

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. TO PASS-THROUGH AN)	CASE NO.
INCREASE OF ITS WHOLESALE POWER)	2008-00423
SUPPLIER PURSUANT TO KRS 278.455(2))	

ORDER

On October 31, 2008, Shelby Energy Cooperative, Inc. ("Shelby Energy") submitted an application to pass-through any wholesale rate adjustment granted to its wholesale supplier, East Kentucky Power Cooperative, Inc. ("EKPC"), in Case No. 2008-00409.¹ Shelby Energy submitted its application pursuant to the authority of KRS 278.455(2) and proposed that its new rates become effective December 1, 2008.

KRS 278.455(2) provides that the rates of a distribution cooperative shall become effective on the same date as those of its wholesale supplier. On November 26, 2008, the Commission suspended EKPC's proposed rates up to and including May 31, 2009. Consequently, Shelby Energy's proposed rates may not become effective until the Commission renders a decision on EKPC's proposed rates or until EKPC's proposed rates become effective as a matter of law.

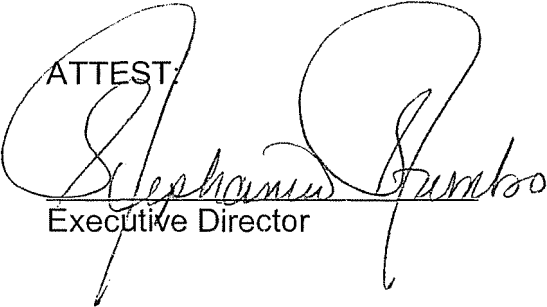
IT IS THEREFORE ORDERED that Shelby Energy's proposed rates shall be suspended up to and including May 31, 2009.

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.

Done at Frankfort, Kentucky, this 26th day of November, 2008.

By the Commission

ATTEST:


Executive Director

Case No. 2008-00423