

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF EAST)	CASE NO.
KENTUCKY POWER COOPERATIVE,)	2007-00523
INC. FROM MAY 1, 2007 THROUGH)	
OCTOBER 31, 2007)	

O R D E R

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission, on January 23, 2008, established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of East Kentucky Power Cooperative, Inc. ("East Kentucky") for the 6-month period that ended on October 31, 2007.

As part of this review, East Kentucky, pursuant to Commission Order, submitted certain information concerning its compliance with Administrative Regulation 807 KAR 5:056. A public hearing was held on March 18, 2008. On March 24, 2008, East Kentucky filed a post-hearing data response to a question asked at the hearing.

The Commission has previously established East Kentucky's base fuel cost at 26.38 mills per kWh.¹ A 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

¹ Case No. 2006-00508, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2004 to October 31, 2006 (Ky. PSC July 25, 2007).

of 26.29 mills in May 2007 to a high of 35.12 mills in August 2007, with a 6-month average of 28.76 mills.

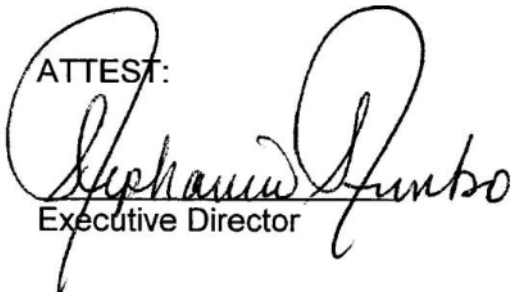
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of East Kentucky's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by East Kentucky through its FAC for the period May 1, 2007 to October 31, 2007 are approved.

Done at Frankfort, Kentucky, this 2nd day of May, 2008.

By the Commission

ATTEST:


Executive Director