COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE) FUEL ADJUSTMENT CLAUSE OF EAST) C/ KENTUCKY POWER COOPERATIVE, INC. FROM) 20 NOVEMBER 1, 2012 THROUGH APRIL 30, 2013)

CASE NO. 2013-00262

<u>order</u>

Pursuant to 807 KAR 5:056, the Commission established this case on August 8, 2013, 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, 2013. 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 in this matter on October 16, 2013. On October 30, 2013, East Kentucky filed its response to requests made at the hearing.

The Commission has previously established East Kentucky's base fuel cost as 30.14 mills per kWh.¹ A review of East Kentucky's monthly FAC filings shows that the fuel cost billed for the six-month period under review ranged from a low of 29.08 mills in December 2012 to a high of 33.04 mills in April 2013, with a six-month average of 30.91 mills.

¹ Case No. 2010-00491, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

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, 2012, through April 30, 2013, are approved.

By the Commission

Ŵ **ENTERED** NOV 1 5 2013 KENTUCKY PUBLIC SERVICE COMMISSION

ATTES **Executive Director**

Case No. 2013-00262

Anthony S Campbell President & CEO East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707