

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LICKING	)	
VALLEY RURAL ELECTRIC COOPERATIVE	)	CASE NO.
CORPORATION FOR A GENERAL ADJUSTMENT	)	2024-00211
OF RATES AND OTHER GENERAL RELIEF	)	

ORDER

On June 24, 2025, Licking Valley Rural Electric Cooperative Corporation (Licking Valley RECC) filed a motion,<sup>1</sup> pursuant to KRS 278.400, requesting rehearing on the Order entered June 6, 2025.<sup>2</sup> Licking Valley RECC seeks to correct a material error related to the calculation of its base energy rates.<sup>3</sup>

LEGAL STANDARD

KRS 278.400, which establishes the standard of review for motions for rehearing, limits rehearing to new evidence not readily discoverable at the time of the original hearings, to correct any material errors or omissions, or to correct findings that are unreasonable or unlawful. A Commission Order is deemed unreasonable only when “the evidence presented leaves no room for difference of opinion among reasonable minds.”<sup>4</sup>

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<sup>1</sup> Motion for Rehearing (Motion) (filed June 24, 2025).

<sup>2</sup> Order (Ky. PSC June 6, 2025).

<sup>3</sup> Motion at 2.

<sup>4</sup> *Energy Regulatory Comm’n v. Kentucky Power Co.*, 605 S.W.2d 46 (Ky. App. 1980).

An order can only be unlawful if it violates a state or federal statute or constitutional provision.<sup>5</sup>

By limiting rehearing to correct material errors or omissions, and findings that are unreasonable or unlawful, or to weigh new evidence not readily discoverable at the time of the original hearings, KRS 278.400 is intended to provide closure to Commission proceedings. Rehearing does not present parties with the opportunity to relitigate a matter fully addressed in the original Order.

### DISCUSSION AND FINDINGS

In its motion, Licking Valley RECC asserts that the Commission's final Order did not properly reflect the \$0.01201 per kWh increase in base energy rates for East Kentucky Power Cooperative's (EKPC) fuel adjustment cost recovery mechanism, which became effective September 1, 2024, pursuant to the Commission's Order in Case No. 2023-00014.<sup>6</sup>

Although a *nunc pro tunc* Order was issued on June 24, 2025, to correct the rates considered for the correct fuel adjustment cost recovery mechanism, the correction was not calculated properly.<sup>7</sup> More specifically, the \$0.01201 per kWh was mistakenly added to the present rate energy charges in Licking Valley RECC's application, rather than to the final energy charges approved by the Commission in its June 6, 2025 Order. The

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<sup>5</sup> *Public Service Comm'n v. Conway*, 324 S.W.3d 373, 377 (Ky. 2010); *Public Service Comm'n v. Jackson County Rural Elec. Coop. Corp.*, 50 S.W.3d 764, 766 (Ky. App. 2000); *National Southwire Aluminum Co. v. Big Rivers Elec. Corp.*, 785 S.W.2d 503, 509 (Ky. App. 1990).

<sup>6</sup> Motion at 2, citing to Case No. 2023-00014, *Electronic Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. Cooperatives from November 1, 2020 through October 31, 2022* (Ky. PSC Aug. 30, 2024), Order at 5.

<sup>7</sup> Order (Ky. PSC June 24, 2025).

energy charges were then increased to meet the Commission-approved revenue increase, resulting in an incorrect Residential-A energy charge of \$0.109669 per kWh and an incorrect Small Commercial-B energy charge of \$0.093343 per kWh.

Having considered the motion and Orders in this matter, the Commission grants the rehearing motion, in part, for the purpose of issuing a revised order to correctly apply the \$0.01201 per kWh EKPC base rate increase to the rates listed in *the nunc pro tunc* as energy charges. Licking Valley RECC's rehearing request was limited to the June 6, 2025 final Order. However, on the same date as the rehearing motion, the Commission issued the *nunc pro tunc* Order described above to address rate corrections, which contains the current language to be corrected in this rehearing Order.

To remedy the mistake in the calculations for the Residential-A and Small Commercial-B energy charges, for the purpose of this rehearing Order, the \$0.01201 per kWh, recognized in the *nunc pro tunc* Order, should be added to the energy charges listed in Appendix B of the June 6, 2025 Order. This results in a Residential-A energy charge of \$0.109666 per kWh and a Small Commercial-B energy charge of \$0.093406 per kWh. The revised charge will be effective as of the date of this Order, and any under-recovery should be addressed in Licking Valley RECC's next fuel adjustment clause (FAC) true-up filing.

IT IS THEREFORE ORDERED that:

1. Licking Valley RECC's motion for rehearing is granted, in part, for the limited purpose of correcting the calculation of base energy charges to reflect the \$0.01201 per kWh increase approved in Case No. 2023-00014 to the rates approved in this matter.

2. This change will be effective as of the date of this Order and Licking Valley RECC shall calculate and include any under-recovery in its first month FAC filing after service of this Order and subsequent filings should billing periods result in more than a one month discrepancy.

3. The following language of Appendix B of the *nunc pro tunc* Order dated June 24, 2025, is vacated:

*Residential-A: Energy Charge: \$0.109669 per kWh.*

and replaced with the following language:

*Residential-A: Energy Charge: \$0.109666 per kWh*

4. The following language of Appendix B of the *nunc pro tunc* Order dated June 24, 2025, is vacated:

*Small Commercial-B: Energy Charge: \$0.093343 per kWh.*

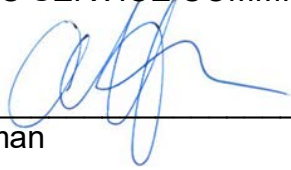
and replaced with the following language:


*Small Commercial-B: Energy Charge: \$0.093406 per kWh*


5. The remainder of the June 6, 2025 Order not in conflict with this Order remains in effect.

6. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Commissioner

  
Commissioner

ATTEST:

  
Executive Director



Case No. 2024-00211

\*L. Allyson Honaker  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 1203  
Lexington, KY 40509

\*Licking Valley R.E.C.C.  
P. O. Box 605  
271 Main Street  
West Liberty, KY 41472

\*Angela M Goad  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KY 40601-8204

\*Sandra N. Bradley  
Licking Valley R.E.C.C.  
P. O. Box 605  
271 Main Street  
West Liberty, KY 41472

\*Heather Temple  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 1203  
Lexington, KY 40509

\*Travis Stacy  
Licking Valley R.E.C.C.  
P. O. Box 605  
271 Main Street  
West Liberty, KY 41472

\*John G Horne, II  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KY 40601-8204

\*Kerry K Howard  
President & CEO  
Licking Valley R.E.C.C.  
P. O. Box 605  
271 Main Street  
West Liberty, KY 41472

\*Lawrence W Cook  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KY 40601-8204

\*J. Michael West  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KY 40601-8204