

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE	)	
APPLICATION OF THE FUEL	)	
ADJUSTMENT CLAUSE OF NOLIN	)	
RURAL ELECTRIC COOPERATIVE	)	CASE NO. 2002-00446
CORPORATION FROM NOVEMBER 1,	)	
2000 TO OCTOBER 31, 2002	)	

O R D E R

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission on December 11, 2002 established this case to review and evaluate the operation of the fuel adjustment clause ( FAC ) of Nolin Rural Electric Cooperative Corporation ( Nolin ) for the 2 years ended October 31, 2002.

As part of this review, the Commission ordered Nolin to submit certain information and an affidavit attesting to its compliance with Administrative 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 Administrative 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 2.31 mills per KWH increase in the base fuel cost to its base rates.<sup>1</sup>

3. Nolin should be authorized to transfer (roll-in) a 2.47 mills per KWH increase in its base fuel costs to its base to reflect, as adjusted for line loss, the transfer of a 2.31 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, 2000 to October 31, 2002 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, 2003, the effective date of EKPC s change in rates.

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

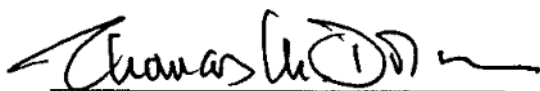
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<sup>1</sup> Case No. 2002-00432, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2000 to October 31, 2002.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of April, 2003.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. [unclear]", written over a horizontal line.

Executive Director

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00446 DATED April 23, 2003

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

All kWh per kWh	\$ .05764
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#### SCHEDULE 2 COMMERCIAL, SMALL POWER, SINGLE PHASE AND THREE PHASE

All kWh per kWh	\$ .06478
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#### SCHEDULE 3 LARGE POWER

First 2,500 kWh per kWh	\$ .05368
Next 12,500 kWh per kWh	\$ .04923
All Over 15,000kWh per kWh	\$ .04789

#### SCHEDULE 4 INDUSTRIAL

First 3,500 kWh per kWh	\$ .05721
Next 6,500 kWh per kWh	\$ .04442
All Over 10,000 kWh	\$ .04110

SCHEDULE 5  
SECURITY LIGHTS

Monthly Charge:

175 Watt Mercury Vapor	\$	6.49
100 Watt High Pressure Sodium	\$	6.49
100 Watt Directional Floodlight	\$	5.80
250 Watt Directional Floodlight	\$	9.52
400 Watt Directional Floodlight	\$	12.60
100 Watt Directional Floodlight	\$	9.22
400 Watt Directional Floodlight	\$	13.72

SCHEDULE 6  
MERCURY VAPOR OR HIGH PRESSURE SODIUM  
SERIES OR MULTIPLE

Standard Overhead-Wood Poles:

8,500 M.V. Initial Lumens	\$	2.88
23,000 M.V. Initial Lumens	\$	8.95
9,500 H.P.S. Initial Lumens	\$	5.33
27,500 H.P.S. Initial Lumens	\$	7.67
50,000 H.P.S. Initial Lumens	\$	9.90

Ornamental Service Overhead (Aluminum Poles):

8,500 M.V. Initial Lumens	\$	3.96
23,000 M.V. Initial Lumens	\$	10.09
9,500 H.P.S. Initial Lumens	\$	12.99
27,500 H.P.S. Initial Lumens	\$	14.78
50,000 H.P.S. Initial Lumens	\$	16.52

Ornamental Service Underground (Fiberglass Poles):

50,000 H.P.S. Initial Lumens	\$	19.56
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SCHEDULE 7  
LARGE INDUSTRIAL

Energy Charge per kWh	\$	.03652
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SCHEDULE 8  
LARGE INDUSTRIAL-Seasonal Time of Day

Energy Charge per kWh	\$	.03652
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SCHEDULE 9  
INDUSTRIAL 1,000 TO 4,999 KW

Energy Charge per kWh \$ .03470

SCHEDULE 10  
INDUSTRIAL 5,000 TO 9,999 KW

Energy Charge per kWh \$ .02970

SCHEDULE 11  
INDUSTRIAL Over 10,000 KW

Energy Charge per kWh \$ .02870

SCHEDULE 12  
INDUSTRIAL C 1,000 To 4,999 KW

Energy Charge per kWh \$ .03470

SCHEDULE 13  
INDUSTRIAL C 5,000 To 9,999 KW

Energy Charge per kWh \$ .02970

SCHEDULE 14  
INDUSTRIAL C Over 10,000 KW

Energy Charge per kWh \$ .02870