



August 25, 2008

Ms. Stephanie L. Stumbo  
Executive Director  
Public Service Commission  
Post Office Box 615  
211 Sower Boulevard  
Frankfort, KY 40602

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AUG 26 2008

PUBLIC SERVICE  
COMMISSION

Re: Case No. 2008-00115  
Case No. 2007-00378

Dear Ms. Stumbo:

Pursuant to the Settlement Agreement in PSC Case No. 2008-00115, dated August 6, 2008, East Kentucky Power Cooperative, Inc. ("EKPC") and Owen Electric Cooperative ("OEC") hereby notify the Public Service Commission that neither EKPC nor OEC will propose in PSC Case No. 2008-00115, or in PSC Case No. 2007-00378, to make any changes to the methodology for allocating the Environmental Surcharge to customers.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert M. Marshall'.

Robert M. Marshall  
President and Chief Executive Officer  
East Kentucky Power Cooperative, Inc.

A handwritten signature in black ink, appearing to read 'Robert Hood'.

Robert Hood  
President and Chief Executive Officer  
Owen Electric Cooperative

Cc: Michael L. Kurtz, Esq.  
Kurt J. Boehm, Esq.