COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NOLIN RURAL ELECTRIC)COOPERATIVE CORPORATION TO ADJUST)THE PAYOUT OF CAPITAL CREDITS IN)ACCORDANCE WITH THE COMMISSION'S)ORDER OF AUGUST 7, 1995 IN CASE NO. 94-402)

CASE NO. 2000-482

Pursuant to 807 KAR 5:001, Section 10(2), Nolin Rural Electric Cooperative Corporation ("Nolin") filed a Notice of Intent on October 30, 2000 informing the Commission of its plan to file an application to suspend and modify the terms of a Settlement Agreement approved by the Commission in Case No. 94-402. It simultaneously filed a document entitled "Petition for Deviation from 807 KAR 5:001, Section 3-10(3)-(4) and Request for Authorization to Use an Abbreviated Form of Notice" ("Petition").

Administrative Regulation 807 KAR 5:001, Section 10(3) sets forth the form of notice that a utility must provide its customers upon filing an application for a rate case. The regulation provides, at Section 10(3)(i), that a utility with annual gross revenues greater than \$1,000,000 may be granted permission by the Commission, upon written request, to use an abbreviated form of notice. Administrative Regulation 807 KAR 5:001, Section 10(4) sets forth the manner in which the notification must be given. The text of the Petition merely requests deviation from 807 KAR 5:001, Section 10(4)(c), which sets forth three methods of notification from which all utilities with more than 20

customers, except sewer utilities, must choose to notify customers of a rate application. Nolin states that the purpose of the deviation is to allow it not to advertise since there will be no change in its rates for service.

The Commission, having considered the Petition and being otherwise sufficiently advised, finds that:

1. While Nolin is not requesting a change in rates and charges that will affect its customers' bills, its customers may be affected by the proposed modification of the terms and conditions for paying capital credits.

2. Nolin has gross revenues greater than \$1,000,000 and the Commission has the authority to grant Nolin permission to use an abbreviated form of notice.

3. It will be in the best interest of the public if Nolin provides notice in an abbreviated form sufficient to put its members on notice of the filing and of their right to intervene.

4. The abbreviated notice should include a coupon that may be used by the customers or other interested parties to obtain all the information required to be filed with the application.

5. Nolin has not shown good cause to obtain a deviation from 807 KAR 5:001, Section 10(4).

IT IS THEREFORE ORDERED that:

1. Nolin's request for authorization to use an abbreviated form of notice pursuant to 807 KAR 5:001, Section 10(3)(i) is granted. Such notice shall include information sufficient to put Nolin's customers on notice of the application and of their

-2-

right to intervene. The notice shall also include a coupon that may be used by all interested persons to obtain the information required by the Commission to be filed with the application.

Nolin's request to deviate from 807 KAR 5:001, Section 10(4) is denied.
Done at Frankfort, Kentucky, this 5th day of December, 2000.

By the Commission

ATTEST:

Executive Director