

September 14, 2007

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

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SEP 1 4 2007 PUBLIC SERVICE COMMISSION

Re: PSC Case No. 2006-00472

Dear Ms. O'Donnell:

East Kentucky Power Cooperative, Inc. ("EKPC") has received a copy of the Memorandum prepared in regard to the Informal Conference held in this case prior to the September 5, 2007 public hearing. That Informal Conference on August 31, 2007, was requested to inform the Commission Staff of the details of the Joint Stipulation and Recommendation, which was filed with the Commission on that date by EKPC, the Attorney General (the "AG") and Kentucky Industrial Utility Customers, Inc. ("KIUC"). It is stated in the third paragraph of that Memorandum that "At the beginning of the conference, Staff informed the parties that as the Joint Recommendation was not unanimous, the Commission could not consider the document in rendering its decision." EKPC wishes to inform the Commission of its concerns about that statement in the Memorandum.

While EKPC understands that the Commission would not deem such a non-unanimous agreement to be <u>controlling</u> in rendering its decision in the case, it is our understanding that the Commission would normally consider such an agreement in deciding the case, and would give it appropriate weight. The Commission followed this approach in reaching its decision on the interim increase granted in this case on April 1, as stated in the order issued on March 16, 2007, and we understand that such agreements have been considered in decisions rendered in other Commission cases.

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September 14, 2007 Ms. Elizabeth O'Donnell Page 2

EKPC, the AG and KIUC fully support the Joint Stipulation and Recommendation and believe that the Commission should give its provisions appropriate consideration in reaching a decision in this case. If there are any questions about our concerns with the subject statement in the Informal Conference Memorandum, please contact me at EKPC headquarters.

Very truly yours,

Chant a. Lile

Charles A. Lile Senior Corporate Counsel

Enclosures

Cc: Parties of Record David S. Samford, Esq. Isaac Scott

