



Ernie Fletcher
Governor

Teresa J. Hill, Secretary
Environmental and Public
Protection Cabinet

Timothy J. LeDonne
Commissioner
Department of Public Protection

Debbie Martin
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

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

Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

December 5, 2007

CERTIFICATE OF SERVICE

RE: Case No. 2006-00487
Shelby Energy Cooperative, Inc.

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 December 5, 2007.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/tw
Enclosure



Ernie Fletcher
Governor

Teresa J. Hill, Secretary
Environmental and Public
Protection Cabinet

Timothy J. LeDonne
Commissioner
Department of Public Protection

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

Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

Honorable Donald T. Prather
Attorney At Law
Mathis, Riggs & Prather, P.S.C. Attorneys at Law
P. O. Box 1059
500 Main Street, Suite 5
Shelbyville, KY 40066-1059

December 5, 2007

CERTIFICATE OF SERVICE

RE: Case No. 2006-00487
Shelby Energy Cooperative, Inc.

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 December 5, 2007.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. TO PASS-THROUGH AN)	CASE NO.
INCREASE OF ITS WHOLESALE POWER)	2006-00487
SUPPLIER PURSUANT TO KRS 278.455(2))	

O R D E R

On January 29, 2007, Shelby Energy Cooperative, Inc. ("Shelby") submitted an application pursuant to the authority of KRS 278.455(2) and 807 KAR 5:007 to pass-through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. ("EKPC") in Case No. 2006-00472.¹ Shelby filed an entry of appearance by its legal counsel on February 7, 2007, and the application was accepted as filed on that date.

On April 1, 2007 in Case No. 2006-00472, the Commission authorized, subject to refund, an interim \$19.0 million annualized increase in EKPC's wholesale revenues to be effective for service rendered on and after April 1, 2007. Therefore, pursuant to KRS 278.455 we authorized an interim increase in Shelby's revenues of \$695,031, effective for service rendered on and after April 1, 2007.

The Commission issued an Order this date in Case No. 2006-00472 approving the interim increase of \$19.0 million in annualized revenues as the final increase for EKPC. Consequently, the Commission finds that Shelby's April 1, 2007 interim

¹ Case No. 2006-00472, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.

increase in revenues of \$695,031 should be approved as the final and permanent increase authorized in this proceeding.

In its July 25, 2007 Order in Case No. 2006-00524,² the Commission approved the transfer, or roll-in, of 6.35 mills per kWh from Shelby's Fuel Adjustment Clause to its base rates. The rates incorporating this roll-in were effective for service rendered on and after August 1, 2007. Shelby's base rates at the time of the roll-in reflected the \$695,031 interim increase in revenues approved by the Commission on April 1, 2007. As the Commission has found in this Order that the \$695,031 increase in revenues should be made permanent and no additional increase in revenues has been approved, no change or revision to Shelby's current rates will be necessary.

IT IS THEREFORE ORDERED that the April 1, 2007 interim increase in revenues of \$695,031 is approved as the final increase in revenues authorized in this proceeding. No change to Shelby's base rates is necessary.

Done at Frankfort, Kentucky, this 5th day of December, 2007.

By the Commission

ATTEST:



Executive Director

² Case No. 2006-00524, An Examination of the Application of the Fuel Adjustment Clause of Shelby Electric Cooperative, Inc. from November 1, 2004 to October 31, 2006.