

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	
CLAUSE OF EAST KENTUCKY POWER	)	CASE NO.
COOPERATIVE, INC. COOPERATIVES FROM	)	2025-00344
NOVEMBER 1, 2022 THROUGH OCTOBER 31,	)	
2024.	)	

ORDER

Pursuant to 807 KAR 5:056, the Commission, on December 19, 2025, established this case to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of Big Sandy Rural Electric Cooperative Corporation; Blue Grass Energy Cooperative Corporation; Clark Energy Cooperative, Inc.; Cumberland Valley Electric, Inc.; Farmers Rural Electric Cooperative Corporation; Fleming-Mason Energy Cooperative, Inc.; Grayson Rural Electric Cooperative Corporation; Inter-County Energy Cooperative Corporation; Jackson Energy Cooperative Corporation; Licking Valley Rural Electric Cooperative Corporation; Nolin Rural Electric Cooperative Corporation; Owen Electric Cooperative, Inc.; Salt River Electric Cooperative Corporation; Shelby Energy Cooperative, Inc.; South Kentucky Rural Electric Cooperative Corporation; and Taylor County Rural Electric Cooperative Corporation (collectively, Cooperatives or individually, Cooperative) for the period of November 1, 2022, through October 31, 2024, and to determine the amount of fuel costs that should be included in its base rates.¹

¹ Opening Order (Ky. PSC Dec. 29, 2025).

LEGAL STANDARD

The FAC is a regulatory mechanism that permits jurisdictional utilities to regularly adjust the per unit price of electricity to reflect fluctuations in the cost of fuel, or purchased power, used to supply that electricity and is pursuant to 807 KAR 5:056. The statutory foundations for the regulation are KRS 278.480, which gives the Commission exclusive jurisdiction over the regulation of rates and services of utilities, and KRS 278.030(1), which grants the PSC the authority to set rates that are fair, just and reasonable. The Commission's right to conduct six-month and two-year reviews of a utility's FAC is established in 807 KAR 5:056, Section 3. Every two years the Commission shall conduct a formal review and evaluate past operations of the clause, disallow improper expenses and, to the extent appropriate, reestablish the baseline fuel clause charge.

DISCUSSION AND FINDINGS

In establishing this review, the Commission ordered each Cooperative to individually submit an affidavit attesting to its adherence to 807 KAR 5:056. Each Cooperative submitted an affidavit on or before the established deadline attesting to its adherence to 807 KAR 5:056. Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that, during the period under review, the Cooperatives have complied in all material respects with the provisions of 807 KAR 5:056. As East Kentucky Power Cooperative, Inc., the wholesale supplier of the Cooperatives, has been authorized to maintain its base fuel rate at its current level in

Case No. 2025-00339,² the Commission finds that each individual Cooperatives' proposal to maintain rates at the current level should be approved.

Included in the two-year FAC review cases, the Commission conducts a six-month review of the last six months of the period under review, to examine the calculation or application of the Cooperatives' FAC charges. Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that during the period under review, each Cooperative has complied with the provisions of 807 KAR 5:056. The Commission finds no evidence of improper calculation or application of the Cooperatives' FAC charges or improper fuel procurement practices for the last six months of the period under review, from May 1, 2024, to October 31, 2024.

IT IS THEREFORE ORDERED that:

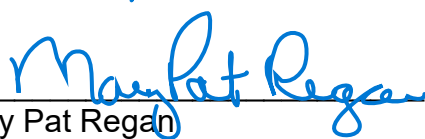
1. The charges and credits applied by each individual Cooperative through the FAC for the period from November 1, 2022, through October 31, 2024, are approved.
2. Each individual Cooperatives' proposal to maintain its rates at the current level is approved.
3. This case is closed and removed from the Commission's docket.

² Case No. 2025-000339, *An Electronic Examination of The Application of The Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 2022 Through October 31, 2024* (Ky. PSC Aug. 19, 2026), final Order.

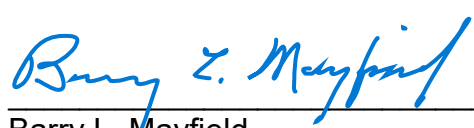
Entered on this 18th day of August, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:



Justin McNeil
Executive Director

Case No. 2025-00344

Service List for Case 2025-00344

* Farmers R.E.C.C.
Farmers R.E.C.C.
504 South Broadway
P. O. Box 1298
Glasgow, KY 42141-1298

* Fleming-Mason Energy Cooperative, In
Fleming-Mason Energy Cooperative, Inc.
1449 Elizaville Road
P. O. Box 328
Flemingsburg, KY 41041

* Nolin R.E.C.C.
Nolin R.E.C.C.
411 Ring Road
Elizabethtown, KY 42701-6767

* South Kentucky R.E.C.C.
South Kentucky R.E.C.C.
200 Electric Avenue
Somerset, KY 42501

* Big Sandy R.E.C.C.
Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240

* Clark Energy Cooperative, Inc.
Clark Energy Cooperative, Inc.
2640 Ironworks Road
P. O. Box 748
Winchester, KY 40392-0748

* Cumberland Valley Electric, Inc.
Cumberland Valley Electric, Inc.
Highway 25E
P. O. Box 440
Gray, KY 40734

* Inter-County Energy Cooperative Corp
Inter-County Energy Cooperative Corporation
1009 Hustonville Road
P. O. Box 87
Danville, KY 40423-0087

* Denotes served by Email

* Jackson Energy Cooperative Corporati
Jackson Energy Cooperative Corporation
115 Jackson Energy Lane
McKee, KY 40447

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

* Owen Electric Cooperative, Inc.
Owen Electric Cooperative, Inc.
8205 Highway 127 North
P. O. Box 400
Owenton, KY 40359

* Shelby Energy Cooperative, Inc.
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

* Salt River Electric Cooperative Corp
Salt River Electric Cooperative Corp.
111 West Brashear Avenue
P. O. Box 609
Bardstown, KY 40004

* Blue Grass Energy Cooperative Corp.
Blue Grass Energy Cooperative Corp.
1201 Lexington Road
P. O. Box 990
Nicholasville, KY 40340-0990

* Grayson R.E.C.C.
Grayson R.E.C.C.
109 Bagby Park
Grayson, KY 41143

* Taylor County R.E.C.C.
Taylor County R.E.C.C.
625 West Main Street
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