COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF) THE FUEL ADJUSTMENT CLAUSE OF) CASE NO. KENTUCKY UTILITIES COMPANY FROM MAY 1,) 2013-00446 2013 THROUGH OCTOBER 31, 2013)

<u>order</u>

Pursuant to 807 KAR 5:056, the Commission established this case on February 7, 2014, to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Kentucky Utilities Company ("KU") for the six-month period that ended on October 31, 2013. As part of this review, KU 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 April 10, 2014. On April 14, 2014, KU filed its response to a request made at the hearing.

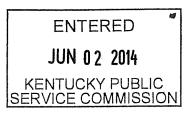
The Commission has previously established KU's base fuel cost as 28.92 mills per kWh.¹ A review of KU's monthly FAC filings shows that the fuel cost billed for the six-month period under review ranged from a low of 25.80 mills in October 2013 to a high of 29.51 mills in May 2013, with a six-month average of 27.40 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of KU's FAC charges or improper fuel procurement practices.

¹ Case No. 2012-00552, An Examination of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2010 through October 31, 2012 (Ky. PSC May 17, 2013).

IT IS THEREFORE ORDERED that the charges and credits billed by KU through its FAC for the period May 1, 2013, through October 31, 2013, are approved.

By the Commission



ATTEST: Executive Director

Case No. 2013-00446

Robert Conroy LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

Rick E Lovekamp Manager - Regulatory Affairs LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

Ed Staton LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

Honorable Allyson K Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202