

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 FLEMING-MASON)	CASE NO. 96-531
RURAL ELECTRIC COOPERATIVE CORPORATION)	
FROM NOVEMBER 1, 1994 TO OCTOBER 31, 1996)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 14, 1996 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Fleming-Mason Rural Electric Cooperative Corporation ("Fleming-Mason") for the two years ended October 31, 1996.

As part of this review, the Commission ordered Fleming-Mason to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Fleming-Mason 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. Fleming-Mason 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 Fleming-Mason, has been authorized to transfer (roll-in) a 0.23 mills per Kwh decrease in its base fuel cost to its base rates.¹

3. Fleming-Mason should be authorized to transfer (roll-in) a 0.24 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.23 mills per Kwh decrease in EKPC's base rates. This 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. The charges and credits applied by Fleming-Mason through the FAC for the period November 1, 1994 to October 31, 1996 are approved.

2. Fleming-Mason 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.

3. The rates in Appendix A are approved for service rendered by Fleming-Mason on and after September 1, 1997.

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

¹ Case No. 96-522, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1994 to October 31, 1996.

Done at Frankfort, Kentucky, this 20th day of August, 1997.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt
Chairman

E. J. Helton
Vice Chairman

B. J. Helton
Commissioner

ATTEST:

Don Mills
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-531 DATED AUGUST 20, 1997

The following rates and charges are prescribed for the customers in the area served by Fleming-Mason 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.

SCHEDULE RSP RESIDENTIAL AND SMALL POWER

Rate:

Energy Charge (for all KWH)	\$.05134 Per KWH
Energy Charge (E.T.S.)	.03080 Per KWH

SCHEDULE SGS SMALL GENERAL SERVICE

Rate:

Energy Charge (for all KWH)	\$.02705 Per KWH
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SCHEDULE LGS LARGE GENERAL SERVICE

Rate:

Energy Charge (for all KWH)	\$.02716 Per KWH
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SCHEDULE OLS OUTDOOR LIGHTING SERVICE

Monthly Rate:

<u>Mercury Vapor</u> 7,000 Lumens	Standard Service	\$ 5.59
	Ornamental Service	14.05
20,000 Lumens	Standard Service	10.54
	Ornamental Service	17.86

High-Pressure Sodium

9,500 Lumens	Standard Service	\$ 5.87
	Ornamental Service	13.19
	Directional Service	5.97
22,000 Lumens	Standard Service	7.97
	Ornamental Service	15.30
	Directional Service	7.80
50,000 Lumens	Standard Service	11.45
	Ornamental Service	18.37
	Directional Service	11.15

SCHEDULE AES
ALL ELECTRIC SCHOOL

Rate:

Energy Charge (for all KWH) \$.04741 Per KWH

TEXAS EASTERN TRANSMISSION CORPORATION
SPECIAL CONTRACTED SERVICE

Rate:

Energy Charge (for all KWH) \$.02568 Per KWH

INLAND ELECTRIC
SPECIAL CONTRACTED SERVICE

Rate:

Energy Charge (for all KWH) \$.01979 Per KWH

SCHEDULE LIS 1
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.02819 Per KWH

SCHEDULE LIS 2
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.02494 Per KWH

SCHEDULE LIS 3
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.02388 Per KWH

SCHEDULE LIS 4
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.03002 Per KWH

SCHEDULE LIS 5
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.02677 Per KWH

SCHEDULE LIS 6
LARGE INDUSTRIAL SERVICE

Rate:

Energy Charge (for all KWH) \$.02275 Per KWH

SCHEDULE LIS 4B

Rate:

Energy Charge (for all KWH) \$.03002 Per KWH

SCHEDULE LIS 5B

Rate:

Energy Charge (for all KWH) \$.02677 Per KWH

SCHEDULE LIS 6B

Rate:

Energy Charge (for all KWH) \$.02275 Per KWH