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 its 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, 2008 through October 31, 2010 are approved.

2. Except for its direct-served customer, Owen shall deduct 6.68 mills per kWh from its base energy rates (as adjusted for line loss) to reflect the transfer (roll-in) of a negative 6.39 mills per kWh of fuel costs by East Kentucky to its base energy rates as approved in Case No. 2010-00491. As there is no line loss adjustment for direct-

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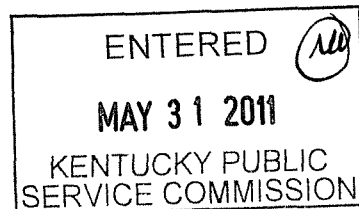
<sup>2</sup> Case No. 2010-00491, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

served customers, Owen shall deduct 6.39 mills per kWh from the base energy rate applicable to its direct-served customer.

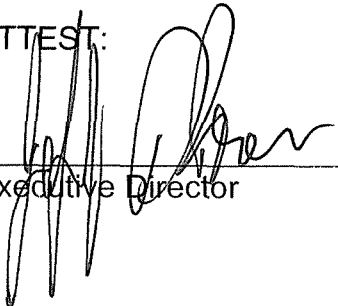
3. The rates in the Appendix to this Order are approved for service rendered by Owen on and after June 1, 2011, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Owen shall file revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved by this Order.

By the Commission



ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2010-00507 DATED **MAY 31 2011**

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 \$ .08810

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

All kWh per kWh \$ .05286

SCHEDULE I  
SMALL COMMERCIAL

Energy Charge per kWh \$ .08810

SCHEDULE I – OLS  
OUTDOOR LIGHTING SERVICE

Monthly Rates:

100 Watt High Pressure Sodium \$ 10.25

Cobrahead Lighting:

100 Watt High Pressure Sodium \$ 13.30

250 Watt High Pressure Sodium \$ 18.06

400 Watt High Pressure Sodium \$ 22.49

Directional Lighting:

100 Watt High Pressure Sodium \$ 12.45

250 Watt High Pressure Sodium \$ 15.30

400 Watt High Pressure Sodium \$ 19.48

SCHEDULE II – SOLS  
SPECIAL OUTDOOR LIGHTING SERVICE

Traditional Light with Fiberglass Pole	\$ 13.14
Holophane Light with Fiberglass Pole	\$ 15.60

SCHEDULE III – SOLS  
SPECIAL OUTDOOR LIGHTING SERVICE

Energy Rate for each type of light per kWh	\$ .05974
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SCHEDULE II  
LARGE POWER

Energy Charge per kWh	\$ .06498
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SCHEDULE III  
SECURITY LIGHTS

Flat rate per light per month as follows:

On Existing Pole Where 120 Volts is available	\$ 8.52
One Pole Added	\$ 10.33
Two Poles Added	\$ 12.14
Three Poles Added	\$ 13.95
Four Poles Added	\$ 15.77

SCHEDULE VIII  
LARGE INDUSTRIAL RATE – LPC1

Energy Charge per kWh:	
For all kWh equal to 425 per kW of billing demand	\$ .04993
For all kWh in excess of 425 per kW of billing demand	\$ .04569

SCHEDULE IX  
LARGE INDUSTRIAL RATE – LPC2

Energy Charge per kWh:	
For all kWh equal to 425 per kW of billing demand	\$ .04499
For all kWh in excess of 425 per kW of billing demand	\$ .04335

SCHEDULE X  
LARGE INDUSTRIAL RATE – LPC1-A

Energy Charge per kWh:	
For all kWh equal to 425 per kW of billing demand	\$ .04747

For all kWh in excess of 425 per kW of billing demand \$ .04462

SCHEDULE XI  
LARGE INDUSTRIAL RATE – LPB1

Energy Charge per kWh:

For all kWh equal to 425 per kW of billing demand \$ .04993

For all kWh in excess of 425 per kW of billing demand \$ .04569

SCHEDULE XII  
LARGE INDUSTRIAL RATE – LPB1-A

Energy Charge per kWh:

For all kWh equal to 425 per kW of billing demand \$ .04747

For all kWh in excess of 425 per kW of billing demand \$ .04462

SCHEDULE XIII  
LARGE INDUSTRIAL RATE – LPB2

Energy Charge per kWh:

For all kWh equal to 425 per kW of billing demand \$ .04499

For all kWh in excess of 425 per kW of billing demand \$ .04335

SCHEDULE XIV  
LARGE INDUSTRIAL RATE – LPB

Energy Charge per kWh

\$ .05153

SCHEDULE 1B  
FARM AND HOME – TIME OF DAY

On-Peak Energy Charge per kWh

\$ .10307

Off-Peak Energy Charge per kWh

\$ .05556

SCHEDULE 1C  
SMALL COMMERCIAL – TIME OF DAY

On-Peak Energy Charge per kWh

\$ .09943

Off-Peak Energy Charge per kWh

\$ .05556

SCHEDULE 2A  
LARGE POWER – TIME OF DAY

On-Peak Energy Charge per kWh

\$ .10345

Off-Peak Energy Charge per kWh

\$ .06002

SPECIAL CONTRACT CUSTOMER

On-Peak Energy Charge per kWh	\$ .043090
Off-Peak Energy Charge per kWh	\$ .039662

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