

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF NOLIN)	CASE NO. 98-578
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 Nolin Rural Electric Cooperative Corporation (Nolin) for the two years ended October 31, 1998.

As part of this review, the Commission ordered Nolin to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Nolin 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. Nolin 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 Nolin, 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. Nolin should be authorized to transfer (roll-in) a 0.85 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 Nolin through the FAC for the period November 1, 1996 to October 31, 1998 are approved.

2. Nolin 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 Nolin on and after May 1, 1999.

4. Within 30 days from the date of this Order, Nolin 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. 98-578 DATED MARCH 22, 1999

The following rates and charges are prescribed for the customers in the area served by Nolin 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 1
RESIDENTIAL, FARM, NON-FARM,
TRAILERS AND MOBILE HOMES

Rates:

All KWH Charge	\$.05517 Per KWH
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SCHEDULE 2
COMMERCIAL, SMALL POWER, SINGLE PHASE
AND THREE-PHASE SERVICE

Rates:

All KWH Charge	\$.06231 Per KWH
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SCHEDULE 3
LARGE POWER

Rates:

Energy Charge	
First 2,500 KWH Per Month	\$.05121 Net Per KWH
Next 12,500 KWH Per Month	.04676 Net Per KWH
Over 15,000 KWH Per Month	.04542 Net Per KWH

SCHEDULE 4
INDUSTRIAL

Rates:

Energy Charge	
First 3,500 KWH Per Month	\$.05474 Net Per KWH
Next 6,500 KWH Per Month	.04195 Net Per KWH
Over 10,000 KWH Per Month	.03863 Net Per KWH

SCHEDULE 5
SECURITY LIGHTS

Rate Per Month:

175 Watt Mercury Vapor	\$ 6.30
100 Watt High Pressure Sodium	6.30
100 Watt Directional Floodlight	5.69
250 Watt Directional Floodlight	9.22
400 Watt Directional Floodlight	12.14
100 Watt Directional Floodlight	9.11
400 Watt Directional Floodlight	13.26

SCHEDULE 6

Rate Per Month:

Standard Overhead Wood Pole	
8,500 MV Initial Lumens	\$ 2.69
23,000 MV Initial Lumens	8.53
9,500 HPS Initial Lumens	5.21
27,500 HPS Initial Lumens	7.41
50,000 HPS Initial Lumens	9.54
Ornamental Service Aluminum Pole	
8,500 MV Initial Lumens	\$ 3.77
23,000 MV Initial Lumens	9.67
9,500 HPS Initial Lumens	12.87
27,500 HPS Initial Lumens	14.52
50,000 HPS Initial Lumens	16.16

SCHEDULE 7
LARGE INDUSTRIAL

Rate Per Month:

Energy Charge All KWH \$.03405 Net Per KWH

SCHEDULE 8
LARGE INDUSTRIAL, T-O-D

Rate Per Month:

Energy Charge All KWH \$.03405 Net Per KWH

SCHEDULE 9
INDUSTRIAL 1,000 4,999 KW

Rate:

All KWH \$.03223 Net Per KWH

SCHEDULE 10
INDUSTRIAL 5,000 9,999 KW

Rate:

All KWH \$.02723 Net Per KWH

SCHEDULE 11
INDUSTRIAL OVER 10,000 KW

Rate:

All KWH \$.02623 Net Per KWH

SCHEDULE 12
INDUSTRIAL C 1,000 4,999 KW

Rate:

All KWH \$.03223 Net Per KWH

SCHEDULE 13
INDUSTRIAL C 5,000 9,999 KW

Rate:

All KWH \$.02723 Net Per KWH

SCHEDULE 14
INDUSTRIAL C OVER 10,000 KW

Rate:

All KWH \$.02623 Net Per KWH