

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF BIG SANDY)	CASE NO. 98-567
RURAL ELECTRIC COOPERATIVE)	
CORPORATION FROM NOVEMBER 1,)	
1996 TO OCTOBER 31, 1998)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 4, 1998 established this case to review and evaluate the operation of the fuel adjustment clause (FAC) of Big Sandy Rural Electric Cooperative Corporation (Big Sandy) for the two years ended October 31, 1998.

As part of this review, the Commission ordered Big Sandy to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Big Sandy 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. Big Sandy 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 Big Sandy, has been authorized to transfer (roll-in) a 0.81 mills per KWH increase in its base fuel cost to its base rates.¹

3. Big Sandy should be authorized to transfer (roll-in) a 0.86 mills per KWH increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.81 mills per KWH increase in EKPC s base rates. This transfer can best be accomplished by an 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 Big Sandy through the FAC for the period November 1, 1996 to October 31, 1998 are approved.

2. Big Sandy 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 Big Sandy on and after May 1, 1999.

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

¹ Case No. 98-563, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1996 to October 31, 1998.

Done at Frankfort, Kentucky, this 22nd day of March, 1999.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 98-567 DATED MARCH 22, 1999

The following rates and charges are prescribed for the customers in the area served by Big Sandy 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 A-1
FARM AND HOME

Rate:

Energy Charge	\$.05009 Per KWH
Off-Peak Energy Charge	.03030 Per KWH

SCHEDULE A-2
COMMERCIAL AND SMALL POWER

Rate:

Energy Charge	\$.04450 Per KWH
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SCHEDULE LP
LARGE POWER SERVICE

Rate:

Energy Charge	\$.03512 Per KWH
Primary Meter	.03443 Per KWH

SCHEDULE LPR
LARGE POWER RATE

Rate:

Energy Charge	\$.03284 Per KWH
Primary Meter	.03218 Per KWH

SCHEDULE YL-1
YARD SECURITY LIGHT SERVICE

Rate:

Flat rate per light per month as follows:

175 Watt	\$ 5.49 Per Month
400 Watt	7.47 Per Month
500 Watt	8.35 Per Month
1,500 Wat	17.16 Per Month

SCHEDULE IND 1

Energy Charge	\$.02827 Per KWH
Primary meter	.02770 Per KWH

SCHEDULE IND 2

Energy Charge	\$.02327 Per KWH
Primary Meter	.02282 Per KWH