Steven L. Beshear Governor

Robert D. Vance, Secretary Environmental and Public Protection Cabinet

Larry R. Bond Commissioner Department of Public Protection

Bobby D. Sexton President/General Manager Big Sandy R.E.C.C. 504 11th Street Paintsville, KY 41240-1422



Commonwealth of Kentucky

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May 2, 2008

Mark David Goss Chairman

John W. Clay Vice Chairman

Caroline Pitt Clark Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2007-00527 Big Sandy R.E.C.C.

I, Stephanie Stumbo, 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 May 2, 2008.

Executive Director

SS/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 BIG SANDY) CASE NO. 2007-00527
RURAL ELECTRIC COOPERATIVE CORPORATION)
FROM MAY 1, 2007 THROUGH OCTOBER 31, 2007)

ORDER

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission, on January 23, 2008, established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Big Sandy Rural Electric Cooperative Corporation ("Big Sandy") for the 6 month period that ended on October 31, 2007.

As part of this review, Big Sandy 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 Big Sandy has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Big Sandy through the FAC for the period May 1, 2007 through October 31, 2007 are approved.

Done at Frankfort, Kentucky, this 2nd day of May, 2008.

By the Commission

Executive Director