

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF KENTUCKY)	CASE NO.
UTILITIES COMPANY FROM)	2009-00287
NOVEMBER 1, 2008 THROUGH APRIL)	
30, 2009)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on August 20, 2009, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Kentucky Utilities Company ("KU") for the six-month period that ended on April 30, 2009. As part of this review, KU submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on October 13, 2009. On October 27, 2009, KU filed its response to a post-hearing data request.

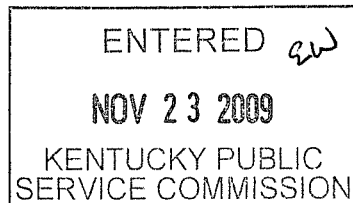
The Commission has previously established KU's base fuel cost at 27.54 mills per kWh.¹ A review of KU's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 28.16 mills in April 2009 to a high of 31.75 mills in February 2009, with a six-month average of 29.52 mills.

¹ Case No. 2008-00520, An Examination of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2006 to October 31, 2008 (Ky. PSC June 3, 2009).

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 charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by KU through its FAC for the period November 1, 2008 through April 30, 2009 are approved.

By the Commission



ATTEST:



Executive Director

Lonnie E Bellar
VP - State Regulation
Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

Robert M Conroy
Director, Rates
Kentucky Utilities Company
220 West Main Street
P. O. Box 32010
Louisville, KY 40202