

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR) CASE NO.
AN ADJUSTMENT OF RATES) 2011-00096

O R D E R

On June 8, 2011 South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") tendered for filing an application for an adjustment of electric rates based on a historical test period. The application proposed that the new rates become effective on July 15, 2011.

By letter dated June 20, 2011, the Commission notified South Kentucky that its rate application was rejected as deficient. South Kentucky partially cured the deficiencies on July 6, 2011, and it was notified by Commission letter of July 13, 2011 that certain deficiencies still existed. South Kentucky cured the remaining deficiencies on July 28, 2011 and the Commission accepted the rate application as filed on that date. Since KRS 278.180(1) requires South Kentucky to provide the Commission with 30 days' notice of any change in rates, the earliest its proposed rates can become effective is August 27, 2011.

Based on a review of South Kentucky's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that the investigation cannot be concluded by August 27, 2011. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for five months.

The Commission expects the parties to use their best efforts to informally resolve any discovery disputes. Any such informal resolution should be promptly reduced to writing and filed with the Commission and all parties of record. Absent informal resolution, an objection or motion should be filed at least four business days prior to the established due date. If this deadline is not met, the filing party should include a full and complete explanation for such failure in the written objection or motion.

IT IS THEREFORE ORDERED that:

1. South Kentucky's rates are suspended for five months from the August 27, 2011 effective date up to and including January 26, 2012.

2. The procedural schedule set forth in the Appendix, which is attached hereto and incorporated herein, shall be followed.

3. a. All requests for information and responses thereto shall be appropriately bound, tabbed, and indexed and the original and ten copies shall be filed with the Commission, with copies to all parties of record. Any request for information by letter from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

4. Any party filing testimony shall file an original and ten copies with the Commission, with copies to all parties of record.

5. South Kentucky shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, South Kentucky shall forward a duplicate of the notice and request to the Commission.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimony shall be permitted.

7. Any objections or motions relating to discovery or procedural dates shall be filed upon four business days' notice or the filing party shall explain, in writing, why such notice was not possible.

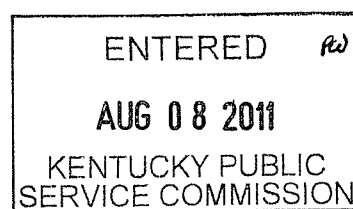
8. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

9. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

ATTEST:

Executive Director

By the Commission



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00096 DATED

AUG 08 2011

All initial requests for information to South Kentucky
shall be filed no later than 08/26/2011

South Kentucky shall file responses to initial requests
for information no later than 09/09/2011

All supplemental requests for information to
South Kentucky shall be filed no later than 09/23/2011

South Kentucky shall file responses to supplemental
requests for information no later than 10/07/2011

Intervenor testimony, if any, in verified prepared form,
shall be filed no later than 10/21/2011

All requests for information to Intervenors shall be
filed no later than 11/04/2011

Intervenors shall file responses to requests for
information no later than 11/18/2011

Last day for South Kentucky to publish notice of hearing.....to be scheduled

Public hearing for the purpose of cross-examination
of witnesses of South Kentucky and Intervenors... to be scheduled

Allen Anderson
Manager
South Kentucky R.E.C.C.
925-929 N. Main Street
P. O. Box 910
Somerset, KY 42502-0910

Stephen Johnson
Vice President of Finance
South Kentucky R.E.C.C.
925-929 N. Main Street
P. O. Box 910
Somerset, KY 42502-0910

Honorable Darrell L Saunders, P.S.C.
Attorney at Law
700 Master Street
P.O. Box 1324
Corbin, KENTUCKY 40702