

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RECC, BLUE)
GRASS ENERGY COOPERATIVE CORPORATION,)
CLARK ENERGY COOPERATIVE, CUMBERLAND)
VALLEY ELECTRIC, FARMERS RECC,)
FLEMING-MASON ENERGY, GRAYSON RECC,)
INTER-COUNTY ENERGY COOPERATIVE,)
JACKSON ENERGY COOPERATIVE, LICKING)
VALLEY RECC, NOLIN RECC, OWEN ELECTRIC)
COOPERATIVE, SALT RIVER ELECTRIC, SHELBY)
ENERGY COOPERATIVE, SOUTH KENTUCKY)
RECC AND TAYLOR COUNTY RECC FOR)
AUTHORITY TO PASS THROUGH THE)
ENVIRONMENTAL SURCHARGE OF EAST)
KENTUCKY POWER COOPERATIVE, INC.)

CASE NO.
2004-00372

O R D E R

On September 17, 2004, Big Sandy Rural Electric Cooperative Corporation (“RECC”), Blue Grass Energy Cooperative Corporation, Clark Energy Cooperative, Cumberland Valley Electric, Farmers RECC, Fleming-Mason Energy, Grayson RECC, Inter-County Energy Cooperative, Jackson Energy Cooperative, Licking Valley RECC, Nolin RECC, Owen Electric Cooperative, Salt River Electric, Shelby Energy Cooperative, South Kentucky RECC, and Taylor County RECC (“Joint Applicants”) filed an application seeking approval to pass through to their retail customers any wholesale

environmental surcharge authorized for East Kentucky Power Cooperative, Inc. (“East Kentucky”).¹

The Commission finds that further proceedings are necessary to investigate the reasonableness of the Joint Applicants’ proposed pass through of East Kentucky’s environmental surcharge. The procedural schedule set forth in Appendix A provides for the completion of this examination in coordination with East Kentucky’s environmental surcharge application.

IT IS THEREFORE ORDERED that:

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

2. All requests for information and responses thereto shall be appropriately indexed and 7 copies shall be filed with the Commission, with copies to all parties of record. 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 questions related to the information provided.

3. Any party filing testimony shall file an original and 10 copies.

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

¹ East Kentucky filed its application for an environmental surcharge, pursuant to KRS 278.183, on September 17, 2004. See Case No. 2004-00321, Application of East Kentucky Power Cooperative, Inc. for Approval of an Environmental Compliance Plan and Authority to Implement an Environmental Surcharge.

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

6. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or explain why such notice was not possible.

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

Done at Frankfort, Kentucky, this 8th day of October, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00372 DATED October 8, 2004

All initial requests for information to Joint Applicants
shall be filed no later than 10/22/04

Joint Applicants shall file responses to initial requests for
information no later than..... 11/04/04

All supplemental requests for information to Joint Applicants
shall be filed no later than 11/19/04

Joint Applicants shall file responses to supplemental requests
for information no later than12/03/04

Intervenor testimony, if any, in verified prepared form
shall be filed no later than12/17/04

All requests for information to Intervenors shall be
filed no later than.....01/06/05

Intervenors shall file responses to requests for
information no later than..... 01/20/05

Last day for Joint Applicants to publish notice of hearing..... To be scheduled

Public Hearing is to begin at 9:00 a.m., Eastern
Standard 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
Joint Applicants and Intervenors To be scheduled

Briefs, if any, shall be filed by To be scheduled