COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF EAST)	CASE NO.
KENTUCKY POWER COOPERATIVE,)	2009-00286
INC. FROM NOVEMBER 1, 2008)	
THROUGH APRIL 30, 2009	ĺ	

ORDER

Pursuant to 807 KAR 5:056, the Commission, on August 20, 2009, 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 six-month period that ended on April 30, 2009. As part of this review, East Kentucky submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on October 13, 2009. On October 23, 2009, East Kentucky filed its response to a post-hearing data request.

The Commission has previously established East Kentucky's base fuel cost at 36.53 mills per kWh.¹ A review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 28.37 mills in April 2009 to a high of 35.73 mills in December 2008, with a six-month average of 33.19 mills.

¹ 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).

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, 2008 through April 30, 2009 are approved.

By the Commission

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KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Difector

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