

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 SOUTH KENTUCKY RURAL) CASE NO. 9757
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 South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") 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. South Kentucky 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.

South Kentucky 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 South Kentucky 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 South Kentucky's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9731. Approval of East Kentucky's proposal requires that South Kentucky 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. South Kentucky has complied in all material respects with the provisions of 807 KAR 5:056.

2. South Kentucky'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. South Kentucky should be authorized to decrease the rates charged its customers by 1.57 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 South Kentucky through the fuel adjustment clause for the period November 1, 1984, through October 31, 1986, be and they hereby are approved.

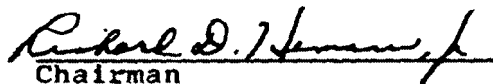
(2) South Kentucky be and it hereby is authorized to transfer to its base rates fuel costs transferred (rolled-in) by its wholesale supplier pursuant to Case No. 9731.

(3) The rates in Appendix A be and they hereby are approved for service rendered by South Kentucky 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 South Kentucky 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. 9757 DATED 4/28/87

The following rates and charges are prescribed for the customers in the area served by South Kentucky 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 A
RESIDENTIAL, FARM AND NON-FARM SERVICE*

RATES PER MONTH:

Consumer Charge - No KWH Usage . . .	\$5.25
<u>Energy Charge:</u>	
First 700 KWH Per Month @05939 per KWH
All over 700 KWH per Month05327 per KWH

SCHEDULE A T-O-D
RESIDENTIAL, FARM AND NON-FARM SERVICE T-O-D

Rates:

On-Peak Rate	
Service Charge	\$5.25
Under 700 KWH/Mo.	.05939/KWH
Service Charge	9.53
Over 700 KWH/Mo.	.05327/KWH
Off-Peak Rate	
Under 700 KWH/Mo.	.03393/KWH
Over 700 KWH/Mo.	.03026/KWH

SCHEDULE B
SMALL COMMERCIAL RATE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$6.30

Energy Charge:

First 1,000 KWH per Month @ \$.06470 per KWH
All Over 1,000 KWH per Month @ \$.05955 per KWH

SCHEDULE LP
LARGE POWER RATE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$10.50

Demand Charge:

Billing Demand per KW per Month \$5.67

Plus Energy Charge:

First 3,500 KWH per Month @ \$.04241 per KWH
Next 6,500 KWH per Month @ \$.04081 per KWH
Next 140,000 KWH per Month @ \$.03773 per KWH
Next 150,000 KWH per Month @ \$.03761 per KWH
Over 300,000 KWH per Month @ \$.03752 per KWH

SCHEDULE OPS
OPTIONAL POWER SERVICE*

RATES PER MONTH:

Consumer Charge - No KWH
Usage . . . \$10.50

Energy Charge

First 3,500 KWH per Month @ \$.07086 per KWH
Next 6,500 KWH per Month @ .06835 per KWH
Next 140,000 KWH per Month @ .06351 per KWH
Next 150,000 KWH per Month @ .06332 per KWH
Over 300,000 KWH per Month @ .06318 per KWH

SCHEDULE WH
Controlled Water Heater Rate (Experimental)

Rates Per Month:

Consumer Charge - No KWH Usage	\$5.25
Energy Charge:	
First 700 KWH @	.05439 Per KWH
All over 700 KWH @	.05327 Per KWH

SCHEDULE STL
STREET LIGHTING SERVICE*

Rate:

Mercury Vapor Bulbs

Up to and including 175 Watts
(74 KWH/Light) \$3.88 Per Month

Excess of 175 Watts up to
and including 400 Watts
(162 KWH/Light) 6.23 Per Month

Sodium Bulbs

Up to and including 150 Watts
(63 KWH/Light) 3.88 Per Month

Excess of 150 Watts up to and
including 360 Watts (135 KWH/
Light) 6.23 Per Month

SCHEDULE OL
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Rates Per Light Per Month:

Mercury Vapor or Sodium 7,000 - 10,000 Lumens	
Metered	4.39
Unmetered	5.59

SCHEDULE ETS

ELECTRIC THERMAL STORAGE HEAT RATE (EXPERIMENTAL)

Rates:

Meter No. 1

Consumer Charge - No KWH Usage \$5.25

Energy Charge:

First 700 KWH Per Month .05939
All Over 700 KWH Per Month .05327

Meter No. 2

Energy Charge:

All KWH Used Per Month .03133

SCHEDULE TVB
UNMETERED COMMERCIAL SERVICE*

CLASS AND RATES PER MONTH:

Cable TV Amplifiers - (75
KWH per Month) . . . \$7.11 Per Month

*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% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.