

August 19, 2016

Ms. Talina R Mathews, Ph.D.
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

RECEIVED
AUG 19 2016
PUBLIC SERVICE
COMMISSION

Dear Ms. Mathews:

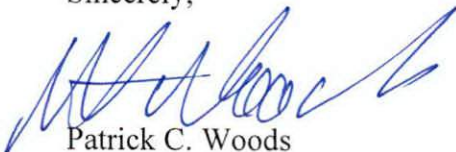
EKPC sent the attached letter to Mr. Derouen, on August 3, 2015. The letter explains how the Commission's January 18, 1996 order in Administrative Case No. 335 requires EKPC's owner-member cooperatives ("owner-members") to file their emergency curtailment procedures with the Commission, even though NERC standards and EKPC's integration with PJM mean such distribution-level load-shedding actions are no longer taking place, having been replaced by actions undertaken by EKPC on its owner-member's behalf. EKPC is yet to receive a response to this letter.

As you can see from the letter to Mr. Derouen, EKPC requested that its owner-members be relieved from having to file emergency curtailment procedures and that EKPC instead file its Manual Load Shed Plan, including its Rotating Outage Plan, on its owner-members' behalf. Such a consideration would alleviate the need for EKPC's owner-members to prepare, and PSC staff to track, filings for documents that no longer exist.

As stated in the letter to Mr. Derouen, EKPC and its owner-members would be grateful for confirmation from the Commission that either absolves the owner-members of the requirements of the order in Administrative Case No. 353 and allowing EKPC to file its plan on their behalf, or describes how the Commission would suggest the owner-members continue to meet said requirements.

Should the Commission require further information on this matter, please do not hesitate to contact me.

Sincerely,



Patrick C. Woods

PCW/gw

Enclosure



EAST KENTUCKY POWER COOPERATIVE

August 3, 2015

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Re: Administrative Case No. 353

Dear Mr. Derouen:

Pursuant to the Commission's January 18, 1996 order in Administrative Case No. 353, East Kentucky Power Cooperative, Inc.'s ("EKPC") owner-member cooperatives ("owner-members") have continued to file, as part of their emergency plans, their emergency curtailment procedures. At the time, this order was in keeping with the operational necessities of the manual load-shedding procedures in place – the owner-members developed manual load-shed plans in order to effect load shedding at the distribution level when instructed to do so by EKPC.

In June 2007, the North American Electric Reliability Corporation ("NERC") released two standards, EOP-001 and EOP-003, which, as a NERC-registered Transmission Operator and a Balancing Authority, EKPC was mandated to, ". . . have plans for operator controlled manual load shedding to respond to real-time emergencies.", and ". . . be capable of implementing the load shedding in a timeframe adequate for responding to the emergency." In order to be compliant with the NERC Standards, EKPC created a system-wide Manual Load-Shed Plan to be operated at the transmission level. At that point, the individual owner-members of EKPC no longer had the responsibility to physically shed load – instead the responsibility was with EKPC, per the NERC standards.

Then, on June 1, 2013 EKPC integrated with PJM, and PJM immediately undertook to perform the NERC responsibilities of Transmission Operator and Balancing Authority on EKPC's behalf. In line with PJM's contractual requirements, PJM is now responsible for directing EKPC to manage, alleviate, or end any capacity emergency within PJM's footprint, up to and including manual load shed, within 5 minutes of receiving PJM's Directive.

Working under PJM directive, EKPC now allocates each owner-member a load shed requirement based on EKPC's highest coincident peak. EKPC meets with its owner-members to determine the specific substation loads to shed during a PJM-declared capacity emergency. EKPC then enters these individual substation loads into The EKPC Rotating Power Outage Plan ("RPO"), which is designed to give guidance to the EKPC Transmission Operator when directed by PJM to shed load.

4775 Lexington Rd., 40391
P.O. Box 707, Winchester,
Kentucky 40392-0707

Tel. (859) 744-4812
Fax: (859) 744-6008
www.ekpc.coop

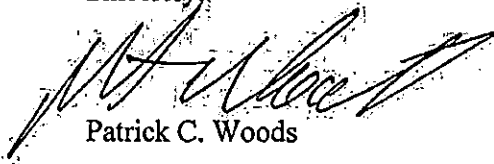
A Touchstone Energy Cooperative The logo for Touchstone Energy Cooperative, featuring a stylized sun or starburst design.

Mr. Jeff Derouen
August 3, 2015
Page Two

Given that the NERC standards required a change to how EKPC and its owner-members coordinate and establish the elements of their Manual Load-Shed Plans, with the owner-members no longer needing to develop their own individual Manual Load-Shed Plans, and with load-shedding decisions or actions no longer taking place at the distribution level, EKPC would respectively suggest that the Commission reconsider the requirements of the order in Administrative Case No. 353 requiring EKPC's owner-members to submit their Manual Load-Shed Plans to the Commission. Instead, EKPC suggests that it be allowed to file its Manual Load-Shed Plan (including the RPO), on its owner-members' behalf.

EKPC would be grateful for written confirmation that the Commission agrees for EKPC to file its Manual Load-Shed Plan on the owner-members' behalf, thus absolving the owner-members of the requirements of the order in Administrative Case No. 353, or would welcome an opportunity to meet with Commission staff to discuss this matter in greater detail.

Sincerely,



Patrick C. Woods