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November 11, 2008

FEDEX

Ms. Stephanie Stumbo
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

NOV 12 2008

PUBLIC SERVICE
COMMISSION

Re: UNWIND
Meade County Rural Electric
Cooperative Corporation
PSC Case No. 2007-00470

Dear Ms. Stumbo:

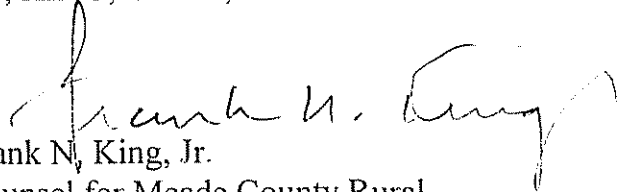
Enclosed for filing please find the original and 10 copies of Motion to File Amended Application with attachments. We tender herewith the original of the proposed Amended Application for filing in the record when the motion is granted.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Meade County Rural
Electric Cooperative Corporation

FNKJr/cds

Encls.

COPY/w/encls.: Service List
Mr. Burns Mercer
Mr. Jack Gaines

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

In the Matter of:)
)
The Application of Meade County)
Rural Electric Cooperative)
Corporation for Approval of Retail)
Tariff Riders, Revised Tariffs and)
New Tariff and for Approval of)
Amendment of Wholesale Agreement)

CASE NO. 2007-00470

NOV 12 2008
PUBLIC SERVICE
COMMISSION

MOTION TO FILE AMENDED APPLICATION

MEADE COUNTY RURAL ELECTRIC COOPERATIVE

CORPORATION ("Meade County"), by counsel, moves that it be permitted to file Amended Application herein. In support of this motion Meade County states that the original Application needs to be amended to address matters that have occurred since the original filing herein and to confirm that the six (6) tariff riders originally proposed in this proceeding are still applicable and do not need modification. A copy of the proposed Amended Application is attached hereto.

WHEREFORE, Meade County moves that it be permitted to file Amended Application and that it be afforded all proper relief.

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318 Second Street
Henderson, Kentucky 42420
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(270) 826-6672 Telefax
Attorneys for Meade County Rural Electric
Cooperative Corporation

By Frank N. King, Jr.
FRANK N. KING, JR.

COMMONWEALTH OF KENTUCKY

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In the Matter of:)
)
The Application of Meade County)
Rural Electric Cooperative) CASE NO. 2007-00470
Corporation for Approval of Retail)
Tariff Riders, Revised Tariffs and)
New Tariff and for Approval of)
Amendment of Wholesale Agreement)

AMENDED APPLICATION

The Amended Application of **MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION** (“Meade County”) respectfully shows:

Introduction

The purpose of this Amended Application is two-fold:

(1) To change from approximately five (5) years to one year the length of time that the Unwind Rider—Composite Factor (URCF) will be used to confirm that the net effect of the other five (5) riders is zero. The reason for this change is that Meade County and the other two (2) member cooperatives of Big Rivers Electric Corporation have agreed with Big Rivers’ proposal to modify the manner in which the Economic Reserve will be used which will allow retail rates to gradually increase after the first year following the closing of the Unwind in order to avoid a severe increase in rates later.

(2) To file the Supplemental Direct Testimony of Jack D. Gaines. This supplemental testimony confirms that the six (6) tariff riders originally proposed in this

proceeding are still applicable and do not need modification, and addresses matters that have occurred since the original filing herein.

* * * * *

Meade County hereby amends its Application in the following respects:

1. The statement in the Application that the sixth retail tariff rider will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years is changed to state that the projected period of time is expected to be one year. This statement appears in the Application in the last paragraph on the first page and in paragraph (d) on page 2.

2. Attached as Exhibit 13 is the Supplemental Direct Testimony of Jack D. Gaines confirming that the six (6) tariff riders proposed in this proceeding are still applicable and do not need modification, and addressing matters that have occurred since the original filing herein.

3. In all other respects Meade County adopts and reaffirms its Application filed herein.

WHEREFORE, Meade County requests as set forth in its original Application.

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Henderson, Kentucky 42420
(270) 826-3965 Telephone
(270) 826-6672 Telefax
Attorneys for Meade County Rural Electric
Cooperative Corporation

By


FRANK N. KING, JR.

1 MRSM, OR FOR ANY REASON?

2 A. No changes to any of Meade's proposed tariff riders are needed.

3 7 Q. ARE THERE ANY CHANGES YOU WANT TO MAKE TO YOUR
4 FILED TESTIMONY BASED ON MORE CURRENT INFORMATION?

5 A. Yes, there are two changes. First, at pages 2 and 3 of my filed testimony, I
6 stated that "the Wholesale Power Cost Adjustment will continue in effect
7 unchanged." That is no longer true. Big Rivers discontinued its Member
8 Discount Adjustment Rider effective September 1, 2008. Therefore, the
9 Meade Wholesale Power Cost Adjustment has also been discontinued.
10 Second, at page 7, lines 6 through 9, I stated that "BREC and the BREC
11 Members have carefully structured the five wholesale riders and
12 corresponding retail riders to have zero effect on customers' bills so long
13 as sufficient funds are available from the BREC Economic Reserve
14 currently estimated to be five years."

15 Based on Big Rivers' most recent financial model filed October 9, 2008 in
16 PSC Case No. 2007-00455 and PSC Case No. 2007-00460, the Economic
17 Reserve is no longer expected to be sufficient to fully offset the five
18 wholesale riders to allow a zero effect on customers' bills for five years.
19 This is in part due to the economics reflected in Big Rivers' most recent
20 financial model which have shortened the period from five years to
21 between three and four years. It is also a result of the revision proposed by
22 Big Rivers to Schedule MRSM which is designed to allow gradual
23 increases in the net wholesale bills to the BREC Members to extend the

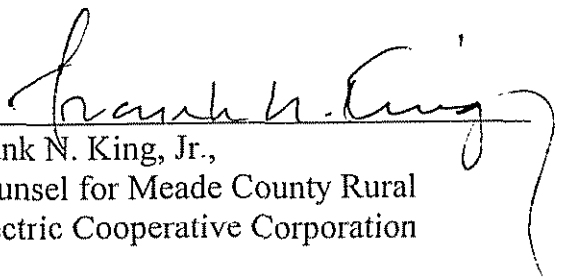
1 life of the Economic Reserve and to avoid there being a severe rate
2 increase upon its expiration. At this time, the zero effect on customer bills
3 is expected to last only one year.

4 8. Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL DIRECT
5 TESTIMONY AT THIS TIME?

6 A. Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on the persons named in the attached service list by mailing true and correct copies of same this the 11th day of November, 2008.

A handwritten signature in cursive script, reading "Frank N. King, Jr.", is written over a horizontal line. The signature is fluid and extends to the right of the line.

Frank N. King, Jr.,
Counsel for Meade County Rural
Electric Cooperative Corporation

Case No 2007-00470
SERVICE LIST

Hon. James M. Miller
Hon. Tyson Kamuf
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Corporation

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Corporation

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Utility & Rate Intervention Division
1024 Capital Center Drive-Suite 200
Frankfort, KY 40601-8204

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proceeding are still applicable and do not need modification, and addresses matters that have occurred since the original filing herein.

* * * * *

Meade County hereby amends its Application in the following respects:

1. The statement in the Application that the sixth retail tariff rider will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years is changed to state that the projected period of time is expected to be one year. This statement appears in the Application in the last paragraph on the first page and in paragraph (d) on page 2.

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