

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE )  
APPLICATION OF THE FUEL )  
ADJUSTMENT CLAUSE OF CLARK )  
ENERGY COOPERATIVE, INC. FROM ) CASE NO. 2008-00525  
NOVEMBER 1, 2006 THROUGH )  
OCTOBER 31, 2008 )

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 23, 2009, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Clark Energy Cooperative, Inc. ("Clark") for the two-year period ended October 31, 2008.

As part of this review, the Commission ordered Clark to submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. Clark 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 person advised the Commission of his or her intention to attend.

In Case No. 2008-00409,<sup>1</sup> the Commission authorized a \$59.5 million rate increase for East Kentucky Power Cooperative, Inc. ("East Kentucky"), Clark's power supplier. On April 15, 2009, Clark filed its revised tariffs reflecting the rate increase

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

authorized by the Commission's March 31, 2009 Order in Case No. 2008-00412.<sup>2</sup> Clark subsequently filed a revised tariff, at Commission Staff's request, which reflected the effect of the proposed FAC roll-in upon its approved base rates.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Clark has complied in all material respects with the provisions of 807 KAR 5:056.

2. East Kentucky, the wholesale supplier of Clark, has been authorized to transfer (roll-in) a 10.15 mills per kWh increase in the base fuel cost to its base rates.<sup>3</sup>

3. Clark should be authorized to transfer (roll-in) a 10.69 mills per kWh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 10.15 mills per kWh increase in East Kentucky's current base rates. This transfer can best be accomplished by an energy adder to each kWh sold.

4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Clark through the FAC for the period from November 1, 2006 to October 31, 2008 are approved.

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<sup>2</sup> Case No. 2008-00412, Application of Clark Energy Cooperative, Inc. to Pass-Through An Increase of Its Wholesale Power Supplier Pursuant to KRS 278.455(2) (Ky. PSC Mar. 31, 2009).

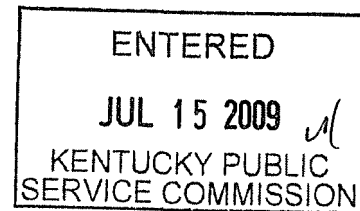
<sup>3</sup> Case No. 2008-00519, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2006 to October 31, 2008 (Ky PSC July 15, 2009).

2. Clark is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled in by East Kentucky from its FAC to its current base rates.

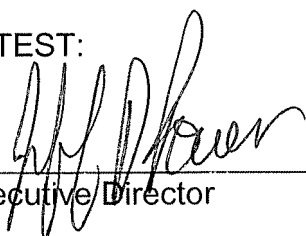
3. The rates in the Appendix to this Order are approved for service rendered by Clark on and after August 1, 2009, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Clark shall file with the Commission revised tariff sheets setting out the rates approved herein.

By the Commission



ATTEST:

  
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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2008-00525 DATED JUL 15 2009

The following rates and charges are prescribed for the customers in the area served by Clark Energy Cooperative, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE R  
RESIDENTIAL

Energy Charge per kWh \$ .09158

SCHEDULE D  
TIME-OF-USE MARKETING SERVICE

Energy Charge per kWh \$ .05495

SCHEDULE T  
OUTDOOR LIGHTING FACILITIES

Annual Rate:

200 Watt	\$	86.19
300 Watt	\$	113.99
400 Watt	\$	172.27

SCHEDULE S  
OUTDOOR LIGHTING FACILITIES

Monthly Rate:

175 Watt Mercury Vapor	\$	7.75
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SCHEDULE E  
PUBLIC FACILITIES

Energy Charge per kWh \$ .09963

SCHEDULE A & B  
GENERAL POWER SERVICE

Rate Class A 10 kW Demand or Less  
Energy Charge per kWh \$ .11351

Rate Class B 10 kW Demand and Over  
Energy Charge per kWh \$ .09298

SCHEDULE L  
GENERAL POWER SERVICE

Energy Charge per kWh for All Energy \$ .07349

SCHEDULE P  
GENERAL POWER SERVICE

Energy Charge per kWh for All Energy \$ .06461

SCHEDULE M  
GENERAL POWER SERVICE

Energy Charge per kWh for All Energy \$ .06886

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