COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF FLEMING-MASON) ENERGY COOPERATIVE, INC FOR AN) ADJUSTMENT OF RATES) CASE NO. 2007-00022

<u>ORDER</u>

On May 18, 2007, Fleming-Mason Energy Cooperative, Inc. ("Fleming-Mason") submitted an application to the Commission requesting authority to adjust its rates. The application failed to meet certain filing requirements and was rejected for filing, pursuant to 807 KAR 5:001, Section 2(2), by letter dated June 14, 2007. In response to the rejection notice, Fleming-Mason submitted additional information on June 25, 2007

Based on a review of the additional information supplied by Fleming-Mason, the Commission finds that the deficiencies noted in our June 14, 2007 letter have been cured, and that Fleming-Mason's application should be considered filed as of June 25, 2007.

Fleming-Mason originally proposed that its rates become effective on June 18, 2007. In the additional information filed on June 25, 2007, Fleming-Mason submitted revised tariffs with a proposed effective date of July 20, 2007. Pursuant to KRS 278.180(1), no utility may change any rate without 30 days' notice to the Commission. Therefore, the earliest date on which Fleming-Mason's proposed rates may become effective is July 25, 2007. Based on a review of Fleming-Mason's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by

July 25, 2007. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for 5 months.

IT IS THEREFORE ORDERED that:

1. Fleming-Mason's application is considered filed as of June 25, 2007.

2. Pursuant to KRS 278.190(2), Fleming-Mason's proposed rates are suspended until December 24, 2007.

3. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

4. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and six copies to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

-2-

d. For any requests to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

5. Any party filing testimony shall file an original and nine copies.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

7. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of compelling reasons.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 6th day of July, 2007.

By the Commission

ATTEST: Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00022 DATED JULY 6, 2007

All initial requests for information to Fleming-Mason shall be filed no later than07/24/07
Fleming-Mason shall file responses to initial requests for information no later than08/14/07
All supplemental requests for information to Fleming-Mason shall be filed no later than08/28/07
Fleming-Mason shall file responses to supplemental requests for information no later than09/11/07
Intervenor testimony, if any, in verified prepared form shall be filed no later than09/25/07
All requests for information to Intervenors shall be filed no later than
Intervenors shall file responses to requests for information no later than10/23/07
Public Hearing is to begin at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Fleming-Mason and Intervenors
Briefs, if any, shall be filed by

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