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. 2000-496-A
KENTUCKY POWER COOPERATIVE,)
INC. FROM NOVEMBER 1, 2000 TO)
APRIL 30, 2001)

ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on June 11, 2001 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 April 30, 2001.

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 September 4, 2001.

The Commission has previously established East Kentucky's base fuel cost at 13.29 mills per Kwh.¹ 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 13.93 mills in March 2001 to a high of 20.67 mills in December 2000, with a 6-month average of 15.73 mills.

¹ Case No. 2000-496, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1998 to October 31, 2000, Order dated March 15, 2001.

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, 2000 to April 30, 2001 are

approved.

Done at Frankfort, Kentucky, this 5th day of November, 2001.

By the Commission

ATTEST:

Executive Director