COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE SIX-MONTH BILLING PERIODS ENDING DECEMBER 31, 2007; JUNE 30, 2008; AND DECEMBER 31, 2008; AND THE PASS-THROUGH MECHANISM FOR ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES

CASE NO. 2009-00039

)

RECEIVED

SEP 2 2 2009

PUBLIC SERVICE

COMMISSION

SOUTH KENTUCKY'S NOTIFICATION THAT IT DOES NOT DESIRE A HEARING

Comes South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") and

pursuant to the Commission's Order of August 19, 2009, serves notice that it does not desire a

hearing on the implementation of its kWh allocation methodology. Further, South Kentucky

states that at this time it prefers to retain its existing retail pass-through mechanism for

determining the environmental surcharge.

DARRELL L. SAUNDERS, P.S.C. ATTORNEY AT LAW 700 MASTER STREET P.O. BOX 1324 CORBIN, KENTUCKY 40702 TELEPHONE: (606) 523-1370 FAX NUMBER: (606) 523-1372

ATTORNEY FOR SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing was this 2 day of September, 2009, deposited in the regular United States mail, all postage prepaid and addressed for delivery to the following:

1. Mr. Rick Bertelson, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602-0615.

2. Mr. Daniel W. Brewer, President/CEO, Blue Grass Energy Cooperative Corp., P.O. Box 990, 1201 Lexington Road, Nicholasville, KY 40340-0990.

Mr. Anthony Campbell, President/CEO, East Kentucky Power Cooperative, Inc.,
P.O. Box 707, Winchester, KY 40392-0707.

4. Ms. Sharon K. Carson, Finance & Accounting Manager, Jackson Energy Cooperative, 115 Jackson Energy Lane, McKee, KY 40447.

5. Mr. James M. Crawford, Crawford & Baxter, PSC, 523 Highland Avenue, P.O. Box 353, Carrollton, KY 41008.

6. Mr. Paul G. Embs, President/CEO, Clark Energy Cooperative, Inc., P.O. Box 748, 2640 Ironworks Road, Winchester, KY 40392-0748.

7. Ms. Carol H. Fraley, President/CEO, Grayson RECC, 109 Bagby Park, Grayson, KY 41143.

8. Mr. Ted Hampton, Manager, Cumberland Valley Electric, Inc., P.O. Box 440, Gray, KY 40734.

9. Mr. Larry Hicks, General Manager, Salt River Electric Cooperative Corp. 111 West Brashear Avenue, P.O. Box 609, Bardstown, KY 40004.

10. Mr. Kerry K. Howard, General Manager/CEO, Licking Valley RECC, P.O. Box 605, West Liberty, KY 41472.

11. Mr. James L. Jacobus, President/CEO, Inter-County Energy Cooperative Corporation, 1009 Hustonville Road, P.O. Box 87, Danville, KY 40423-0087.

12. Mr. Michael L. Kurtz, Boehm, Kurtz & Lowry, 36 East Seventh Street, Suite 1510, Cincinnati, OH 45202.

13. Ms. Debbie Martin, President & CEO, Shelby Energy Cooperative, Inc., 620 Old Finchville Road, Shelbyville, KY 40065.

14. Mr. Michael L. Miller, President & CEO, Nolin RECC, 411 Ring Road, Elizabethtown, KY 42701-6767.

15. Mr. Barry L. Myers, Taylor County RECC, 100 West Main Street, P.O. Box 100, Campbellsville, KY 42719.

16. Mr. Bill Prather, President & CEO, Farmers RECC, 504 South Broadway, P.O. Box 1298, Glasgow, KY 42141-1298.

17. Mr. Barry D. Sexton, President/General Manager, Big Sandy RECC, 504 11th Street, Paintsville, KY 41240-1422.

18. Mr. Marvin W. Suit, Suit, McCartney & Price, PLLC, 207 Court Square, Flemingsburg, KY 41041.

Original to: Mr. Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602-0615.

) allerer for

ATTORNEY FOR SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION