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January 18, 2008

Ted Hampton
Cumberland Valley Electric, Inc.
Highway 25E, P. O. Box 440
Gray, KY 40734

CERTIFICATE OF SERVICE

RE: Case No. 2007-00284
Cumberland Valley Electric, 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 January 18, 2008.

Executive Director

BOD/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)
THE FUEL ADJUSTMENT CLAUSE OF)
CUMBERLAND VALLEY ELECTRIC, INC.) CASE NO. 2007-00284
FROM NOVEMBER 1, 2006 THROUGH)
APRIL 30, 2007)

O R D E R

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 Cumberland Valley Electric, Inc. ("Cumberland Valley") for the 6-month period that ended on April 30, 2007.

As part of this review, Cumberland Valley 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.

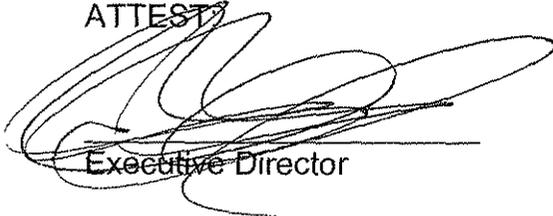
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence that Cumberland Valley has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Cumberland Valley 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

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and horizontal strokes, positioned over the text 'Executive Director'.

Executive Director