

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| APPLICATION OF MEADE COUNTY RURAL |) | |
| ELECTRIC COOPERATIVE CORPORATION |) | CASE NO. |
| FOR PASS-THROUGH OF BIG RIVERS |) | 2011-00038 |
| ELECTRIC CORPORATION WHOLESALE |) | |
| RATE ADJUSTMENT |) | |

O R D E R

On January 29, 2013, the Commission issued an Order in this proceeding authorizing Meade County Rural Electric Cooperative Corporation (“Meade”) to pass on to its members a wholesale rate adjustment granted to Meade’s wholesale supplier, Big Rivers Electric Corporation (“Big Rivers”), in Case No. 2011-00036.¹ On the same date, the Commission issued an Order in Case No. 2011-00036 (“Rehearing Order”) granting Big Rivers an additional annual increase of \$1,042,535. For the reasons set forth in the Rehearing Order, the Commission granted the additional increase effective for service rendered on and after September 1, 2011, the effective date of the initial increase granted Big Rivers.

In its Rehearing Order, the Commission approved Big Rivers’ methodology for recovering the difference between the revenue it collected under the rates in effect since September 1, 2011, and the revenue it would have collected had the rates approved in the Rehearing Order been in effect. In conjunction with this approval, the Commission ordered Big Rivers and Meade to submit certain information to the

¹ Case No. 2011-00036, Application of Big Rivers Electric Corporation for a General Adjustment in Rates (Ky. PSC Jan. 29, 2013).

Commission no later than February 8, 2013, indicating how the additional revenue would be recovered from customers. The January 29, 2013 Order in this proceeding stated that, after verification of Meade's calculations, the Commission would issue a final Order which would authorize both the amount Meade is to collect from its customers and the length of time over which it would collect that amount.

On February 7, 2013, Meade submitted a filing which showed that it will be billed \$269,752.90 by Big Rivers related to the retroactive treatment of the additional increase. Meade proposes to divide this amount by the actual number of kWh sold to its customers from March 2012 through July 2012. This calculation results in a factor of \$.0015788 per kWh, which Meade proposes to bill starting in March 2013. Under Meade's proposal, at the end of four months, any over- or under-recovery amount would be used to adjust the per kWh factor for the fifth month. If, after the fifth month, the over- or under-recovery amount is less than 1 percent of 269,752.90, the recovery factor would terminate. Otherwise, a final charge or credit will be calculated for use in a sixth month, based on the balance to be recovered or credited and the estimated kWh sales to be sold in the sixth month. The factor would terminate thereafter.

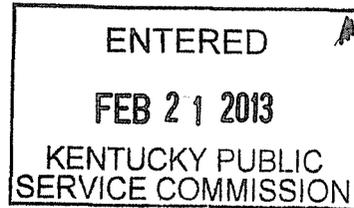
The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds that the amount submitted by Meade to be billed to its customers and the time period over which the amount will be billed should be approved.

IT IS THEREFORE ORDERED that:

1. Meade is authorized to bill its customers a total of \$269,752.90 as detailed in its February 7, 2013 filing.

2. Within 20 days of the date of this Order, Meade shall file with the Commission, using the Commission's electronic Tariff Filing System, new tariff sheets setting forth the details of the billings approved in ordering paragraph 1 above and reflecting their effective date and that they were authorized by this Order.

By the Commission



ATTEST:


Executive Director

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