

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLARK RURAL ELECTRIC)
COOPERATIVE CORPORATION OF WINCHESTER,)
KENTUCKY, FOR A DEVIATION FROM BUDGET)
PAYMENT PLANS OF 807 KAR 5:006, SECTION)
13(2)(A))

CASE NO. 94-145

O R D E R

On April 11, 1994, Clark Rural Electric Cooperative Corporation ("Clark RECC") filed with the Commission an application requesting a deviation from 807 KAR 5:006, Section 13(2)(a), regarding budget payment plans. Clark RECC submitted with its application a tariff effective on June 1, 1994 which the Commission suspended until October 31, 1994. Clark RECC was requested to submit additional information and complied with the request on June 24, 1994.

Commission Regulation 807 KAR 5:006, Section 13(2)(a), requires that a budget billing plan be made available to customers and further, that once each 12 months the customer's account be "trued up" and any over- or under-payments be made. In cases of unusual weather patterns or changes in usage, a substantial payment may be due in the true-up month.

Clark RECC proposes to use a levelized billing system using 12-month rolling average historical data to determine the amount a customer owes on a monthly basis. Weather conditions and changes in customer usage are taken into consideration as part of the

formula for determining the customer's bill; therefore, a large credit or debit will not accumulate in the customers account.

The Commission finds that Clark RECC's proposed budget plan is reasonable and potentially beneficial to its customers.

IT IS THEREFORE ORDERED that:

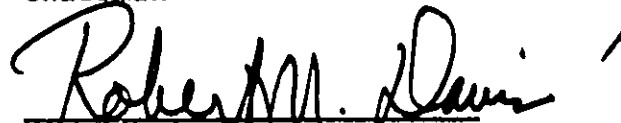
1. Clark RECC's proposed deviation from 807 KAR 5:006, Section 13(2)(a), is approved.

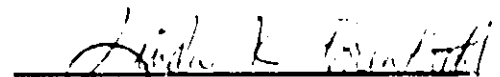
2. Within 30 days of the date of this Order, Clark RECC shall file with the Commission revised tariff sheets setting out the decision approved herein.

Done at Frankfort, Kentucky, this 5th day of August, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director