## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE ) COMMISSION OF THE APPLICATION OF THE ) FUEL ADJUSTMENT CLAUSE OF KENTUCKY ) UTILITIES COMPANY FROM MAY 1, 1991 ) TO OCTOBER 31, 1991 )

## ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 6, 1991 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Kentucky Utilities Company ("KU") for the 6 months ended October 31, 1991.

As part of its review, KU, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on February 13, 1992.

The Commission has previously established KU's base fuel cost at 14.79 mills per Kwh.<sup>1</sup> A review of KU's monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month

Case No. 90-363, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 1988 to October 31, 1990, Order dated April 3, 1991.

period under review ranged from a low of 13.48 mills in October 1991 to a high of 14.10 mills in June 1991, with a 6-month average of 13.67 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of KU's FAC charge or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by KU through its FAC for the period May 1, 1991 to October 31, 1991 be and they hereby are approved.

Done at Frankfort, Kentucky, this 6th day of April, 1992.

PUBLIC SERVICE COMMISSION

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Chairman

Commissioner

ATTEST:

L.Y. Rhom

Executive Director, Acting