COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	
CLAUSE OF EAST KENTUCKY POWER)	CASE NO.
COOPERATIVE, INC. COOPERATIVES FROM)	2023-00014
NOVEMBER 1, 2020 THROUGH OCTOBER 31,)	
2022)	

ORDER

Pursuant to 807 KAR 5:056, the Commission, on September 6, 2023, established this case to review and evaluate the application of the Fuel Adjustment Clause (FAC) of: Big Sandy Rural Electric Cooperative Corporation; Blue Grass Energy Cooperative Corporation; Clark Energy Cooperative, Inc.; Cumberland Valley Electric, Inc.; Farmers Rural Electric Cooperative Corporation; Fleming-Mason Energy Cooperative, Inc.; Grayson Rural Electric Cooperative Corporation; Inter-County Energy Cooperative Corporation; Jackson Energy Cooperative Corporation; Licking Valley Rural Electric Cooperative Corporation; Nolin Rural Electric Cooperative Corporation; Owen Electric Cooperative, Inc.; Salt River Electric Cooperative Corporation; Shelby Energy Cooperative, Inc.; South Kentucky Rural Electric Cooperative Corporation; and Taylor County Rural Electric Cooperative Corporation (collectively Cooperatives or individually Cooperative) for the two-year period from November 1, 2020, through October 31, 2022.

In establishing this review, the Commission ordered each Cooperative to individually submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. On November 20, 2023, a hearing was scheduled for January 4, 2024.

In that Order, the Cooperatives were required to publish public notice no less than seven days or more than 21 days prior to the public hearing and file with the Commission an Affidavit of Publication of Hearing Notice with the Commission no later than January 3, 2024. If no interested party files written notice of its intent to attend the hearing with the Commission by December 27, 2023, the public hearing would be canceled and the matter would be considered submitted for decision based on the evidence in the record. Having received no written notice of intent to attend the hearing from interest parties, the Commission cancelled the January 4, 2024, evidentiary hearing. There are no intervenors in these proceedings.

During the period under review, the Cooperatives have complied in all material respects with the provisions of 807 KAR 5:056. As East Kentucky Power Cooperative, Inc. (EKPC), the wholesale supplier of the Cooperatives, has been ordered to increase its base energy rates by \$0.01125 per kWh from \$0.02624 per kWh to \$0.03749 per kWh, the Commission finds that each individual Cooperative should increase its base energy rates as adjusted for line loss, the increase by EKPC in Case No. 2023-00009.¹ The adjustment made for line loss is based on each individual Cooperative's average line loss for the 24-month period under review adjusted against EKPC's increase in base energy rates of \$0.01125 per kWh.²

¹ Case No. 2023-00009, An Electronic Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 2020 through October 31, 2022 (Ky. PSC May 6, 2024).

 $^{^{2}}$ (\$0.01125 per kWh x Average Line loss percentage) + \$0.01125 per kWh = Cooperative increase to base energy rates.

IT IS THEREFORE ORDERED that:

- 1. The charges and credits applied by each individual Cooperative through the FAC for the period from November 1, 2020, through October 31, 2022, are approved.
- 2. For service rendered on or after June 1, 2024, each individual Cooperative shall increase to its base energy rates, adjusted for line loss, to reflect the increase of \$0.01125 per kWh by EKPC in Case No. 2023-00009.
- 3. Big Sandy Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01184 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 4. Blue Grass Energy Cooperative Corporation shall increase its base energy rates by \$0.01178 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 5. Clark Energy Cooperative, Inc. shall increase its base energy rates by \$0.01178 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 6. Cumberland Valley Electric, Inc. shall increase its base energy rates by \$0.01177 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.

- 7. Farmers Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01180 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 8. Fleming-Mason Energy Cooperative, Inc. shall increase its base energy rates by \$0.01162 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 9. Grayson Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01179 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 10. Inter-County Energy Cooperative Corporation shall increase its base energy rates by \$0.01157 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 11. Jackson Energy Cooperative Corporation shall increase its base energy rates by \$0.01180 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 12. Licking Valley Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01187 per kWh to reflect the reestablishment of fuel base costs

for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.

- 13. Nolin Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01174 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 14. Owen Electric Cooperative, Inc. shall increase its base energy rates by \$0.01157 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 15. Salt River Electric Cooperative Corporation shall increase its base energy rates by \$0.0.01168 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 16. Shelby Energy Cooperative, Inc. shall increase its base energy rates by \$0.01158 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.
- 17. South Kentucky Rural Electric Cooperative Corporation shall increase its base energy rates by \$0.01180 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.

18. Taylor County Rural Electric Cooperative Corporation shall increase its base energy rates by 0.01190 per kWh to reflect the reestablishment of fuel base costs for EKPC as approved in Case No. 2023-00009, adjusted for line loss. The increase in base energy rates shall be in effect service rendered on or after June 1, 2024.

19. Within 20 days of the date of entry of this Order, each individual Cooperative shall file, using the Commission's electronic Tariff Filing System, its revised tariff sheets with the Commission setting out the increase in its base energy rates discussed herein and reflecting that they were approved pursuant to this Order.

20. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ENTERED

MAY 06 2024

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KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

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