

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	CASE NO.
CLAUSE OF EAST KENTUCKY POWER)	2024-00137
COOPERATIVE, INC. FROM NOVEMBER 1,)	
2022 THROUGH APRIL 30, 2023)	

ORDER

Pursuant to 807 KAR 5:056, the Commission established this case on August 2, 2024, to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of East Kentucky Power Cooperative, Inc. (EKPC) for the six months that ended on April 30, 2023. As part of this review, EKPC responded to two requests for information.

A review of EKPC's monthly FAC filings shows that the fuel cost billed for the six months under review ranged from a low of \$0.03517 per kWh in February 2023 to a high of \$0.04879 per kWh in December 2022 with a six-month average of \$0.03942 per kWh.

The Commission is aware that PJM Interconnection L.L.C. (PJM) implemented its emergency procedures as a result of Winter Storm Elliott, that EKPC was assessed capacity performance penalties when several of its generating units failed to operate properly, that EKPC filed a complaint disputing certain aspects of those penalties, and that EKPC and PJM ultimately settled the payment of the penalties¹ Generators that are members of regional transmission organizations (RTO), such as PJM, are entitled to

¹ 188 FERC ¶ 61,129 (2024), and East Kentucky Power Cooperative, Inc.'s Response to Commission Staff's Second Request for Information, Response to Request 4 (filed Sept. 23, 2024).

recover some RTO expenses through their rates, including through the FAC, but only if those items are approved by the Commission and included in the utility's tariff. EKPC has not been authorized to collect such fees. The performance capacity penalties, therefore, are neither eligible for recovery through EKPC's FAC, nor has EKPC attempted or proposed to recover such penalties.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of EKPC's FAC charges or improper fuel procurement practices.

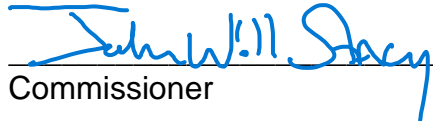
IT IS THEREFORE ORDERED that:

1. The charges and credits billed by EKPC through its FAC from November 1, 2022, through April 30, 2023, are approved.
2. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION

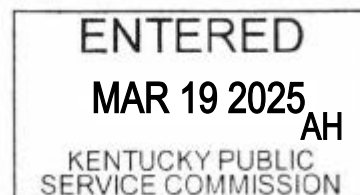

Chairman


Commissioner


Commissioner

ATTEST:

 *RP*
Executive Director



Case No. 2024-00137

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