Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Allen Anderson South Kentucky R.E.C.C. P. O. Box 910 925-929 N. Main Street Somerset, KY 42502-0910



Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

April 26, 2006

Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2005-00512 South Kentucky 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 April 26, 2006.

Executive Director

BOD/jc Enclosure



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION FROM MAY 1, 2005 TO OCTOBER 31, 2005

CASE NO. 2005-00512

)

)

)

)

ORDER

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission, on December 27, 2005, established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") for the 6 months ended October 31, 2005.

As part of this review, the Commission ordered South Kentucky to submit certain information concerning its compliance with Administrative Regulation 807 KAR 5:056. South Kentucky has complied with this Order. 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 South Kentucky has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by South Kentucky through the FAC for the period May 1, 2005 through October 31, 2005 are approved.

Done at Frankfort, Kentucky, this 26th day of April, 2006.

By the Commission

ATTEST: Executive Director