

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

NOTICE OF ADJUSTMENT OF RATES)
OF GREEN RIVER ELECTRIC) CASE NO. 7706
CORPORATION)

O R D E R

On February 4, 1980, Green River Electric Corporation (hereinafter Green River or Applicant) filed its Notice of an adjustment in rates effective 12:01 a.m., Central Standard Time, February 25, 1980. The proposed rate increase, as reflected in the exhibits, would produce approximately \$1,786,202 additional revenue annually from Applicant's rural system consumers,¹ an increase of 15.2%. As a part of this application, Green River further requested a new rate, also applicable to the rural system consumers, in the form of a surcharge of three mills per kilowatt-hour to recover the outstanding principal balance due on the Company's short-term lines of credit.

This Commission, on February 6, 1980 issued an order suspending the proposed rates for a period of five (5) months from and after February 25, 1980, scheduling the matter for public hearing on March 25, 1980, and ordering Green River to give notice to its consumers pursuant to 807 KAR 50:025 Section (7).

On February 7, 1980, the Consumer Intervention Division in the Department of Law pursuant to KRS 367.150(8) filed a motion to intervene herein. That motion is hereby granted.

Upon review of the information submitted by Green River in support of its request for a three mill per KWH surcharge to certain classes of its customers, the Commission finds that it is not possible to properly analyze such request for a surcharge from the application

¹Excludes 4 large industrial consumers served under special contract. These four consumers provided approximately 84% of the revenue during the test year.

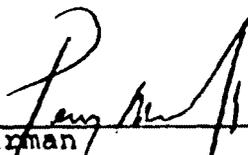
and exhibits as they are filed, and, therefore, the Commission finds the application in this respect to be incomplete.

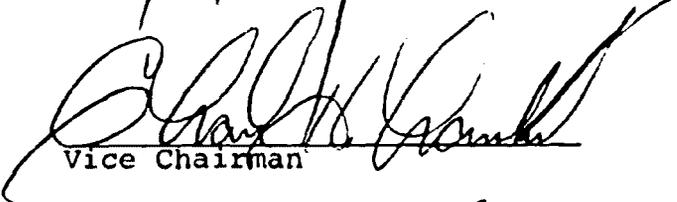
Accordingly, we are of the opinion and find, that the application for a surcharge of three mills per kilowatt-hour to recover the outstanding principal balance due on the Company's short-term lines of credit should be dismissed without prejudice.

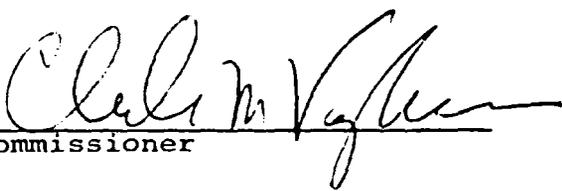
IT IS THEREFORE ORDERED, that the portion of the Application requesting a surcharge of three mills per kilowatt-hour is hereby dismissed.

Done at Frankfort, Kentucky, this the 19th day of February, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary