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Charles R. Borders
Commissioner

November 5, 2010

PARTIES OF RECORD

Re: Case No. 2010-00319

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Rick Bertelson at 502/564-3940, Extension 260.

Sincerely,



Jeff Detouen
Executive Director

RB/ew

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Rick Bertelson, Staff Attorney

DATE: November 5, 2010

RE: Case No. 2010-00319
An Examination by the Public Service Commission of the Environmental Surcharge Mechanism of East Kentucky Power Cooperative, Inc. for the Six-Month Billing Period Ending June 30, 2010; and the Pass-Through Mechanism for Its Sixteen Member Distribution Cooperatives

Pursuant to the September 7, 2010 Order of the Commission, East Kentucky Power Cooperative, Inc. ("East Kentucky") attended an informal conference ("IC") at the Commission's Frankfort offices on November 4, 2010. A list of the attendees is attached hereto. The purpose of the IC was to discuss East Kentucky's responses to Commission Staff's First Information Request which were filed on October 7, 2010.

Commission Staff asked East Kentucky to amend its response to Request 1 of the information request to include a column of information for the December 2009 Current Month Environmental Surcharge Factor and (Over)/Under-Recovery Calculation and columns for July and August 2010. East Kentucky agreed to amend the response to reflect the requested information.

Commission Staff also asked East Kentucky to amend its response to Request 4 to include more specific information regarding the reasons why payroll and benefits increase or decrease in certain months. East Kentucky stated that, for work provided by contractors, additional specific project information (i.e., outages, maintenance projects) is more readily available. For in-house labor, East Kentucky would have to access a more detailed level of recordkeeping but would provide more specific detail for labor. As to the benefits increases, East Kentucky stated that benefits are a function of the "payroll" for the labor for a given month. Thus, as payroll expenses increase, so do benefits expenses. East Kentucky agreed to amend the response to provide a more descriptive explanation for those items.

East Kentucky will file the amended responses on or before Wednesday, November 10, 2010. There being no further questions, the informal conference was adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2010-00319

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE SIX-MONTH BILLING PERIOD ENDING JUNE 30, 2010; AND THE PASS-THROUGH MECHANISM FOR ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES

SIGN IN

November 4, 2010

PERSON

REPRESENTING

Justin P. Powell

PSC-legal

Vicky Townes

PSC - Financial Analysis

WARREN HOFFMANN

FBT - Counsel to East Kentucky Power

Ann Wood

EKPC

George Markins

EKPC

FRANK OLIVA

EKPC

Ron Handzick

PSC

Rick Beitzel

PSC-Legal

