

August 1, 2006

FACSIMILE AND MAIL

Ms. Elizabeth O'Donnell Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

RECEIVED AUG 2 2006 PUBLIC SERVICE COMMISSION

RE: PSC Case No. 2006-00131

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case, an original and six copies of the Statement of East Kentucky Power Cooperative, Inc., and its Member Systems, regarding the need for a hearing in this case, in response to the Commission's order dated July 24, 2006.

Very truly yours,

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Charles A. Lile Senior Corporate Counsel

Enclosures

Cc: Parties of Record

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)COMMISSION OF THE ENVIRONMENTAL)SURCHARGE MECHANISM OF EAST KENTUCKY)POWER COOPERATIVE, INC. FOR THE) CASE NO.SIX-MONTH BILLING PERIOD ENDING) 2006-00131DECEMBER 31, 2005 AND THE PASS THROUGH)MECHANISM FOR ITS SIXTEEN MEMBER)DISTRIBUTION COOPERATIVES)

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AUG 2 2006 PUBLIC SERVICE COMMISSION

STATEMENT OF EAST KENTUCKY POWER COOPERATIVE, INC. AND ITS MEMBER SYSTEMS REGARDING THE NEED FOR A HEARING IN THIS CASE

In response to the Public Service Commission's order in this case dated July 24, 2006, East Kentucky Power Cooperative, Inc., and its Member Systems: Big Sandy RECC, Blue Grass Energy Cooperative, Clark Energy Cooperative, Cumberland Valley Electric, Farmers RECC, Fleming-Mason Energy Cooperative, Grayson RECC, Inter-County Energy Cooperative, Jackson Energy Cooperative, Licking Valley RECC, Nolin RECC, Owen Electric Cooperative, Salt River Electric Cooperative, Shelby Energy Cooperative, South Kentucky RECC, and Taylor County RECC, state that they are unaware of any material issues of fact which warrant a hearing in this case, and request that the case be submitted for adjudication based on the existing record, without a hearing.

Respectfully submitted,

authority. DALE W. HENLEY

CHARLES A. LILE

ATTORNEYS FOR EAST KENTUCKY POWER COOPERATIVE, INC. P. O. BOX 707 WINCHESTER, KY 40392-0707 (606) 744-4812

CERTIFICATE OF SERVICE

This is to certify that an original and six copies of the foregoing Statement of East Kentucky Power Cooperative, Inc., and its Member Systems Regarding the Need for a Hearing in the above-referenced case were mailed, and a copy was transmitted by facsimile, to Elizabeth O'Donnell, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601, and copies were mailed to Parties of Record, on August 1, 2006.

Man a. Lile

CHARLES A. LILE