

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

ORDER

The matter is before the Commission upon East Kentucky Power Cooperative, Inc.'s ("EKPC") motion requesting a 30-day extension of time, through June 27, 2016, of the current abeyance period. Pursuant to the Commission's November 30, 2015 Order, the matter was held in abeyance for a period of 90 days to allow the parties and Commission Staff to further discuss the issues in this case. By Order dated March 2, 2016, the abeyance period was extended for another 90 days to allow the parties to further engage in discussions regarding an agreed-upon proposal for the design and implementation of a rate mechanism to flow back PJM-related capacity market benefits to EKPC's customers. The extended abeyance period would have expired on May 28, 2016. During the abeyance period, EKPC's obligation to file a flow-back rate mechanism was also temporarily suspended.

In support of its motion, EKPC states that it has been, and continues to be, engaged in numerous discussions with its distribution cooperatives, its Board of Directors, and the parties to this case and notes that a final proposal for a capacity-benefits-sharing mechanism is nearing completion. EKPC further states that one of the intervenors, Kentucky Industrial Utility Customers, Inc., has expressed a tentative agreement with the

proposed design and implementation, and that EKPC is in the process of refining the rate mechanism and finalizing the framework of the mechanism. However, EKPC informs that it will need additional time to reduce the final proposal to writing and discuss the details of the proposal with the parties and Commission Staff. Accordingly, EKPC requests that the existing abeyance period be extended by an additional 30 days.

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that EKPC has established good cause to extend by 30 days, through June 27, 2016, the period during which this case is held in abeyance, and to continue the temporary suspension of the deadline for EKPC to file an application for approval of a flow-back rate mechanism.

IT IS THEREFORE ORDERED that:

1. EKPC's motion to extend for 30 days, through June 27, 2016, the period of abeyance is granted to the extent that the Commission shall take no action on EKPC's application during that time period to allow EKPC time to reduce into writing the proposal for the mechanism to flow back the net PJM-related capacity benefits to EKPC's customers and to discuss the details of that proposal with the parties to this case and Commission Staff.
2. The temporary suspension of the requirement for EKPC to file a rate mechanism shall continue during the period of abeyance, as extended by this Order.
3. Nothing shall prevent the parties from filing documents or the Commission from entering further Orders during the abeyance of this case.

ATTEST:


Acting Executive Director

By the Commission
ENTERED
JUN 10 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

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