

Steven L. Beshear
Governor

Leonard K. Peters, Secretary
Energy and Environment
Cabinet



Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

NEWS RELEASE

Contact:
Andrew Melnykovich
502-564-3940, ext. 208
502-330-5981 (cell)

PSC Sets Public Meetings in East Kentucky Power Rate Case *Comments taken in Somerset, Morehead, Nicholasville and Bardstown*

FRANKFORT, Ky. (Oct. 28, 2010) – The Kentucky Public Service Commission (PSC) will hold public meetings in Somerset, Morehead, Nicholasville and Bardstown to receive comments on the request for a rate increase by the East Kentucky Power Cooperative, Inc. (EKPC) and the resulting pass-through rates to the 16 electric distribution cooperatives which own EKPC and to which it provides electricity.

“These meetings will allow the PSC to hear directly from the public as it prepares to consider whether the proposed new rates are fair, just and reasonable,” PSC Chairman David Armstrong said.

The meetings are scheduled for:

Somerset

Thursday, Nov. 4, 2010, 6:00 p.m. EDT

Meece Hall Auditorium, Room 120, Somerset Community College
808 Monticello Street

Morehead

Monday, Nov. 8, 2010, 6:00 p.m. EST

Auditorium, Rowan County High School
499 Viking Drive

Nicholasville

Tuesday, Nov. 9, 2010, 6:00 p.m. EST

Auditorium, West Jessamine High School
2101 Wilmore Road

Bardstown

Monday, Nov. 22, 2010, 6:00 p.m. EST

Auditorium, Bardstown High School
308 North 5th Street

-more-

EKPC's 16 member distribution cooperatives have over 500,000 customers in 87 counties in eastern and central Kentucky. EKPC generates electricity at four plants and operates 2,755 miles of high-voltage transmission lines.

EKPC is proposing to increase its wholesale rates by 5.27 percent in order to generate additional annual revenue of \$49.4 million. Once passed through to the distribution cooperatives, the proposed higher wholesale rate would increase the typical residential customer's monthly bill by \$4.60 to \$5.67, depending on the cooperative.

The amounts vary because of differences in the operating conditions and customer base of each cooperative.

The EKPC application, pass-through rate applications for the distribution cooperatives and related documents are available on the PSC website, psc.ky.gov. The case numbers are 2010-00167 for EKPC and 2010-00168 through 2010-00183 for the distribution cooperatives. (A list of cooperatives and estimated rate impacts is attached.)

In response to public input at previous rate case meeting, the PSC has changed the format for public meetings.

The EKPC meetings will begin with a presentation by the utility, followed by an opportunity for the public to ask questions. The parties intervening in the case – the Kentucky Office of Attorney General and Gallatin Steel Co. – also will have an opportunity to make presentations and answer questions.

Members of the public then will be invited to make comments to the PSC.

Written comments will be accepted at the meeting. Written comments also may be mailed to the PSC at P.O. Box 615, Frankfort, KY 40602, faxed to 502-564-9625 or e-mailed from the PSC website.

The evidentiary hearing in the cases will be combined into a single proceeding, to be held at the PSC offices at 211 Sower Boulevard in Frankfort on Tuesday, Nov. 30, beginning at 10 a.m. EDT. The hearing will be open to the public, but there will be only limited opportunity for public comments. Written comments will be accepted through the conclusion of the hearing.

The evidentiary hearing may be viewed live on the PSC website.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 100 employees.

EKPC MEMBER COOPERATIVES WITH CASE NUMBERS
AND ESTIMATED IMPACTS ON MONTHLY RESIDENTIAL BILLS

Cooperative	Estimated Increase In Average Monthly Residential Bill	Case Number
Big Sandy RECC	\$5.61	2010-00168
Bluegrass Energy Coop. Corp.	\$5.67	2010-00169
Clark Energy Coop.	\$4.87	2010-00170
Cumberland Valley Electric	\$5.42	2010-00171
Farmers RECC	\$5.13	2010-00172
Fleming-Mason Energy	\$5.23	2010-00173
Grayson RECC	\$5.33	2010-00174
Inter-County Energy Coop.	\$5.30	2010-00175
Jackson Energy Coop.	\$5.45	2010-00176
Licking Valley RECC	\$4.60	2010-00177
Nolin RECC	\$5.33	2010-00178
Owen Electric Coop.	\$5.07	2010-00179
Salt River Electric	\$5.49	2010-00180
Shelby Energy Coop.	\$4.76	2010-00181
South Kentucky RECC	\$4.92	2010-00182
Taylor County RECC	\$5.05	2010-00183