

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF BLUE GRASS) CASE NO. 8062-C
RURAL ELECTRIC COOPERATIVE)
CORPORATION FROM NOVEMBER 1,)
1981, TO APRIL 30, 1982)

O R D E R

Pursuant to 807 KAR 5:056, Section 1(11), the Commission issued an Order on April 28, 1982, requiring Blue Grass Rural Electric Cooperative Corporation ("Blue Grass") to notify its customers of a hearing to be held on July 15, 1982. Blue Grass was not required to appear at the scheduled hearing unless an appearance was requested by the Attorney General's Division of Consumer Protection or other interested parties, or by the Commission on its own motion. Following proper notice, no party of record requested Blue Grass to appear at the hearing scheduled for July 15, 1982.

Blue Grass filed an affidavit stating its compliance with the Fuel Adjustment Clause. Blue Grass has also filed its monthly fuel charges for the 6-month period under review.

After reviewing Blue Grass' monthly Fuel Adjustment Clause ("FAC") filings, the Commission found various filing

errors. These filing errors resulted in an overstatement of Blue Grass' recoverable fuel costs of \$4868.31. The Commission is of the opinion that Blue Grass should adjust its next monthly FAC filing by \$4868.31.

The Commission is of the opinion that a procedure should be established for setting dates for future Fuel Adjustment Clause hearings to improve the planning process for all parties. Therefore, the Commission concludes that future Fuel Adjustment Clause hearings should be held on the third Thursday of the third month following the end of the period under review. Thus, since the periods under review end in April and October, hearings will be held in July and January.

The Commission, after examining the evidence of record and being advised, finds that:

1. With the exception of filing errors discussed herein, Blue Grass has complied in all material respects with the requirements of 807 KAR 5:056.

2. Blue Grass should adjust its next monthly FAC filing by \$4868.31 to correct previous filing errors using a separate line item as shown in Appendix A.

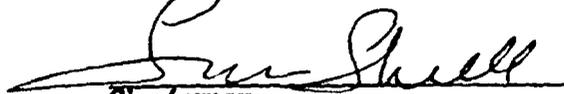
3. The date of the 2-year review hearing should be fixed at the conclusion of this proceeding. 807 KAR 5:056, Section 1(12).

IT IS THEREFORE ORDERED that Blue Grass shall adjust its next monthly FAC filing by \$4868.31 using a separate line item as shown in Appendix A.

IT IS FURTHER ORDERED that the next Fuel Adjustment Clause hearing in Case No. 8595, for the purpose of examining the application of the Fuel Adjustment Clause from November 1, 1980, to October 31, 1982, be and it hereby is set for January 20, 1983, at 9:00 a.m., Eastern Standard Time, at the Commission's offices in Frankfort, Kentucky, and Blue Grass shall give proper notice to its customers of the date, time, place and purpose of the hearing.

Done at Frankfort, Kentucky, this 20th day of October, 1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

COMPANY _____

POWER SUPPLIER _____

APPENDIX A
Page 1 of 1

Purchased Power - Month of: _____

Disposition of Energy (KWH)-Month of: _____

- 1. Fuel Adjustment Charge (Credit):
Billed by Supplier \$ _____
- b. (Over) Under Recovery on L20 _____
- b.1. FAC Adjustment* (4868.31)
- c. Unrecoverable - Schedule 1 _____
- d. Recoverable Fuel Cost (L1a + L1b minus 1c) _____
- 2. Number of KWH Purchased _____
- 3. Supplier's FAC:
a. \$ Per KWH (L1a ÷ L2) _____
- b. ¢ Per KWH (L3a x 100) _____
- 4. Sales as a Percent of Purchases (100% less percentage on L6) _____
- 5. Calculation of Distributor's FAC:
a. Recovery Rate \$ Per KWH (L1d ÷ L2) _____
- b. FAC \$ Per KWH (L5a ÷ L4) _____
- c. ¢ Per KWH (L5b x 100) _____
- Line Loss _____
- 6. Twelve Months Average (%) _____
- 7. Last Month Used to Compute L6 _____
- 8. Line Loss for Month on L7 (%) _____

- 9. Total Purchases for the Month' _____
- 10. Sales (Ultimate Consumer) _____
- 11. Company Use _____
- 12. Total Sales (L9 + L10) _____
- 13. Line Loss and Unaccounted For (L9 Less L12) _____
- Under or (Over) Recovery _____
- 14. Last Distributor FAC Rate Billed to All Cycles _____
- 15. Gross KWH Billed at the Rate on L14 _____
- 16. Adjustments to Customer Bills (KWH) _____
- 17. Net KWH Billed at the Rate on L14 (L15 Less L16) _____
- 18. FAC Revenue (Refund) Resulting From the Rate on L14 _____
- 19. Fuel Charge (Credit) Used to Compute the Rate on L14 _____
- 20. Total (Over) Under Recovery (L18 Less L19) _____

*Per Commission's Order in Case No. 8062-C
5c above reflects a Fuel Adjustment Charge (Credit) of _____

¢/KWH to be applied to bills rendered

and after _____, 19____. Date of Issue _____, 19____. Issued by _____

Title _____

Address _____

Telephone Number _____