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November 18, 2010

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COMMISSION

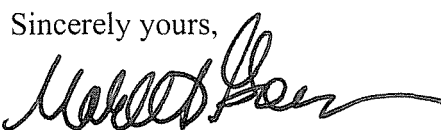
Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2010-00238
In the Matter of: An Investigation of East Kentucky Power
Cooperative, Inc.'s Need for the Smith 1 Generating Facility

Dear Mr. Derouen:

Enclosed please find an original and ten (10) copies of East Kentucky Power Cooperative, Inc.'s ("EKPC") Notice and Motion to Accept Relinquishment of Certificate of Public Convenience and Necessity to be filed in the above-styled matter. Please return a file-stamped copy to me.

Please do not hesitate to let me know if you have any questions.

Sincerely yours,


Mark David Goss

Enclosures

cc: All Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC.'S NEED FOR)
THE SMITH 1 GENERATING FACILITY) **CASE NO. 2010-00238**

NOTICE AND MOTION TO ACCEPT RELINQUISHMENT OF
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Comes now East Kentucky Power Cooperative, Inc. (“EKPC”), by and through counsel, and herewith notifies the Kentucky Public Service Commission (“Commission”) of its intention to abandon the construction of the 278 MW Smith Circulating Fluidized Bed Generating Unit (“Smith 1”) which was to be built at Trapp, Clark County, Kentucky, on property owned by EKPC. Further, EKPC notifies the Commission of its intent to relinquish the Certificate of Public Convenience and Necessity (“CPCN”) which the Commission granted by Order on August 29, 2006 in Case No. 2005-00053, permitting EKPC to construct Smith 1. EKPC respectfully requests that the Commission enter an Order accepting this relinquishment of the Smith 1 CPCN and setting aside its previous grant by the Commission.

In support of this Notice and Motion, EKPC relies upon, and specifically incorporates by reference herein, its 2010 Load Forecast, testimony and other information and documentation which is being filed contemporaneously in this docket. Collectively, these filings demonstrate that EKPC’s load growth has experienced a significant downward trend and it is now projected that new base load generation is not needed on the EKPC system until at least 2018. In addition, Smith 1 is no longer the least cost option for EKPC compared to other power supply alternatives,

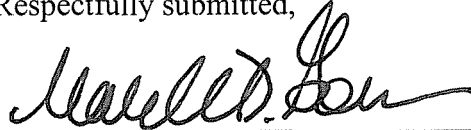
and building Smith 1 would place an undue burden on EKPC from a long-term debt perspective, and would cause EKPC's rates to its members to increase substantially.

In further support of this Notice and Motion, EKPC refers the Commission to the Settlement Agreement by and between EKPC, Gallatin Steel Company, the Kentucky Attorney General, Wendell Berry, Dr. John A. Patterson, M.D., MSPH, and Fr. John Rausch which is also being filed this date.

WHEREFORE, EKPC herewith notifies the Commission of its intention to abandon the construction of Smith 1 CFB, to relinquish the CPCN, and requests that the Commission enter an Order setting aside its previous grant of the CPCN.

This 18th day of November, 2010.

Respectfully submitted,



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Counsel for East Kentucky Power Cooperative, Inc.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was mailed, first class postage prepaid, this 18th day of November, 2010 to the following parties of record:

Hon. Robert Ukeiley
435R Chestnut Street
Suite 1
Berea, KY 40403

Hon. Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202

Hon. Dennis G. Howard, II
Hon. Lawrence Cook
Assistant Attorneys General
Utility and Rate Intervention Division
P. O. Box 2000
Frankfort, KY 40602-2000

A handwritten signature in black ink, appearing to read "Lawrence D. Cook", written in a cursive style.

Counsel for East Kentucky Power Cooperative, Inc.

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