

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE APPLICATION OF FLEMING-MASON)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER AUTHO-)
RIZING A PASS-THROUGH OF EAST) Case No. 7724
KENTUCKY POWER COOPERATIVE, INC.'S)
WHOLESALE POWER RATE INCREASE IN)
CASE NO. 7702)

ORDER

On January 29, 1980, Fleming-Mason Rural Electric Cooperative Corporation (Applicant) filed its Application to flow-through any increase in rates granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., (East Kentucky) in Case No. 7702. Applicant is one of eighteen member distribution cooperatives of East Kentucky. In Case No. 7702, East Kentucky requested an increase in revenue of approximately \$8,576,789. Of this total increase, Applicant would experience an increase in power costs of approximately \$538,148. This increase represents 6.27% of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of 8.29%.

The matter was scheduled for hearing on March 18, 1980, at the Commission's offices in Frankfort, Kentucky. A further hearing was scheduled for May 9, 1980. The hearings were conducted as scheduled and the Consumer Protection Division of the Attorney General's office was the only intervenor present.

The Commission after review of the evidence of record and being advised is of the opinion and so finds:

(1) That the actual increase granted East Kentucky Power in Case No. 7702 is \$7,345,000 which will result in an increase in power costs to Applicant of \$461,347.

(2) That Applicant is entitled to recover the increased wholesale power costs granted in Case No. 7702 and its financial condition would be materially impaired if it were not allowed to recover this additional cost.

(3) That the rates granted herein are in addition to the Applicants general rate increase, Case No. 7592, issued on April 18, 1980.

(4) That the revised rates and charges set out in the attached Appendix "A" are designed to reflect only the increased power costs from East Kentucky Power Cooperative, Inc., granted in the final order in Case No. 7702 and will not result in any additional net margin to Applicant.

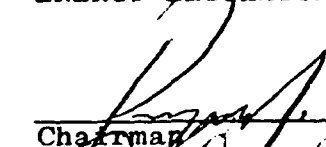
IT IS THEREFORE ORDERED that Fleming-Mason Rural Electric Cooperative Corporation is hereby authorized to flow-through the increased power costs resulting from the rate increase granted its wholesale power supplier in Case No. 7702.

IT IS FURTHER ORDERED that the rates set out in Appendix "A" shall be placed into effect simultaneously with the effective date of the East Kentucky wholesale power increase.

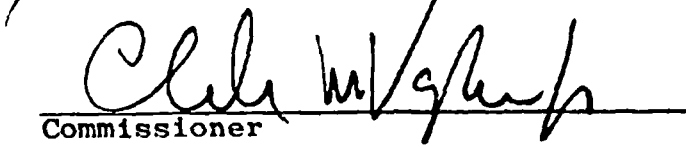
IT IS FURTHER ORDERED that Fleming-Mason Rural Electric Cooperative Corporation shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 1st day of July, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 7724 DATED July 1, 1980

The following rates and charges are prescribed for the customers in the area served by Fleming-Mason Rural Electric Cooperative Corporation. 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 date of this Order.

Rates: Monthly

Residential and Small Power - Schedule RSP*

Customer Charge	\$5.30	per meter
Energy Charge (For all KWH)	.03816	per KWH

Minimum Charge:

The monthly customer charge. For temporary or seasonal service a minimum charge of \$ 5.30 is required, payable at the time of request for service.

Small General Service - Schedule SGS

Customer Charge	\$39.67	per meter
Demand Charge per Billing KW	5.30	per KW
Energy Charge (for all KWH)	.01893	per KWH

Minimum Charge:

The monthly customer charge. For temporary or seasonal service a minimum charge of \$476.00 per annum is required in lieu of the monthly customer charge, payable at the time of request for service.

Large General Service - Schedule LGS*

Customer Charge	\$52.90	per meter
Demand Charge per Billing KW	4.83	per KW
Energy Charge (for all KWH)	.01910	per KWH

Minimum Charge:

The monthly customer charge. For temporary or seasonal service a minimum charge of \$635.00 per annum is required in lieu of the monthly customer charge, payable at the time of request for service.

Outdoor Lighting Service - Schedule OLS*

175 Watt Mercury Vapor (approximately 7,000 lumens) \$4.89 per unit

Minimum Charge:

First year, or any portion, thereof, \$ 58.68 per unit payable in advance. Thereafter, \$ 4.89 per month per unit.

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."

Additional Charges:

(a) For non-governmental members:

The above charge and term applies to lights mounted on existing cooperative poles with 120 volts available, or on cooperative poles, to be set, within 150 feet of an existing 120 volt source. If additional secondary service poles, or conductor, is required the term of the agreement shall be extended in proportion to the number of additional poles needed in excess of one, at the rate of \$ per year for each additional pole, all paid in advance at the time of commencement of service. In the event a transformer must be installed, the member will be required to pay the installation cost of the transformer. Where extensions of primary lines are required the total cost of such construction shall be paid by the member.

All Electric School - Schedule AES*

Customer Charge	\$52.90 per meter
Energy Charge (for all KWH)	.03459 per KWH

Minimum Charge:

The minimum annual charge will be not less than \$19.00 per KVA of required transformer capacity as determined by the Cooperative.

Special Contracted Service:

Texas Eastern Transmission Corporation*

Customer Charge	\$105.77	
Demand Charge per Billing KW	7.27	per KW
Energy Charge (for all KWH)	.01846	per KWH

Dravo Lime Company*

Customer Charge	\$319.33	
Demand Charge per Billing KW	4.42	per KW
Energy Charge (for all KWH)	.01809	per KWH

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."