

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF EAST)
KENTUCKY POWER COOPERATIVE,) CASE NO. 2010-00265
INC. FROM NOVEMBER 1, 2009)
THROUGH APRIL 30, 2010)

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on August 13, 2010, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of East Kentucky Power Cooperative, Inc. ("East Kentucky") for the six-month period that ended on April 30, 2010. As part of this review, East Kentucky submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing in this matter on October 12, 2010. On October 26, 2010, East Kentucky filed its response to a request made at the hearing.

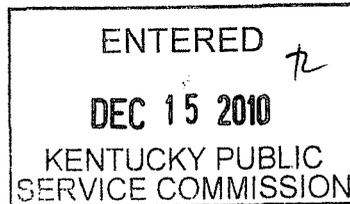
The Commission has previously established East Kentucky's base fuel cost as 36.53 mills per kWh.¹ A review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 22.73 mills in April 2010 to a high of 33.04 mills in January 2010, with a six-month average of 27.94 mills.

¹ Case No. 2008-00519, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2006 Through October 31, 2008 (Ky. PSC Jul. 15, 2009).

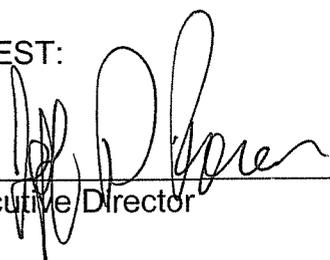
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of East Kentucky's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by East Kentucky through its FAC for the period November 1, 2009 through April 30, 2010 are approved.

By the Commission



ATTEST:



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