

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF SHELBY)
ENERGY COOPERATIVE, INC. FROM) CASE NO. 2000-514
NOVEMBER 1, 1998 TO OCTOBER 31,)
2000)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 12, 2000 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Shelby Energy Cooperative, Inc. ("Shelby") for the two years ended October 31, 2000.

As part of this review, the Commission ordered Shelby to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Shelby has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

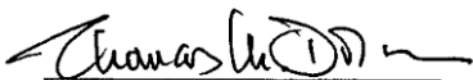
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Shelby has properly calculated and applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Shelby through the FAC for the period November 1, 1998 to October 31, 2000 are approved.

Done at Frankfort, Kentucky, this 15th day of March, 2001.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. [unclear]", written over a horizontal line.

Executive Director