

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF FARMERS)
RURAL ELECTRIC COOPERATIVE) CASE NO. 2006-00270
CORPORATION FROM NOVEMBER 1,)
2005 THROUGH APRIL 30, 2006)

O R D E R

Pursuant to 807 KAR 5:056, Section 1(11), IT IS HEREBY ORDERED that:

1. A public hearing shall be held on September 19, 2006 at 9:00 a.m., Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, to examine the application of the fuel adjustment clause of Farmers Rural Electric Cooperative Corporation ("Farmers") from November 1, 2005 through April 30, 2006. If no interested party files written notice of its intent to attend this hearing with the Commission by September 15, 2006, this public hearing shall be cancelled.

2. Farmers shall file with the Commission, not later than 21 days from the date of this Order, an affidavit attesting to its compliance or noncompliance with the requirements of 807 KAR 5:056.

3. Farmers shall publish the following notice not less than 7 days nor more than 21 days prior to the public hearing in a newspaper of general circulation in its service areas or in a trade publication or newsletter going to all customers. Farmers

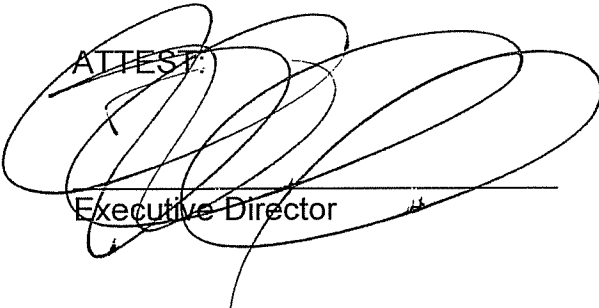
shall file an Affidavit of Publication of Hearing Notice with the Commission no later than September 15, 2006.

A public hearing will be held on Tuesday, September 19, 2006, at 9:00 a.m., Eastern Daylight Time, at the offices of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, to examine the application of the fuel adjustment clause of Farmers Rural Electric Cooperative Corporation for the period November 1, 2005 through April 30, 2006. Individuals interested in attending this hearing shall notify the Public Service Commission in writing of their intent to attend no later than September 15, 2006. If no notices of intent to attend are received by that date, this hearing will be cancelled. Written notice of intent to attend this hearing should be sent to: Beth O'Donnell, Executive Director, Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

4. The official record of the proceeding shall be by video only, unless otherwise requested by a party to this proceeding.

Done at Frankfort, Kentucky, this 6th day of July, 2006.

By the Commission

ATTEST:

Executive Director