

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF EAST KENTUCKY POWER)
COOPERATIVE, INC. OF A REVISION)
TO ITS WHOLESALE ELECTRIC POWER) CASE NO. 89-311
TARIFF)

O R D E R

IT IS ORDERED that East Kentucky Power Cooperative, Inc. ("East Kentucky") shall file the original and 12 copies of the following information with the Commission, with a copy to all parties of record. Each item of the data requested should be numbered and each page of each response should be appropriately indexed, e.g., Item No. 1(a), Page 2 of 4. The information requested herein is due no later than 10 days from the date of this Order.

1. The application indicates that the proposed tariff change will reduce East Kentucky's revenues by \$2.5 million. Provide a detailed analysis of Kw and Kwh billings for the 1988 test period, at current rates and proposed rates, which shows the derivation of the \$2.5 million reduction.

2. Exhibit B, Page 1 of 23, of the application summarizes the revenue impact of implementing the proposed Section E Tariff and shows, for each member cooperative, the revenues from Section B and C loads and the revenues from potential Section B and C loads. There are a few discrepancies between the amounts reported in Exhibit B and the amount reported by some of the distribution cooperatives in their applications filed in conjunction with this

case. Provide a detailed explanation of these discrepancies, as outlined below, and the reasons East Kentucky classified certain loads as Section B or Section C loads.

a. In determining a decrease of \$273,183 for Blue Grass RECC, East Kentucky classified four customers as potential Section B or C loads with related revenues of \$1,569,409. However, Blue Grass, in its application in Case No. 89-327,¹ shows no Section B or C loads and shows a reduction in power cost of \$243,012.

b. In determining a decrease of \$76,846 for Fleming-Mason RECC, East Kentucky classified one customer, Dravo, as a potential Section B or C load with revenues of \$3,286,414. However, Fleming-Mason, in its application in Case No. 89-314,² shows Dravo as a Section E load which should receive a separate rate reduction of \$19,763 in addition to the \$76,846 reduction for all other customers.

c. In determining a decrease of \$301,159 for South Kentucky RECC, East Kentucky classified one customer as a potential B or C load with revenues of \$189,561. However, South Kentucky, in its application in Case No. 89-321,³ shows no Section B or C loads yet shows the same overall decrease of \$301,159.

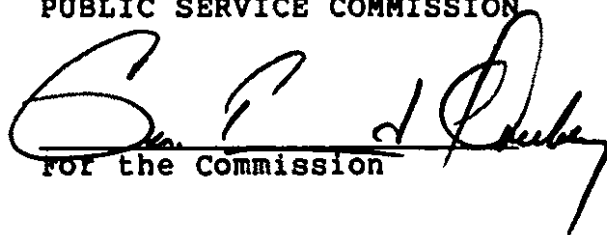
¹ Case No. 89-327, The Notice of Blue Grass Rural Electric Cooperative Corporation's Revision to Its Electric Power Tariff.

² Case No. 89-314, The Notice of Fleming-Mason Rural Electric Cooperative Corporation's Revision to Its Electric Power Tariff.

³ Case No. 89-321, The Notice of South Kentucky Rural Electric Cooperative Corporation's Revision to Its Electric Power Tariff.

Done at Frankfort, Kentucky, this 30th day of November, 1989.

PUBLIC SERVICE COMMISSION


for the Commission

ATTEST:

Executive Director