

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION:)
NOTICE THAT ON SEPTEMBER 1, 1981 IT WILL) CASE NO. 8299
REVISE ITS FUEL ADJUSTMENT CLAUSE FOR ELECTRIC)
SERVICE TO ITS TARIFF CONSUMERS)

O R D E R

On July 29, 1981, Meade County Rural Electric Cooperative Corporation ("Company") filed with the Commission an application to reduce rates and charges to its customers, which was approved by its Board of Directors on July 28, 1981. Big Rivers Electric Corporation ("Big Rivers") notified the Commission on July 10, 1981, of a reduction in rates to its member cooperatives equal to the margin earned by Big Rivers on intersystem sales during the period July 1, 1981, through December 31, 1981. The Company purchases all of its energy needs from Big Rivers. The Company seeks permission to reduce tariffs and electric service contracts and to pass this reduction on to its customers; to use the fuel clause as the vehicle for passing this reduction through to customers; and to deviate from Commission rules with respect to information requirements contained in 807 KAR 5:001E, Section 6, 7(3), 9 and other applicable rules. The Company will give notice to its customers in accordance with applicable Commission regulations.

The Company appended the testimony of its Manager, Beavin F. Thornsberry, Jr., who explained that the credit will be flowed back to tariff customers on a per kwh basis.

The Commission has carefully reviewed the application and testimony filed in this case. Based on that review, the Commission finds that:

1. On July 10, 1981, Big Rivers filed a request for reduction in rates equal to the margin earned on intersystem sales for the period July 1, 1981, through December 31, 1981.

2. The Company purchases all its energy needs from Big Rivers.

3. The Company's request to pass any reductions through to its customers should be granted.

4. The Company's request for deviation from the information requirements of 807 KAR 5:001E, Sections 6, 7(3), 9 and other applicable rules should be granted.

5. The Company should be permitted to report the amount of the reduction as a separate line item in its monthly fuel clause filing.

6. The reduction should be shown as a separate line item on the customers' monthly bills.

7. The Company should file revised tariffs reflecting the above findings.

IT IS THEREFORE ORDERED that the Company's request to pass through any reduction in rates by Big Rivers for margins earned on intersystem sales and wheeling charges be and is hereby granted.

IT IS FURTHER ORDERED that the amount refunded each month be reported as a separate line item in the monthly fuel clause filing.

IT IS FURTHER ORDERED that the amount refunded each month be shown as a separate line item on each customer's bill.

IT IS FURTHER ORDERED that the Company's request to deviate from the information requirements of 807 KAR 5:001E, Sections 6, 7(3), 9 and other applicable Commission rules be and is hereby granted.

IT IS FURTHER ORDERED that the reduction in rates approved herein shall be effective on and after the date of this Order for all wheeling charges and margins on intersystem sales refunded by Big Rivers.

Done at Frankfort, Kentucky, this 13th day of August, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Vohy
Chairman

Katherine Randall
Vice Chairman

Gene Haragan
Commissioner

ATTEST:

Secretary