

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE APPLICATION OF SALT RIVER)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER AUTHO-)
RIZING A PASS-THROUGH OF EAST) Case No. 7728
KENTUCKY POWER COOPERATIVE, INC.'S)
WHOLESALE POWER RATE INCREASE IN)
CASE NO. 7702)

ORDER

On January 31, 1980, Salt River 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 \$835,924. This increase represents 9.75% of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of 8.33%.

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 \$716,714.

(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. 7728, issued on January 31, 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.

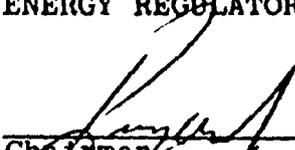
IT IS THEREFORE ORDERED that Salt River Rural Electric Cooperative Corporation is hereby authorized to flow-through the increased power costs resulting from the rate increase granted its wholesale power supplier in Case No. 7702.

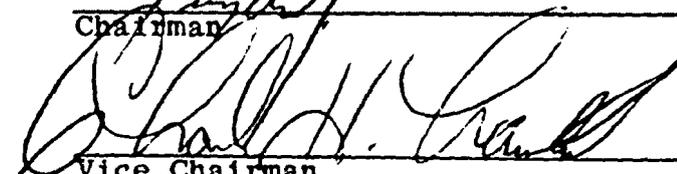
IT IS FURTHER ORDERED that the rates set out in Appendix "A" shall be placed into effect simultaneously with the effective date of the East Kentucky wholesale power increase.

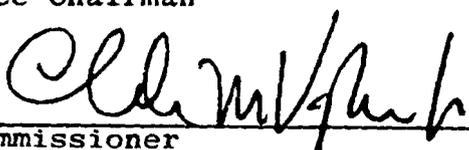
IT IS FURTHER ORDERED that Salt River Rural Electric Cooperative Corporation shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

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

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 7728, DATED JULY 1, 1980

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

Schedule A-5 Farm and Home Service*

Type of Service

Single-phase 60 cycles, at available secondary voltage.

Rate

First	40 KWH per month (minimum bill)	\$5.35 per month
Next	60 KWH per month	.0532 per KWH
Next	100 KWH per month	.0404 per KWH
Next	800 KWH per month	.0376 per KWH
Next	1,000 KWH per month	.0346 per KWH
Over	2,000 KWH per month	.0306 per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$5.35 where 25 KVA or less transformer capacity is required. For members requiring more than 25 KVA transformer capacity, the minimum monthly charge shall be increased at the rate of .75 of each additional KVA or fraction thereof required. Payment of the minimum charge shall entitle the member in all cases to the use of the number of kilowatt hours, corresponding to the minimum charge in accordance with the foregoing rate.

Schedule B-2 Commercial and Small Power Service*

Availability

Available to commercial consumers, small industrial consumers, schools, churches, community halls and three-phase farm consumers for all uses including lighting, appliances, cooking, heating, and motors all subject to the established rules and regulations of the Cooperative covering this service.

Service under this Schedule is limited to consumers whose load requirements do not exceed 37.5 KVA of transformer capacity.

Consumers having their homes on the same premises with their business establishments may include service to both on the same meter, in which case, all services will be billed under this schedule, using the rate set out below. If the consumer prefers, he may make provisions for two meters, in which case, his usage for residential purpose will be billed under the appropriate residential schedule, and his usage for business will be billed under this schedule and rate.

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

Schedule B-2 Commercial and Small Power Service (Cont'd.)*

Type of Service

Single-phase, and three-phase at available secondary voltage.

Rate

First	40 KWH per month (minimum bill)	\$5.62 per month
Next	60 KWH per month	.0893 per KWH
Next	200 KWH per month	.0660 per KWH
Next	700 KWH per month	.0488 per KWH
Over	1,000 KWH per month	.0408 per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$5.62 where 37.5 KVA or less of transformer capacity is required. For consumers requiring more than 37.5 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of .75 for additional KVA or fraction thereof required. Where the minimum charge is increased in accordance with the terms of this section, additional energy shall be included in accordance with the foregoing rate.

Temporary Service

Temporary service shall be supplied in accordance with the foregoing rate except that there shall be an additional charge of \$4.17 for each kilowatt or fraction thereof of connected load for each month or fraction thereof that service is connected. Bills will not be prorated for a fractional part of a month.

Schedule LLP-1 Large Power Service (Over 37.5 - Under 500 KW)*

Availability

Available to commercial, industrial consumers, schools, churches, community halls and three-phase farm consumers subject to the established rules and regulations of the Cooperative covering this service.

Rate

\$4.17 per month per KW of billing demand plus energy charges of:

- 3.89¢ per KWH for the first 50 KWH used per month per KW of billing demand.
- 3.09¢ per KWH for the next 50 KWH used per month per KW of billing demand.
- 2.87¢ per KWH for all remaining KW used per month.

Schedule LLP-2 Large Power 500 KW under 3,000 KW (Secondary Voltage)*

Demand Charge: \$4.17 per month per KWH of billing demand.

Energy Charge:

First	20,000 KWH per month	\$.0409 per KWH
Next	20,000 KWH per month	.0281 per KWH
Over	40,000 KWH per month	.0238 per KWH

Determination of Billing Demand

The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

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

Schedule OL Outdoor Lighting Service*

Rate per Fixture

Mercury 100 to 200 watts	\$ 5.06 per month
Mercury 200 to 450 watts	7.81 per month
Mercury 450 to 1200 watts	12.05 per month

Schedule OL-1 Street Lighting Service*

Rate

First	40 KWH per month (minimum bill)	\$ 6.01 per month
Next	60 KWH per month	.0712 per KWH
Next	100 KWH per month	.0498 per KWH
Next	300 KWH per month	.0355 per KWH
Over	500 KWH per month	.0239

Schedule LLP-3 Large Power 500 KW under 3,000 KW (Primary Voltage)*

Rate

Demand Charge: \$4.17 per month per KWH of billing demand

Energy Charge:

First	20,000 KWH per month	\$.0441 per KWH
Next	20,000 KWH per month	.0304 per KWH
Over	40,000 KWH per month	.0261 per KWH

Schedule LPR-1 Large Power 3,000 and Over*

Rate

Demand Charge: \$4.17 per month per KW of billing demand

Energy Charge:

First	100,000 KWH per month	\$.0383 per KWH
Next	900,000 KWH per month	.0233 per KWH
Over	1,000,000 KWH per month	.0185 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."