

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 ADJUSTMENT CLAUSE OF HENDERSON) CASE NO. 94-474
UNION ELECTRIC COOPERATIVE CORPORATION)
FROM NOVEMBER 1, 1992 TO OCTOBER 31,)
1994)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 14, 1994 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Henderson Union Electric Cooperative Corporation ("Henderson Union") for the two years ended October 31, 1994.

As part of this review, the Commission ordered Henderson Union to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Henderson Union 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.

Henderson Union is a distribution cooperative which purchases its power from Big Rivers Electric Corporation ("Big Rivers"). In

Case No. 94-458,¹ the Commission found that Big Rivers incurred unreasonable fuel costs and ordered Big Rivers to return \$993,129, with interest, to its members via a monthly credit to its fuel cost over a three-month period. These credits will, in turn, be passed through to Henderson Union's customers through the normal operation of its FAC.

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

1. Henderson Union has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056 during the period under review.

2. Big Rivers has been authorized to transfer (roll-in) a 0.28 mills per Kwh decrease in its base fuel cost to its base rates.²

3. Henderson Union should be authorized to transfer (roll-in) a 0.3012 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.28 mills per Kwh decrease in Big Rivers' base rates. This

¹ Case No. 94-458, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 1992 to October 31, 1994, Order dated March 5, 1996.

² Id.

transfer can best be accomplished by a negative 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:

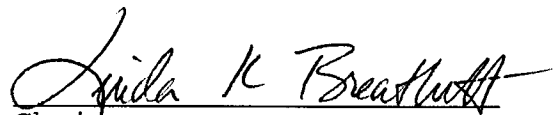
1. Henderson Union be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by Big Rivers from its FAC to its base rates.

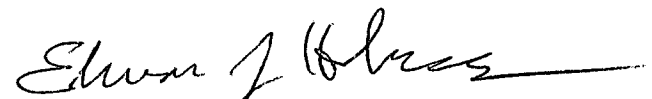
2. The rates in Appendix A are approved for service rendered by Henderson Union on and after April 1, 1996.

3. Within 30 days of the date of this Order, Henderson Union shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of March, 1996.

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. 94-474 DATED MARCH 22, 1996.

The following rates and charges are prescribed for the customers in the area served by Henderson Union 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 effective date of this Order.

SCHEDULE A
RESIDENTIAL

Monthly Rate:

Energy Charge per KWH \$.0623591

SCHEDULE B
FARM, GOVERNMENT OR COMMERCIAL

Monthly Rate:

Energy Charge per KWH \$.0680021

SCHEDULE B-1
FARM OR COMMERCIAL

Monthly Rate:

Energy Charge per KWH \$.0618911

SCHEDULE B-2
FARM (GRAIN DRYING SERVICE)

Monthly Rate:

Energy Charge per KWH \$.0741625

SCHEDULE LP-3 - LARGE POWER
(501 TO 2000) KVA
DEDICATED DELIVERY POINT

Monthly Rate:

Energy Charge per KWH	
First 100,000 KWH	\$.0307546
All Over 100,000 KWH	.0251606

SCHEDULE LP-3 - LARGE POWER
(501 TO 2000) KVA
NON-DEDICATED DELIVERY POINT

Monthly Rate:

Energy Charge per KWH	
First 100,000 KWH	\$.0307297
All Over 100,000 KWH	.0251357

SCHEDULE LP-3 - "OFF PEAK" RATE RIDER
LARGE POWER (501 - 2,200 KW) NON-DEDICATED DELIVERY

Monthly Rate:

Energy Charge per KWH	
First 100,000 KWH	\$.0307297
All Over 100,000 KWH	.0251357

SCHEDULE LP-4 - LARGE POWER
(OVER 2000 KVA)

Monthly Rate:

Energy Charge per KWH	
First 100,000 KWH	\$.0285656
All Over 100,000 KWH	.0245996

SCHEDULE D
SECURITY LAMP

Monthly Rate:

Sodium or Mercury Vapor Lamp	
8,000 Lumen	\$ 7.97
20,000 Lumen	11.49

SCHEDULE SL
STREET LIGHTS

Monthly Rate:

Sodium or Mercury Vapor Lamp	
8,000 Lumen	\$ 4.96
20,000 Lumen	9.36