

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE	)	
APPLICATION OF THE FUEL	)	
ADJUSTMENT CLAUSE OF OWEN	)	CASE NO. 98-579
ELECTRIC COOPERATIVE 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 Owen Electric Cooperative ( Owen ) for the two years ended October 31, 1998.

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

3. Owen 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 Owen through the FAC for the period November 1, 1996 to October 31, 1998 are approved.

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

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

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<sup>1</sup> 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 22<sup>nd</sup> day of March, 1999.

By the Commission

ATTEST:

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Executive Director



SCHEDULE I  
SMALL COMMERCIAL

Rate:

All KWH \$ .06001 Per KWH

SCHEDULE II  
LARGE POWER

Rate:

All KWH \$ .04045 Per KWH

SCHEDULE II  
SECURITY LIGHTS

Rate Per Month:

Installed on existing pole where 120 volts are available	\$ 4.71
One Pole Added	6.35
Two Poles Added	7.99
Three Poles Added	9.63
Four Poles Added	11.27

SCHEDULE VIII  
LARGE INDUSTRIAL RATE LPC 1

Rate:

Energy Charge \$ .02775 Per KWH

SCHEDULE IX  
LARGE INDUSTRIAL RATE LPC 2

Rate:

Energy Charge \$ .02275 Per KWH

SCHEDULE X  
LARGE INDUSTRIAL RATE LPC 1-A

Rate:

Energy Charge

\$.02575 Per KWH