

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 MEADE COUNTY) CASE NO. 94-479
RURAL 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 Meade County Rural Electric Cooperative Corporation ("Meade County") for the two years ended October 31, 1994.

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

Meade County 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 Meade County'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. Meade County 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. Meade County should be authorized to transfer (roll-in) a 0.30 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 transfer

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.

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:

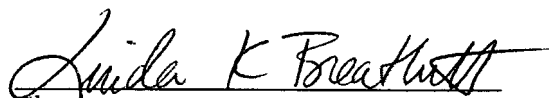
1. Meade County be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by Big Rivers from its FAC to its base rates.

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

3. Within 30 days of the date of this Order, Meade County 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. 94-479 DATED MARCH 22, 1996

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

RATE SCHEDULE 1
RESIDENTIAL, FARM AND NON-FARM,
SCHOOLS AND CHURCHES

First	300 KWH per month	\$.07421
Next	700 KWH per month	.05931
All Over	1,000 KWH per month	.05507

RATE SCHEDULE 2
COMMERCIAL RATE

First	500 KWH per month	\$.07892
Next	500 KWH per month	.07243
All Over	1,000 KWH per month	.06411

RATE SCHEDULE 3
GENERAL SERVICE, 0-49 KVA

First	500 KWH per month	\$.07732
Next	500 KWH per month	.07163
All Over	1,000 KWH per month	.06316

RATE SCHEDULE 4
LARGE POWER SERVICE OVER 50 KVA

Rates:

\$.06675	Per KWH for the first 100 KWH used per month per KW to billing demand.
\$.06037	Per KWH for the first 100 KWH used per month per KW to billing demand.
\$.05772	Per KWH for the first 100 KWH used per month per KW to billing demand.
\$.05610	Per KWH for all remaining 100 KWH used per month

RATE SCHEDULE 5
OUTDOOR LIGHTING SERVICE
INDIVIDUAL CONSUMERS

175 Watt Unmetered	-	per month	\$ 7.24
175 Watt Metered	-	per month	3.65
400 Watt Unmetered	-	per month	10.03
400 Watt Metered	-	per month	3.65

RATE SCHEDULE 6
STREET LIGHTING SERVICE
COMMUNITY, MUNICIPALITIES AND TOWNS

175 Watt	-	per month	\$ 6.32
400 Watt	-	per month	9.18