

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF SOUTH)	
KENTUCKY RURAL ELECTRIC)	
COOPERATIVE CORPORATION TO)	CASE NO. 2000-549
ADD ALL ELECTRIC SCHOOL SCHEDULE)	

O R D E R

On December 1, 2000, South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") filed a proposed tariff which offered an all-electric school schedule. South Kentucky proposed that the tariff become effective on and after January 1, 2001.

The Commission finds that, pursuant to KRS 278.190, further investigation is needed to determine the reasonableness of the proposed rates.

IT IS THEREFORE ORDERED that:

1. The proposed tariff filing of South Kentucky is suspended for 5 months from January 1, 2001 up to and including May 31, 2001.
2. South Kentucky shall file, within 20 days of the date of this Order, an original and five copies of its responses to the request for information set forth in Appendix A.
3. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 27th day of December, 2000.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 2000-549 DATED DECEMBER 27, 2000

1. The Direct Testimony of James R. Adkins ("Adkins Testimony"), response to Question No. 4, indicates that South Kentucky developed the proposed tariff due to requests from several schools in its service area. Provide a list of the requests and indicate when received, the rate schedule under which service is currently provided, and the school's current source of heat (electric, gas, other). The names of the schools need not be identified. The requests may be labeled Request A, Request B, etc.

2. The Adkins Testimony, response to Question No. 8, indicates that one reason the tariff does not include a demand charge is to meet competition. The response also states that, if natural gas is available, most schools will not elect to be all-electric unless the service is available at a rate that is almost exclusively an energy rate. Does South Kentucky anticipate that existing schools will make the investment necessary to convert to all-electric solely due to the availability of service without a demand charge? Explain why a school with non-electric heat would make such a decision.

3. East Kentucky Power Cooperative, Inc. ("East Kentucky"), South Kentucky's wholesale power supplier, is a winter peaking system. If schools served by South Kentucky switch to electric heat, will this increase East Kentucky's winter peak and also reduce its overall load factor? Clarify whether this would be a likely result of schools switching to electric heat and whether such a result would be beneficial to East Kentucky and its member cooperatives.