COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

MAY 1 7 2013

PUBLIC SERVICE COMMISSION

In the Matter of:

PETITIONER, GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION'S

RESPONSE TO MOTION TO DISMISS

Comes now, Grayson Rural Electric Cooperative Corporation (GRECC), by and through counsel, and for its response to the motion of Respondent, East Kentucky Power Cooperative, Inc. (EKPC) to dismiss states as follows:

1. The Petitioner objects to the motion to "dismiss as moot" for the reason that the contract referred to by the Respondent in its motion is one wherein GRECC and Magnum entered into a verbal understanding for the extension for a period of time beyond the date of February 28, 2013.

Furthermore, the actual Amendment 3 to the Wholesale Power Contract referred to in the petition is one with which there is a genuine controversy between the Petitioner and the Respondent, EKPC, such that the Commission needs to adjudicate said controversy.

- 2. The Respondent has maintained that Petitioner cannot utilize the terms of the contract to purchase up to fifteen percent (15%) of its power from an alternate source which Petitioner believes is directly in contravention to the terms of Amendment 3 to the Wholesale Power Contract.
- 3. It is respectfully submitted that unless and until the Commission makes a determination as to this matter that the economic position of Petitioner will be adversely affected and as a result its member owners will not receive the full benefit of the contractual terms between GRECC and EKPC.

WHEREFORE, the Petitioner respectfully submits therefore that the motion should be overruled and that this matter should be assigned for hearing.

RESPECTFULLY SUBMITTED,

W. JEFFREY SCOTT P.S.C.

BY:

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This is to certify that the foregoing 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 Rd., Suite B130

Lexington, KY, 40504

This the

day of May, 2013.