

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NOLIN RURAL)
ELECTRIC COOPERATIVE CORPORATION)
FOR A DEVIATION FROM THE PSC STAFF'S)
POSITION THAT NOLIN CANNOT OFFSET)
LOSSES AGAINST MARGINS IN) CASE NO. 97-502
DETERMINING A PAYOUT OF CAPITAL)
CREDITS AND THE DEVIATION FROM THE)
SETTLEMENT AGREEMENT OF OCTOBER 11,)
1990 IN CASE NO. 90-064)

O R D E R

Nolin Rural Electric Cooperative Corporation ("Nolin") has moved for an informal conference with Commission Staff in this matter and for suspension of the Commission's Order of March 20, 1998. In support of its motion, Nolin states that it has reconsidered its decision to apply for a deviation, intends to withdraw its application, and wishes to discuss with Commission Staff the appropriate adjustments to accomplish a payout of capital credits in accordance with the Commission's Order of August 7, 1994 in Case No. 94-402.¹

Having considered the motion and being otherwise sufficiently advised, the Commission finds that Nolin's motion for an informal conference should be granted. We further find that, as Nolin's withdrawal of its application will render moot most portions of the Commission's Order of March 20, 1998, Nolin's obligation to respond to certain portions of the March 20, 1998 Order should be suspended.

¹ Case No. 94-402, The Application of Nolin Rural Electric Cooperative Corporation Concerning Existing Rates.

IT IS THEREFORE ORDERED that:

1. An informal conference shall be held in this matter on May 29, 1998 at 1:30 p.m., Eastern Daylight Time, in Conference Room 2 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of discussing Nolin's payout of capital credits.

2. Except for Items 1, 2, and 12 of the Commission's Order of March 20, 1998, Nolin's obligation to comply with the Order of March 20, 1998 is suspended.

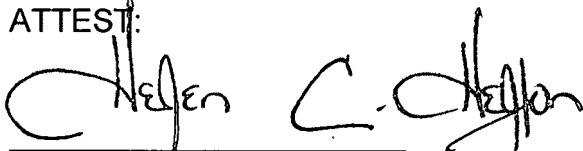
3. Nolin shall within 14 days of the date of this Order file its response to Items 1, 2, and 12 of the Commission's Order of March 20, 1998.

Done at Frankfort, Kentucky, this 12th day of May, 1998.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director