Steven L. Beshear Governor

Robert D. Vance, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection

Jackie B. Browning Farmers R.E.C.C. 504 South Broadway P. O. Box 1298 Glasgow, KY 42141-1298



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January 18, 2008

Mark David Goss Chairman

John W. Clay Vice Chairman

Caroline Pitt Clark Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2007-00285 Farmers R.E.C.C.

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on January 18, 2008.

Executive Director

BOD/tw Enclosure



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. 2007-00285
CORPORATION FROM NOVEMBER 1, 2006)
THROUGH APRIL 30, 2007)

ORDER

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission, on August 3, 2007, established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Farmers Rural Electric Cooperative Corporation ("Farmers") for the 6-month period that ended on April 30, 2007.

As part of this review, Farmers complied with the Commission's Order to submit certain information concerning its compliance with Administrative Regulation 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence that Farmers has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Farmers through the FAC for the period November 1, 2006 through April 30, 2007 are approved.

Done at Frankfort, Kentucky, this 18th day of January, 2008.

By the Commission

ATTEST

Executive Director