COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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THE APPLICATION OF SOUTH KENTUCKY RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR) Case No. 2018-00050
APPROVAL OF MASTER POWER PURCHASE AND)
SALE AGREEMENT AND TRANSACTIONS THEREUNDER)

REPLY OF SALT RIVER ELECTRIC COOPERATIVE CORPORATION
TO JACKSON ENERGY'S RESPONSE TO SALT RIVER ELECTRIC
COOPERATIVE CORPORATION'S MOTION TO STRIKE PAGE 43, LINE 6
THROUGH PAGE 44 OF THE POST HEARING BRIEF OF
EAST KENTUCKY POWER COOPERATIVE, INC.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Section 6, the undersigned certifies that consistent with 807 KAR 5:001 Section 4(8)(d)(3), a copy of this document has been electronically served upon the following on this the ______ day of ________, 2018:

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We thank the Commission for giving us the opportunity to respond pursuant to the Commission's Order of July 23, 2018.

Jackson Energy's position is that the resolution in question would eliminate Amendment 3 to the Wholesale Power Contract and adopt Amendment 5 in its stead which would essentially put EKPC in complete charge. Jackson Energy's complaint with the process is that the Board's vote is not reflective of unanimous consent among the distribution cooperatives and that it was adopted by the Board without prior notice to the distribution cooperatives of the proposal to be considered at the board meeting. In essence neither the management nor the Boards of each distribution cooperative had an opportunity to review the proposal and discuss it among themselves with their representatives on the EKPC Board prior to the meeting.

Jackson Energy does not support EKPC's proposal as set forth in its resolution because it would strip all ability of a distribution cooperative to purchase off system power which is in direct contradiction to Amendment 3 which allows for a portion of EKPC's load to be purchased

from alternate sources and assumes that there can be no logical solution to the problems of Amendment 3 without chucking it in favor of an all requirements contract.

We believe to that extent that we are in agreement with Jackson Energy and in agreement with their presentations as we listed above.

Salt River just wants to make sure that nobody believes that this was unanimous consent of each and every distribution cooperative.

Respectfully submitted,

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