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David L. Armstrong  
Chairman

James Gardner  
Vice-Chairman

John W. Clay  
Commissioner

April 7, 2009

## PARTIES OF RECORD

RE: Informal Conference for  
Case No. 2009-00039

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding the contents of the memorandum should be submitted to the Commission within seven days of receipt of this letter. Any questions regarding this memorandum should be directed to Vicky Townes of the Commission Staff at 502-564-3940, extension 231.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

Attachment

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Main Case File - Case No. 2009-00039

**FROM:** Vicky Townes, Team Leader *Vicky Townes*

**DATE:** April 7, 2009

**RE:** Informal Conference of April 2, 2009

Pursuant to the Commission's February 23, 2009 Order, on April 2, 2009, representatives of East Kentucky Power Cooperative ("EKPC") and Commission Staff ("Staff") met at the Commission's offices to discuss EKPC's testimony and responses to the first round of data requests in the current examination of the company's environmental surcharge mechanism. Additional attendees included representatives from Owen Electric Cooperative ("Owen") and a representative from Gallatin Steel Company ("Gallatin"). Owen and Gallatin's representatives were participating as intervenors in this proceeding. A list of attendees is attached to this memorandum as Attachment 1.

Commission Staff asked clarifying questions related to information included in the first data request. The topics discussed were related to the two-month true-up adjustment for the current over collection of the surcharge and the request to implement a two-month true-up adjustment to the surcharge mechanism, operations and maintenance expenses, specifically the contract labor, and the SO<sub>2</sub> and NO<sub>x</sub> Emissions Allowance Inventory. There was also discussion by EKPC and Owen of alternatives to a possible change to the retail pass-through mechanism to the member systems' customers. There being no other questions, the meeting was adjourned.

cc: Parties of Record

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2009-00039

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE SIX-MONTH BILLING PERIODS ENDING DECEMBER 31, 2007; JUNE 30, 2008; AND DECEMBER 31, 2008; AND THE PASS-THROUGH MECHANISM FOR ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES

SIGN IN

April 2, 2009

PERSON	REPRESENTING
<u>Rick Beardsley</u>	<u>PSC - Legal</u>
<u>Vicky Townes</u>	<u>PSC - FA</u>
<u>Mike Kurtz</u>	<u>KIUC</u>
<u>Jim Crawford</u>	<u>OEC</u>
<u>MARK STALLONE</u>	<u>OEC</u>
<u>FRANK OLIVA</u>	<u>EKPC</u>
<u>Dany Newby</u>	<u>PSC - F/A</u>
<u>Jim Lamb</u>	<u>EKPC</u>
<u>Ann Wood</u>	<u>EKPC</u>
<u>Roger Guden</u>	<u>EKPC</u>
<u>Ron Natchezak</u>	<u>PSC - F/A</u>

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