COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC) SERVICE COMMISSION OF THE APPLICA-) TION OF THE FUEL ADJUSTMENT CLAUSE) OF HARRISON COUNTY RURAL ELECTRIC) CASE NO. 90-376 COOPERATIVE CORPORATION FROM) NOVEMBER 1, 1988 TO OCTOBER 31, 1990)

ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 30, 1990 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Harrison County Rural Electric Cooperative Corporation ("Harrison County") from November 1, 1988 to October 31, 1990.

As a part of this review, the Commission ordered Harrison County to submit certain information including, <u>inter alia</u>, its monthly fuel charges for the period under review and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Harrison County has complied with this Order. The Commission further ordered that a public hearing be held in this case, but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

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

1. Harrison County has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Harrison County, has been authorized to transfer (roll-in) a 0.54 mills per Kwh increase in its base fuel cost to its base rates.¹

3. Harrison County should be authorized to transfer (roll-in) a 0.58 mills per Kwh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.54 mills per Kwh increase in EKPC's base rates and this can best be accomplished by an energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Harrison County through the FAC for the period from November 1, 1988 to October 31, 1990 be and they hereby are approved.

2. Harrison County be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.

-2-

Case No. 90-361, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1988 to October 31, 1990.

3. The rates in Appendix A are approved for service rendered by Harrison County on and after May 1, 1991.

4. Within 30 days of the date of this Order, Harrison County shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 3rd day of April, 1991.

PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

ie M Wednehen

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-376 DATED 4/03/91

The following rates and charges are prescribed for the customers in the area served by Harrison County 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 - RATE 1 FARM AND HOME SERVICE

Rates:

All KWH Used

\$.06473 Per KWH

RATE 1 FARM AND HOME SERVICE OFF-PEAK RETAIL MARKETING RATE

Rates:

All KWH Used

\$0.03884 Per KWH

RATE 2 COMMERCIAL AND SMALL POWER SERVICE (0 - 50 KW DEMAND)

Rates:

All KWH Used

\$0.05195 Per KWH

RATE 8 LARGE POWER SERVICE (50 TO 500 KW DEMAND)

Rates:

A11	KWH Used	\$.04134 Per	KWH
	NHA VOCA	0:VTLJT 101	

LPR-1, RATE 8 LARGE POWER SERVICE OVER 500 KW DEMAND

Rates:

All KWH Used

\$.03754 Per KWH

LPR-2, RATE 8 LARGE POWER SERVICE 1,000 KW TO 4,999 KW

Rates:

All KWH Used

\$.03797 Per KWH

LPR-3, RATE 8 LARGE POWER SERVICE 5,000 KW TO 9,999 KW DEMAND

Rates:

First 425 KWH per KW of Billing Demand \$0.03432 All Remaining KWH 0.02680

SECURITY LIGHTS OUTDOOR LIGHTING SERVICE

Rate Per Fixture:

Type of Fixture	Lamp Size	Monthly Charge
Mercury Vapor Mercury Vapor	175 Watts (73 KWH/lamp) 400 Watts (154 KWH/lamp)	