

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF OWEN ELECTRIC COOPERATIVE)	
CORPORATION FOR AN ORDER AUTHORIZING AN)	CASE NO.
INCREASE IN ITS RETAIL ELECTIC RATES EQUAL TO)	2008-00421
THE INCREASE IN ITS WHOLESALE POWER COSTS)	

ORDER

On October 31, 2008, Owen Electric Cooperative Corporation (“Owen”) filed an application to increase its rates for electric service pursuant to 807 KAR 5:001, Section 10, for the sole purpose of passing through any wholesale rate adjustment granted to its supplier, East Kentucky Power Cooperative, Inc. (“EKPC”) in Case No. 2008-00409.¹ Owen proposed that the effective date of its rate adjustment be “synchronized” with the effective date of any rate adjustment authorized for EKPC² and that the rates be passed through based on its proposed cost-of-service study, which was filed with the Commission in Case No. 2008-00154,³ Owen’s application for a base rate increase.

Prior to completing our review of Owen’s proposed cost-of-service study, we issued an Order in Case No. 2008-00409 on March 31, 2009 authorizing EKPC to increase its wholesale power rates by \$59.5 million annually, effective for service

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC Mar. 31, 2009).

² Application at 4.

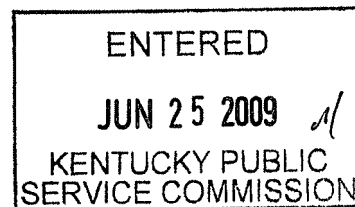
³ Case No. 2008-00154, Application of Owen Electric Cooperative, Inc. for Adjustment of Rates.

rendered on and after April 1, 2009. In order for Owen to fully recover its increase in wholesale power costs and to synchronize the effective dates, we entered an Interim Order in this proceeding on March 31, 2009, authorizing Owen to increase its rates on a proportional basis without any change in its current rate design⁴ and deferring the proposed change in rate design until we rendered a decision on the cost-of-service study in Case No. 2008-00154.

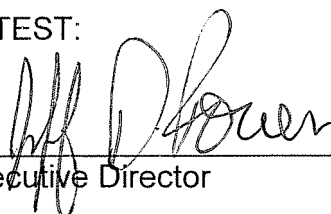
We have, on this date, entered a final Order in Case No. 2008-00154 accepting Owen's cost-of-service study and establishing new rates that incorporate the rate increase previously approved herein but are now based on the newly accepted cost-of-service study. We find, therefore, that there are no remaining issues to be resolved in this proceeding and this case should be closed and removed from the Commission's docket.

IT IS THEREFORE ORDERED that this case is closed and shall be removed from the Commission's docket.

By the Commission



ATTEST:



Executive Director

⁴ With the exception of Gallatin Steel Company's rate, which was set in the Settlement Agreement approved in EKPC's rate proceeding, Case No. 2008-00409.

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