FEB 2 2 2013

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION AND COMPLAINT OF GRAYSON)	
RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR AN ORDER)	
AUTHORIZING PURCHASE OF ELECTRIC)	
POWER AT THE RATE OF SIX CENTS PER)	CASE NO.
KILOWATTS OF POWER VS. A RATE IN)	2012-00503
EXCESS OF SEVEN CENTS PER KILOWATT)	
HOUR PURCHAED FROM EAST KENTUCKY)	
POWER COOPERATIVE UNDER A)	
WHOLESALE POWER CONTRACT AS)	
AMENDED BETWEEN GRAYSON RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	
AND EAST KENTUCKY POWER)	
COOPERATIVE, INC.)	
•	,	

REPLY TO RESPONSE OF EAST KENTUCKY POWER

Comes now, Grayson Rural Electric Cooperative Corporation (GRECC) and for its Reply to the Response to East Kentucky Power Cooperative (EKPC) states as follows:

- 1. The motion of GRECC is not premature and the Court should simply set forth an order of scheduling time frames, in order for a final hearing on the merits, at which the Commission could determine whether there is a portion of the matters raised by GRECC in its petition over which the Commission does not have jurisdiction.
- 2. It would not be appropriate for the Commission to dismiss the petition or any part thereof unless and until there is some discovery conducted so that the Commission would then have before it, all of the facts concerning the matters raised in the petition about which the Commission would then have full apprisement and, therefore, all appropriate information to base a ruling.

WHEREFORE, GRECC moves, again, for an order assigning for final hearing on the merits and a scheduling order.

As was set forth in GRECC's petition, its complaint with Magnum Drilling has time constraints, and GRECC fears EKPC is simply attempting delay as it has repeatedly so as to prevent GRECC from purchasing power in accordance with Amendment 3 of the Wholesale Power Contract at a rate less than that which it must, as exacted by EKPC, pay the generation and transmission cooperative.

Respectfully submitted,

W. JEFFREY SCOTT, PSO

BY:

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ATTORNEY OR GRAYSON RURAL ELECTRIC COOPERATIVE CORP.

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This is to certify that the foregoing document has been served upon the parties by mailing a true and correct copy of same to:

Hon. Mark David Goss Hon. David S. Samford GOSS SAMFORD, PLLC 2365 Harrodsburg Road, Suite B 130 Lexington, KY 40504 david@gosssamfordlaw.com

This is to further certify that the original of this document has been forwarded to the Kentucky Public Service Commission as follows:

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40602-0615 psc.regulations@ky.gov

This the

day of February, 2013.