

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE)
APPLICATION OF THE FUEL ADJUST-)
MENT CLAUSE OF NOLIN RURAL) CASE NO. 9753
ELECTRIC COOPERATIVE CORPORATION)
FROM NOVEMBER 1, 1984, TO)
OCTOBER 31, 1986)

O R D E R

Pursuant to 807 KAR 5:056, Sections 1 (11) and 1 (12), the Public Service Commission ("Commission") issued its Order on November 14, 1986, scheduling a hearing to review the operation of the fuel adjustment clause of Nolin Rural Electric Cooperative Corporation ("Nolin") for the past 2 years and to determine the amount of fuel cost that should be transferred (rolled in) to the base rates in order to reestablish the fuel adjustment charge. Nolin was not required to appear at the scheduled hearing unless an appearance was requested by the Attorney General's Utility and Rate Intervention Division or other interested parties or by the Commission on its own motion.

Nolin filed all requested information, including its monthly fuel charges for the 2-year period under review and its affidavit of compliance with the provisions of the fuel adjustment clause as prescribed in 807 KAR 5:056. Following proper notice, no party of record requested Nolin to appear at the hearing scheduled for February 10, 1987.

The Commission approved a transfer (roll-in) of (1.46) mills per KWH to the base rates of Nolin's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9731. Approval of East Kentucky's proposal requires that Nolin also be authorized to roll-in those same fuel costs to its base rates.

The Commission, having considered the evidence of record and being advised, finds that:

1. Nolin has complied in all material respects with the provisions of 807 KAR 5:056.

2. Nolin's wholesale supplier has been authorized to transfer (roll-in) to its base rates fuel costs of (1.46) mills per KWH in Case No. 9731.

3. Nolin should be authorized to decrease the rates charged its customers by 1.55 mills per KWH in order to transfer fuel costs rolled-in by East Kentucky from the fuel adjustment clause to the base rates pursuant to the Commission's Order in Case No. 9731 and applicable line loss, and this can best be accomplished by a uniform reduction in all energy rates.

4. The revised rates and charges in Appendix A are designed to reflect the transfer of fuel costs from the fuel adjustment clause rate to the base rates.

IT IS THEREFORE ORDERED that:

(1) The charges and credits applied by Nolin through the fuel adjustment clause for the period November 1, 1984, through October 31, 1986, be and they hereby are approved.

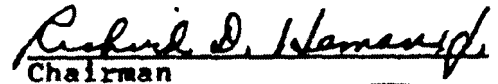
(2) Nolin be and it hereby is authorized to transfer to its base rates fuel costs transferred (rolled-in) by its wholesale supplier pursuant to Case No. 9731.

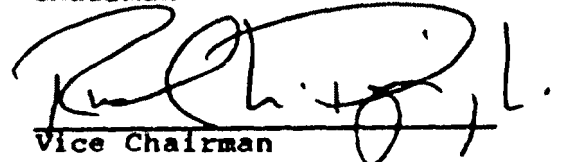
(3) The rates in Appendix A be and they hereby are approved for service rendered by Nolin on and after May 1, 1987, which is also the effective date for East Kentucky's rates.

(4) Within 30 days from the date of this Order Nolin shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 28th day of April, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9753 DATED 4/28/87

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

SCHEDULE 1*
RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOBILE HOMES

Rates:

Customer Charge	\$5.00	Per Month
All KWH Charge	.05850	per KWH

SCHEDULE 1 - T-O-D*
RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOBILE HOMES T-O-D

Rates:

On-Peak Rate		
Service Charge	\$5.00	Per Month
All KWH per Month	.05850	Per KWH
Off-Peak Rate		
All KWH per Month	.03343	Per KWH

SCHEDULE 2
COMMERCIAL, SMALL POWER, SINGLE PHASE AND THREE PHASE SERVICE*

Rates:

Customer Charge	\$5.00	Per Month
ALL KWH Charge	.06587	Per KWH

SCHEDULE 3
LARGE POWER*

Rate:

Demand Charge

\$4.34 per Kilowatt of Billing Demand Per Month

Energy Charge

First	2,500 KWH Per Month	\$.05493 Net Per KWH
Next	12,500 KWH Per Month	.05022 Net Per KWH
Over	15,000 KWH Per Month	.04880 Net Per KWH

SCHEDULE 4
INDUSTRIAL*

Rates:

Demand Charge

\$4.34 Per Kilowatt of Billing Demand Per Month

Energy Charge

First	3,500 KWH Per Month	\$.05870 Net Per KWH
Next	6,500 KWH Per Month	.04515 Net Per KWH
Over	10,000 KWH Per Month	.04164 Net Per KWH

SCHEDULE 5
RURAL LIGHT*

Applicable: Entire Service Area*

Rates:

Service for the above unit shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at the rate of \$6.36 each and every month for each lighting fixture contracted for by the consumer.

SCHEDULE 6*

Rates:

Mercury Vapor Series or Multiple

Standard Overhead			
7,000 Initial Lumens	75 KWH	\$2.92	Per Light Per Month
20,000 Initial Lumens	170 KWH	9.04	Per Light Per Month
Ornamental Service			
7,000 Initial Lumens	75 KWH	3.99	Per Light Per Month
20,000 Initial Lumens	170 KWH	10.18	Per Light Per Month

SCHEDULE 7
LARGE INDUSTRIAL*

Rates per Month:

Demand Charge

\$7.92 per Kilowatt of Billing Demand Per Month

Energy Charge

All KWH at \$.03483 Net Per KWH

SCHEDULE 8
LARGE INDUSTRIAL, T-O-D*

Rates per Month:

Demand Charge

\$7.82 per Kilowatt of Billing Demand Per Month

Energy Charge

All KWH at \$.03483 Net Per KWH

*Fuel Clause Adjustment

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 percent and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.