

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF ELECTRIC RATES)	CASE NO.
OF EAST KENTUCKY POWER COOPERATIVE,)	2006-00472
INC.)	

O R D E R

On April 18, 2007, the Sierra Club (“Sierra Club”)¹ filed a motion requesting that the Commission reverse its decision of February 13, 2007 granting East Kentucky Power Cooperative, Inc. (“EKPC”) a deviation from filing its qualified cogeneration and small power production facilities tariff (“QF tariff”) and requesting that this tariff be included in this record for consideration and possible revision. In support of its request, the Sierra Club puts forth several arguments why the QF tariff should be considered in this matter. EKPC filed a response objecting to the motion and asserting that the QF tariff is irrelevant to the proceeding and will not benefit the Commission in its consideration of EKPC’s proposed general rate adjustment. The Commission denies the request to reverse its Order of February 13, 2007, but modifies and clarifies the Order as set forth herein.

¹ The Cumberland Chapter of the Sierra Club has brought this motion. As the records of the Office of Secretary of State do not list this chapter as a separate corporate entity, the Commission will, throughout the remainder of this proceeding, refer to the private corporation that is registered as a foreign corporation with the Kentucky Secretary of State. See Online Business Database, Kentucky Secretary of State, [http://apps.sos.ky.gov/business/obdb/\(sjzjhb55puqjpsm2uwccavrn\)/showentity.aspx?id=0308595&ct=09&cs=99999](http://apps.sos.ky.gov/business/obdb/(sjzjhb55puqjpsm2uwccavrn)/showentity.aspx?id=0308595&ct=09&cs=99999) (last visited June 7, 2007).

Administrative Regulation 807 KAR 5:001, Section 10, sets forth the documents that a utility seeking a general rate adjustment is required to file with its application before the application may be accepted for filing. Section 10(1)(b)(7) requires a utility to submit with its application its proposed tariff in a form that complies with 807 KAR 5:011. Section 10(1)(b)(8) requires a utility also to show its proposed tariff changes by providing the present and proposed tariffs in comparative form or indicating the additions by italicized inserts or underscoring and striking over deletions in a copy of the current tariff. Since EKPC was not proposing any changes to the QF tariff, the Commission found good cause to allow EKPC a deviation from filing the tariff with its application. By this Order we confirm that decision and deny Sierra Club's request to reverse. Our Order of February 13, 2007 also found, however, that the QF tariff is not relevant to the proceeding. The Commission hereby finds that its decision regarding the relevancy of the QF tariff should be clarified. The QF tariff was not relevant to the filing requirements; but it is relevant to the proceeding.

In a rate proceeding, the utility proposes the rate adjustments it wants the Commission to approve; however, the Commission's review of the utility's tariff is not limited by the utility's proposal. As specifically stated in the notice required to be provided to customers, pursuant to Administrative Regulation 807 KAR 5:001, Section 10(3)(e), the Commission may order rates to be charged that differ from the rates proposed by the utility. Therefore, while the Commission does not believe it is necessary to reverse its decision relieving EKPC from filing its QF Tariff, it is necessary and important that our Order of February 13, 2007 be modified to put the parties on notice that all EKPC tariff provisions, including the QF tariff, are subject to review in this

proceeding. So finding, the Commission does not believe it is necessary to address the arguments put forth by the Sierra Club regarding review of the QF tariff.

IT IS THEREFORE ORDERED that:

1. The Sierra Club's motion for the Commission to reverse its Order of February 13, 2007 is denied.

2. The Commission's Order of February 13, 2007 is modified as set forth herein.

Done at Frankfort, Kentucky, this 18th day of June, 2007.

By the Commission

ATTEST:



Executive Director