

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF BLUE)	CASE NO. 98-568
GRASS ENERGY 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 Blue Grass Energy Cooperative Corporation (Blue Grass) for the two years ended October 31, 1998.

As part of this review, the Commission ordered Blue Grass to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Blue Grass 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. Blue Grass 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 Blue Grass, 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. Blue Grass 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 Blue Grass through the FAC for the period November 1, 1996 to October 31, 1998 are approved.

2. Blue Grass 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 Blue Grass on and after May 1, 1999.

4. Within 30 days from the date of this Order, Blue Grass 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

LP - #2 LARGE POWER

Rate:

Energy Charge (Over 500 KW)

First	3,500 KWH	\$.04292 Per KWH
Next	6,500 KWH	.03465 Per KWH
Next	140,000 KWH	.02952 Per KWH
Next	200,000 KWH	.02797 Per KWH
Next	400,000 KWH	.02705 Per KWH
Next	550,000 KWH	.02613 Per KWH
All Over	1,300,000 KWH	.02086 Per KWH

SECURITY LIGHTS

Rate Per Light Per Month:

175 Watt Mercury Vapor	\$ 4.55
400 Watt Mercury Vapor	6.52
100 Watt High Pressure Sodium	4.86
250 Watt High Pressure Sodium	6.76

STREET LIGHTING

Rate Per Light Per Month:

70 Watt High Pressure Sodium (ornamental)	\$ 5.04
100 Watt High Pressure Sodium (ornamental)	6.47
250 Watt High Pressure Sodium (ornamental)	8.50
70 Watt High Pressure Sodium (colonial) (15 Mounting Height)	7.82

GS-2 OFF PEAK RETAIL MARKETING RATE

(ETS)

Rate:

All KWH Per Month	\$.03175 Per KWH
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LARGE INDUSTRIAL RATE
SCHEDULE C-1

Monthly Rate:

Energy Charge	\$.02820 Per KWH
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LARGE INDUSTRIAL RATE
SCHEDULE C-2

Monthly Rate:

Energy Charge	\$.02320 Per KWH
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LARGE INDUSTRIAL RATE
SCHEDULE C-3

Monthly Rate:

Energy Charge	\$.02220 Per KWH
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LARGE INDUSTRIAL RATE
SCHEDULE B-1

Monthly Rate:

Energy Charge	\$.02841 Per KWH
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LARGE INDUSTRIAL RATE
SCHEDULE B-2

Monthly Rate:

Energy Charge	\$.02341 Per KWH
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FOX CREEK DISTRICT

SCHEDULE R
RESIDENTIAL SERVICE

Rate:

Minimum Bill	First 30 KWH Per Month	\$ 5.39 Per Month
All Over	30 KWH Per Month	.05888 Per KWH

SCHEDULE C
COMMERCIAL AND SMALL POWER

Rate:

Minimum Bill	First 30 KWH Per Month	\$ 5.39 Per Month
All Over	30 KWH Per Month	.06077 Per KWH

SCHEDULE L
LARGE POWER SERVICE (50 TO 200 KW)

Rate:

First	50 KWH Per KW of Billing Demand	\$.06464 Per KWH
Next	100 KWH Per KW of Billing Demand	.06064 Per KWH
Over	150 KWH Per KW of Billing Demand	.05074 Per KWH

SCHEDULE A
RURAL LIGHTING AND COMMUNITY STREET LIGHTING

Service for the above unit shall be unmetered and billed on the member s monthly bill for other electrical service furnished by the Cooperative at the rate of \$5.08 each and every month.

SCHEDULE R2
RESIDENTIAL MARKETING RATE

Rate:

All KWH	\$.03533 Per KWH
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SCHEDULE C1
LARGE INDUSTRIAL (1,000 TO 4,999 KW)

Energy Charge	\$.02801 Per KWH
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SCHEDULE C2
LARGE INDUSTRIAL (5,000 TO 9,999 KW)

Energy Charge	\$.02301 Per KWH
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SCHEDULE C3
LARGE INDUSTRIAL (OVER 10,000 KW)

Energy Charge	\$.02201 Per KWH
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