COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF FLEMING-MASON ENERGY COOPERATIVE CORPORATION

CASE NO. 2001-244

ORDER

On November 2, 2001, Fleming-Mason Energy Cooperative Corporation ("Fleming-Mason") submitted an application to the Commission requesting authority to adjust its rates. To address a filing deficiency in the application, Fleming-Mason submitted additional information on November 13, 2001. In its application, Fleming-Mason Mason requests permission to deviate from the requirements of Administrative Regulation 807 KAR 5:001, Section 10(6)(s).

Administrative Regulation 807 KAR 5:001, Section 10(6)(s), requires the submission of the applicant's Securities and Exchange Commission's annual report for the most recent 2 years, Form 10-Ks and any Form 8-Ks issued within the past 2 years, and Form 10-Qs issued during the past six quarters updated as current information becomes available. Fleming-Mason states in support of its request that it is not subject to SEC regulation. Fleming-Mason also states that the filing requirements of 807 KAR 5:001, Sections 10(6)(f) and (v) regarding local exchange carriers and Section 10(7)(c) regarding proposed pro forma adjustments reflecting plant additions are not applicable to it.

The Commission, having reviewed the filing and being otherwise sufficiently advised, finds that good cause has been shown to grant Fleming-Mason a deviation from the requirements of 807 KAR 5:001, Section 10(6)(s) and Section 10(7)(c). The Commission finds no deviation is required from the filing requirements of 807 KAR 5:001, Section 10(6)(f) and (v) since the filing requirements imposed by these sections of the regulation are for local exchange carriers only. The Commission further finds that Fleming-Mason's application should be considered filed as of the date of this Order.

Fleming-Mason originally proposed that its rates become effective on December 3, 2001. It has not revised the effective date nor requested a notice period shorter than the 30-day notice required by KRS 278.180(1). Therefore, the earliest date on which Fleming-Mason's proposed rates could become effective is December 29, 2001. Based on a review of Fleming-Mason's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by December 29, 2001.

IT IS THEREFORE ORDERED that:

1. Fleming-Mason is granted a deviation from the filing requirements of 807 KAR 5:001, Sections 10(6)(s) and 10(7)(c).

2. Fleming-Mason's application is considered filed as of the date of this Order.

3. Pursuant to KRS 278.190(2), Fleming-Mason's proposed rates are suspended for five months up to and including May 28, 2002.

4. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

-2-

5. All requests for information and responses thereto shall be appropriately indexed. Any request for information by letter from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 7 copies to the Commission.

6. Any party filing testimony shall file an original and 10 copies. The original and at least three copies of the testimony shall be filed as follows:

a. Together with cover letter listing each person presenting testimony.

b. Bound in 3-ring binders or with any other fastener which readily opens and closes to facilitate easy copying.

c. Each witness's testimony should be tabbed.

d. Every exhibit to each witness's testimony should be appropriately marked.

7. Fleming-Mason shall give notice of any hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Fleming-Mason shall forward a duplicate of the notice and request to the Commission.

8. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

9. Fleming-Mason is hereby put on notice that the Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time

-3-

with respect to the schedule herein shall be made in writing and will be granted only upon a showing of compelling reasons.

Nothing contained herein shall prevent the Commission from entering 10. further Orders in this matter.

Done at Frankfort, Kentucky, this 29th day of November, 2001.

By the Commission

ATTEST:

Deputy Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2001-244 DATED NOVEMBER 29, 2001

All initial requests for information to Fleming-Mason shall be filed no later than12/21/01
Fleming-Mason shall file responses to initial requests for information no later than01/11/02
All supplemental requests for information to Fleming-Mason shall be filed no later than01/30/02
Fleming-Mason shall file responses to supplemental requests for information no later than02/13/02
Intervenor testimony, if any, in verified prepared form shall be filed no later than02/27/02
All requests for information to Intervenors shall be filed no later than03/20/02
Intervenors shall file responses to request for information no later than04/03/02
Last day for Fleming-Mason to publish notice of hearing*To be scheduled
Public Hearing is to begin at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Fleming-Mason and Intervenors*To be scheduled
Briefs, if any, shall be filed by