COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

Τ'n	the	Matter	of.
ш	uic	manci	UI.

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 JOINT INTERVENORS' 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,

FULTON, HUBBARD & HUBBARD, PLLC 117 E. Stephen Foster Avenue P.O. Box 88 Bardstown, KY 40004-0088

Phone: (502)348-6457 Fax: (502)348-8748

Attorneys for Salt River Electric Cooperative Corporation

SY: 0 and 1000

Jason P. Floyd

CERTIFICATE OF SERVICE

Ms. Gwen R. Pinson, Executive Director Kentucky Public Service Commission 2011 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615

Matthew R. Malone, Esq. William H. May, III, Esq. Hurt, Deckard & May, PLLC mmalone@hdmfirm.com bmay@hdmfirm.com

Scott B. Grover, Esq. S. Michael Madison, Esq. Balch & Bingham, LLP <u>sgrover@balch.com</u> <u>mmadison@balch.com</u>

Kent A. Chandler, Esq.
Rebecca W. Goodman, Esq.
ASSISTANT ATTORNEY GENERAL
Kent.chandler@ky.gov
Rebecca.Goodman@ky.gov

W. Patrick Hauser, Esq. W. PATRIC HAUSER, PSC phauser@barbourville.com

Michael L. Kurtz, Esq. BOEHM, KURTZ & LOWRY mkurtz@bklawfirm.com

W. Jeffrey Scott, Esq. Brandon M. Music, Esq. W. JEFFREY SCOTT, P.S.C. wjscott@windstream.net

James M. Miller, Esq.
R. Michael Sullivan, Esq.
SULLIVAN MOUNTJOY, PSC
jmiller@smlegal.com
msullivan@smlegal.com

James M. Crawford, Esq.
Ruth H. Baxter, Esq.
Jake A. Thompson, Esq.
CRAWFORD & BAXTER, P.S.C.
Jerawford@cbkylaw.com
Rbaxter@cbkylaw.com
Jthompson@cbkylaw.com

Clayton O. Oswald, Esq. TAYLOR, KELLER & OSWALD, PLLC coswald@tkolegal.com

Robert Spragens, Jr., Esq. SPRAGENS & HIGDON, P.S.C. rspragens@spragenhigdonlaw.com

David T. Royse, Esq.
RANDSDELL ROACH & ROYSE PLLC
david@rrrfirm.com

David A. Smart, Esq.
Roger R. Cowden, Esq.
EKPC
David.smart@ekpc.coop
Roger.cowden@ekpc.coop

Hon John Douglas Hubbard

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

Y	. 1			-	٠
111	the	k Nt/li	atte	いい へき	4
ш	un	. IYI	auu	er of	٠

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 JOINT INTERVENORS' 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.

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

The Joint Intervenors' basic position as set out in their Response claims that the special meeting of the EKPC Board of Directors was convened to discuss the position that EKPC may take on how to resolve Amendment 3 issues. If that were true it would appear then that East Kentucky Power would have wanted to have all of the parties there, the Directors and the CEOs and local counsel for the distribution coops and trial counsel for the litigation. Thus, we suggest, that statement is not accurate. East Kentucky wanted its Board Members up there with their trial counsel and perhaps even with their general counsel, Mr. Smart, to get them to adopt a resolution that I am sure was prepared by their trial counsel to create evidence implying to the Commission that all of the coops want to give all of their rights under Amendment 3 and their rights under the MOU to EKPC. But in reality there was the Board members of EKPC voting as Directors of EKPC and not as the representatives of the distribution coops.

The Joint Intervenors would have you believe that South Kentucky's representative on

the EKPC Board did not participate in the meeting because of conflict of interest presented by its

application in the proceeding. We must ask the question, how does South Kentucky have any

greater conflict than all coops that were up there opposing South Kentucky or EKPC had in

opposing them? Who could have a greater conflict with East Kentucky Power, which again, is

the only entity benefiting if they can get rid of the Amendment 3 provision and the MOU.

Finally, the Joint Intervenors say that there was nothing wrong with the meeting because

all of the people there were the directors of East Kentucky Power and their counsel. What was

wrong with the meeting is that it was kept secret from the corporate counsel for the parties and

from the trial counsel. I can understand why East Kentucky Power would not want those people

involved because it would be hard to believe that counsel for several of these entities would not

have let their client sign them.

For those reasons we respectfully disagree with the Joint Intervenors' position.

Respectfully submitted,

FULTON, HUBBARD & HUBBARD, PLLC

117 E. Stephen Foster Avenue

P.O. Box 88

Bardstown, KY 40004-0088

Phone: (502)348-6457

Fax: (502)348-8748

Attorneys for Salt River Electric Cooperative

Corporation

RY

øhn Douglas/Hubbard

Jason P. Floy

DDS:LITIGATION:SALT RIVER-SO KY-JOINT INTERVENORS080318.REPLY

5