Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



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

November 26, 2008

Woodford L. Gardner, Jr. No Attorneys-At-Law Richardson, Gardner Barrickman & Alexander 117 E. Washington Street Glasgow, KY 42141 David L. Armstrong Chairman

> James Gardner Vice-Chairman

John W. Clay Commissioner

RE: Case No. 2008-00414

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

ephances

Stephanie Stumbo Executive Director

SS/rs Enclosure

KentuckyUnbridledSpirit.com

Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



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

November 26, 2008

David L. Armstrong Chairman

> James Gardner Vice-Chairman

John W. Clay Commissioner

Bill Prather Farmers R.E.C.C. 504 South Broadway P. O. Box 1298 Glasgow, KY 42141-1298

RE: Case No. 2008-00414

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

enhanicos

Stephanie Stumbo Executive Director

SS/rs Enclosure



## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION TO PASS-THROUGH AN INCREASE OF ITS WHOLESALE POWER SUPPLIER PURSUANT TO KRS 278.455(2)

CASE NO. 2008-00414

)

## <u>ORDER</u>

On October 31, 2008, Farmers Rural Electric Cooperative Corporation ("Farmers RECC") submitted an application to pass-through any wholesale rate adjustment granted to its wholesale supplier, East Kentucky Power Cooperative, Inc. ("EKPC"), in Case No. 2008-00409.<sup>1</sup> Farmers RECC submitted its application pursuant to the authority of KRS 278.455(2) and proposed that its new rates become effective December 1, 2008.

KRS 278.455(2) provides that the rates of a distribution cooperative shall become effective on the same date as those of its wholesale supplier. On November 26, 2008, the Commission suspended EKPC's proposed rates up to and including May 31, 2009. Consequently, Farmers RECC's proposed rates may not become effective until the Commission renders a decision on EKPC's proposed rates or until EKPC's proposed rates become effective as a matter of law.

IT IS THEREFORE ORDERED that Farmers RECC's proposed rates shall be suspended up to and including May 31, 2009.

<sup>&</sup>lt;sup>1</sup> Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.

Done at Frankfort, Kentucky, this 26th day of November, 2008.

By the Commission

ATTEST Stunbo Executive Director

Case No. 2008-0414