

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| FILING OF EAST KENTUCKY POWER COOPERATIVE,) | |
| INC. TO REQUEST APPROVAL OF PROPOSED) | CASE NO. |
| CHANGES TO ITS QUALIFIED COGENERATION AND) | 2008-00128 |
| SMALL POWER PRODUCTION FACILITIES TARIFF) | |

O R D E R

On April 28, 2008, the Commission ordered that each of the 16 distribution cooperatives served by East Kentucky Power Cooperative, Inc. (“East Kentucky”)¹ be made a party to this proceeding. The Commission further ordered all 16 distribution cooperatives to file revised cogeneration/small power producer tariffs with the Commission, reflecting East Kentucky's proposed tariff revisions, with an effective date of June 1, 2008, in order to coincide with the effective date of East Kentucky’s revised cogeneration/small power producer tariff.

As directed, all 16 distribution cooperatives filed revised tariffs. Pursuant to 807 KAR 5:011, Section 6(3)(b), each cooperative provided 20 days’ notice to the Commission of its proposal to make its revised tariff effective on June 1, 2008.

¹ Big Sandy Rural Electric Cooperative Corporation; Blue Grass Energy Cooperative Corporation; Clark Energy Cooperative, Inc.; Cumberland Valley Electric, Inc.; Farmers Rural Electric Cooperative Corporation; Fleming-Mason Energy Cooperative; Grayson Rural Electric Cooperative Corporation; Inter-County Energy Cooperative Corporation; Jackson Energy Cooperative; Licking Valley Rural Electric Cooperative Corporation; Nolin Rural Electric Cooperative Corporation; Owen Electric Cooperative, Inc.; Salt River Electric Cooperative Corporation; Shelby Energy Cooperative, Inc.; South Kentucky Rural Electric Cooperative Corporation; and Taylor County Rural Electric Cooperative Corporation (“Taylor County RECC”).

Furthermore, pursuant to 807 KAR 5.011, Section 14, all of the cooperatives requested waivers from the notice requirements of 807 KAR 5.011, Section 8. Fifteen of the cooperatives noted in their waiver requests that they do not currently serve any customers under the subject tariff. Taylor County RECC noted in its request for waiver that only one of its customers is currently utilizing the subject tariff and that notice had been served by mailing that customer a complete copy of its tariff.

The Commission finds that the proposed tariff revisions provide a benefit to the cooperatives' customers (providing a higher price for the power the customers sell under the tariff). As such, the Commission finds that the cooperatives' revised cogeneration/small power production tariffs should be permitted to take effect as soon as possible, and that it is necessary to make the cooperatives' tariffs effective concurrent with East Kentucky's tariff, which, pursuant to the Commission's April 28, 2008 Order, takes effect on June 1, 2008.

The Commission finds that the amount of time it would take for the cooperatives to prepare and publish notice of their tariff revisions pursuant to 807 KAR 5:011, Section 8, would prevent them from filing their tariff revisions in time to allow the tariffs to take effect on June 1, 2008. The Commission further finds that the only customer throughout East Kentucky's entire system currently utilizing the subject tariff has been provided direct notice by Taylor County RECC. Therefore, the Commission finds that good cause exists for granting the cooperatives' requests for waivers from the notice provisions of 807 KAR 5:011, Section 8.

IT IS THEREFORE ORDERED that:

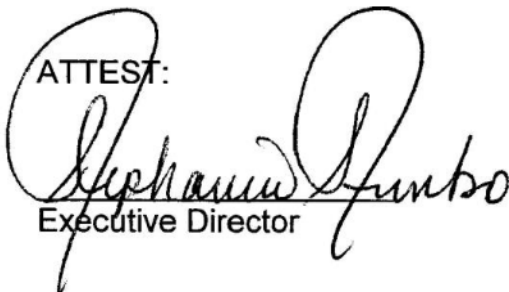
1. The cooperatives' requests for waivers from the notice requirements of 807 KAR 5:011, Section 8, are hereby granted.

2. The cooperatives' proposed tariffs shall be effective on June 1, 2008.

Done at Frankfort, Kentucky, this 28th day of May, 2008.

By the Commission

ATTEST:


Executive Director