

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 ADJUST-)
MENT CLAUSE OF CUMBERLAND) CASE NO. 9180
VALLEY RURAL ELECTRIC COOPERATIVE)
CORPORATION FROM NOVEMBER 1,)
1982, TO OCTOBER 31, 1984)

O R D E R

Pursuant to 807 KAR 5:056, Sections 1(11) and (12), the Public Service Commission ("Commission") issued its Order on November 20, 1984, scheduling a hearing to review the operation of the fuel adjustment clause of Cumberland Valley Rural Electric Cooperative Corporation ("Cumberland Valley") for the past 2 years and to determine the amount of fuel cost that should be transferred (rolled in) to the base rates in order to reestablish the fuel adjustment charge.

Cumberland Valley filed all requested information, including its monthly fuel charges for the 2-year period under review. Following proper notice, a hearing was held on April 4, 1984.

The Commission approved a transfer (roll-in) of (2.47) mills per KWH to the base rates of Cumberland Valley's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9171. Approval of East Kentucky's proposal requires that Cumberland Valley also be authorized to roll in those same fuel costs to its base rates.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. Cumberland Valley has complied in all material respects with the provisions of 807 KAR 5:056.

2. Cumberland Valley's wholesale supplier has been authorized to transfer (roll in) to its base rates fuel costs of (2.47) mills per KWH in Case No. 9171.

3. Cumberland Valley should be authorized to decrease the rates charged its customers by 2.63 mills per KWH in order to transfer fuel costs rolled in by East Kentucky from the fuel adjustment clause to the base rates pursuant to the Commission's Order in Case No. 9171 and applicable line loss, and this can best be accomplished by a uniform reduction in all energy rates.

4. The revised rates and charges in Appendix A are designed to reflect the transfer of fuel costs from the fuel adjustment clause rate to the base rates.

IT IS THEREFORE ORDERED that the charges collected by Cumberland Valley through the fuel adjustment clause for the period November 1, 1982, through October 31, 1984, be and they hereby are approved.

IT IS FURTHER ORDERED that Cumberland Valley be and it hereby is authorized to transfer to its base rates fuel costs transferred by its wholesale supplier pursuant to Case No. 9171.

IT IS FURTHER ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Cumberland Valley on and after June 1, 1985, which is also the effective date for East Kentucky's rates.

IT IS FURTHER ORDERED that within 30 days from the date of this Order Cumberland Valley shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 7th day of May, 1985.

PUBLIC SERVICE COMMISSION

Richard D. 7 Lemmon Jr.
Chairman

Ruth J. L.
Vice Chairman

Sam Shuck
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9180 DATED 5/7/85

The following rates and charges are prescribed for the customers in the area served by Cumberland Valley 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 date of this Order.

SCHEDULE I
FARM, HOME, SCHOOLS AND CHURCHES*

Rates:

Customer Charge	\$5.00 Per Month Per Customer
First 500 KWH	.06635 Per KWH
Over 500 KWH	.05636 Per KWH

SCHEDULE 1 T-O-D
FARM, HOME, SCHOOLS AND CHURCHES T-O-D

Rates:

On-Peak Rate:	
Service Charge	\$ 5.00 Per Month
Under 500 KWH/Mo.	.06635 /KWH
Service Charge	10.00 Per Month
Over 500 KWH/Mo.	.05636 /KWH
Off-Peak Rate:	
Under 500 KWH/Mo.	.03876 /KWH
Over 500 KWH/Mo.	.03276 /KWH

SCHEDULE II
SMALL COMMERCIAL AND SMALL POWER*

Rates:

Demand Charge: Per KW of Billing Demand \$3.68

Energy Charge:

Customer Charge	\$5.00 Per Month Per Customer
First 3,000 KWH	.08146 Per KWH
Over 3,000 KWH	.06268 Per KWH

SCHEDULE III
ALL ELECTRIC SCHOOL (A.E.S.)*

Rates:

All KWH \$.06106 Per KWH

SCHEDULE IV
LARGE POWER RATE - INDUSTRIAL*

Rates:

Demand Charge: Per KW of Billing Demand \$5.71

Energy Charge:

All KWH \$.03618 Per KWH

SCHEDULE IV-A
LARGE POWER RATE - 50 KW to 2,500 KW*

Rates:

Demand Charge: Per KW of Billing Demand \$3.68

Energy Charge:

All KWH \$.04506 Per KWH

SCHEDULE VI
OUTDOOR LIGHTING - SECURITY LIGHTS*

Rates:

Mercury Vapor Lamps

1) 175 Watt	\$6.10 Per Lamp Per Month
2) 400 Watt	8.66 Per Lamp Per Month

*Fuel Clause Adjustment

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."