

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)	CASE NO.
COOPERATIVE, INC. FOR DEVIATION FROM)	2015-00358
OBLIGATION RESULTING FROM CASE NO.)	
2012-00169)	

ORDER

Pending before the Commission is the motion of East Kentucky Power Cooperative, Inc. ("EKPC"), for an Order: (1) holding this matter in abeyance for a period of 90 days; and (2) temporarily relieving EKPC from the requirement established in Case No. 2012-00169¹ that it file, by November 30, 2015, an application for approval of a rate mechanism to flow back to customers benefits from its participation in the PJM Interconnection, L.L.C. ("PJM") capacity markets.

On October 30, 2015, EKPC filed an application for an 18-month suspension of the November 30, 2015 deadline to file the required rate mechanism. Kentucky Industrial Utility Customers, Inc. ("KUIIC") and the Attorney General's Office of Rate Intervention ("AG") (collectively, the "Intervenors") filed motions to intervene in this case, which motions the Commission granted. On November 20, 2015, EKPC and the Intervenors participated in an informal conference with Commission Staff to discuss any issues related to this case. At the informal conference, the parties discussed the possibility of having further discussions to explore the potential for reaching an

¹ Case No. 2012-00169, *Application of East Kentucky Power Cooperative, Inc. to Transfer Functional Control of Certain Transmission Facilities to PJM Interconnection, LLC* (Ky. PSC Dec. 20, 2012) ("PJM Integration Order") at 20.

agreement concerning a mechanism to flow back capacity market benefits to EKPC's customers.

In its present motion, EKPC states that it is requesting the Commission to hold this case in abeyance and to temporarily suspend the November 30, 2015 filing deadline “[i]n order for the Parties to further discuss the resolution of this matter, and specifically to allow the Parties an opportunity to develop a mutually-agreeable proposal related to the structure and implementation of the capacity benefits mechanism required by the PJM Integration Order.”² Neither KUIC nor the AG filed a response to EKPC's motion. EKPC represents that KUIC supports the relief requested in its motion, and that the AG has taken no position.³

Based on the motion and being otherwise sufficiently advised, Commission, finds that EKPC has established good cause to hold this matter in abeyance for a period of 90 days and to temporarily suspend the deadline set forth in the PJM Integration Order for EKPC to file an application for approval of a flow-back rate mechanism. The Commission further finds that EKPC should be required to file, 45 days after entry of this Order and at the end of the 90-day period of abeyance, written reports summarizing the status of the parties' efforts to reach a consensus on the issues in this case.

² EKPC's Motion to Hold Case in Abeyance at 2.

³ *Id.*

IT IS THEREFORE ORDERED that:

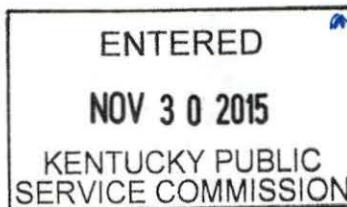
1. EKPC's motion to hold this case in abeyance for a period of 90 days is granted to the extent that the Commission shall take no action on EKPC's application during that time period to allow the parties and Commission Staff to further discuss the issues in this case.

2. The requirement of the PJM Integration Order for EKPC to file by November 30, 2015, a rate mechanism to flow back capacity market benefits to customers is temporarily suspended while this case is in abeyance.

3. EKPC shall file, 45 days from the date of this Order and at the end of the 90-day period of abeyance, written reports summarizing the status of the efforts by the parties and Commission Staff to reach a consensus on the issue of a flow-back rate mechanism.

4. Nothing shall prevent the parties from filing documents or the Commission from entering further Orders during the abeyance of this case.

By the Commission



ATTEST:


Executive Director

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

*Jennifer Black Hans
Assistant Attorney General
Office of the Attorney General Utility & Rate
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204

*Honorable Michael L Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Jody M Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*David S Samford
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504