

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 EAST	)	CASE NO. 98-563-B
KENTUCKY POWER COOPERATIVE,	)	
INC. FROM MAY 1, 1999 TO OCTOBER	)	
31, 1999	)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 9, 1999 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 6 months ended October 31, 1999.

As part of this review, East Kentucky, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on February 10, 2000.

The Commission has previously established East Kentucky's base fuel cost at 13.29 mills per Kwh.<sup>1</sup> A review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month period under review ranged from a low of

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<sup>1</sup> Case No. 98-563, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1996 to October 31, 1998, Order dated March 22, 1999.

11.77 mills in May 1999 to a high of 14.36 mills in July 1999, with a 6-month average of 12.74 mills.

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 May 1, 1999 to October 31, 1999 are approved.

Done at Frankfort, Kentucky, this 9<sup>th</sup> day of March, 2000.

By the Commission

ATTEST:

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Executive Director