

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE)
APPLICATION OF THE FUEL ADJUST-)
MENT CLAUSE OF EAST KENTUCKY) CASE NO. 8588-C
POWER COOPERATIVE, INC.)
FROM NOVEMBER 1, 1983, TO)
APRIL 30, 1984)

O R D E R

Pursuant to 807 KAR 5:056, Section 1(11), the Commission issued its Order on June 11, 1984, scheduling a hearing and requiring East Kentucky Power Cooperative, Inc., ("East Kentucky") to provide a record of scheduled, actual and forced outages, and a calculation of over- or under-recovery of fuel costs for the 6-month period under review.

East Kentucky provided the data requested by the Commission's Order of June 11, 1984. East Kentucky also filed its monthly fuel adjustment filings for the 6-month period under review. Following proper notice, a hearing was held on August 2, 1984.

The sole intervenor in this case was the Consumer Protection Division of the Attorney General's Office ("AG"). The AG did not offer testimony and on cross-examination did not challenge the level of actual fuel cost included in East Kentucky's monthly fuel filings.

In its Order issued on June 3, 1983, the Commission fixed East Kentucky's base fuel cost at 17.21 mills per KWH. The Commission's review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month period under review ranged from a low of 14.92 mills in November 1983 to a high of 16.13 mills in December 1983. The Commission's review of the record in this case, the coal market conditions during this period and the data filed in support of the fuel adjustment clause rates indicate that the actual fuel costs included in the monthly fuel adjustment clause filing were reasonable.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. East Kentucky has complied in all material respects with the provisions of 807 KAR 5:056.

IT IS THEREFORE ORDERED that the charges collected by East Kentucky through the fuel adjustment clause for the period November 1, 1983, through April 30, 1984, be and they hereby are approved.

Done at Frankfort, Kentucky, this 12th day of October, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hemmings
Chairman

Paul H. Smith
Vice Chairman

Paul H. Smith
Commissioner

ATTEST:

Secretary