COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER) COOPERATIVE, INC. TO ADJUST) CASE NO. 94-336 ELECTRIC RATES)

<u>O R D E R</u>

East Kentucky Power Cooperative, Inc. ("East Kentucky") initiated this proceeding by filing to reduce its wholesale electric rates for service rendered on and after January 1, 1995. On December 2, 1994, the Commission suspended the proposed rates for one day to become effective on January 2, 1995. On December 15, 1994, East Kentucky filed a motion to amend its application and the Commission's Order of December 2, 1994, in order to make its proposed rates effective on January 1, 1995.

In support of its motion East Kentucky states that the Commission's December 2, 1994 Order establishes two separate billing periods in January 1995, each with different rates, which creates several complications for both East Kentucky and its member cooperatives. The most significant of these complications is that the member cooperatives would be subject to a demand billing under existing rates based on their non-coincident peak demands on January 1, 1995, and another demand billing for the remainder of the month under the new rates based on their coincident peak demands. East Kentucky requests that it be allowed to amend its application to request that its reduced rates be made effective on

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December 31, 1994, and that the Commission's Order be amended so that a one-day suspension makes the proposed rates become effective January 1, 1995.

Good cause exists to grant the motion. A one-day suspension will be maintained and granting the motion will not impair the Commission's jurisdiction over East Kentucky's proposed rates. Granting the motion will also allow East Kentucky's member cooperatives to receive the new reduced rates a day earlier than under our earlier Order.

IT IS THEREFORE ORDERED that:

1. East Kentucky's motion to amend its application is granted.

2. The Commission's Order of December 2, 1994 is modified to reflect an effective date for rates of January 1, 1995.

Done at Frankfort, Kentucky, this 16th day of December, 1994.

PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

Executive Director