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November 12, 2009

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PUBLIC SERVICE
COMMISSION

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2009-00039


Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and ten copies of East Kentucky Power Cooperative, Inc.'s Application for Rehearing of Commission's Order of November 6, 2009.

Please be further advised that copies of this letter have been sent, along with the Application, to all individuals listed on the Application's Certificate of Service.

Thank you very much for your kind attention to this matter.

Sincerely,


Roger Cowden

Enclosures

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR THE)	CASE NO.
SIX-MONTH BILLING PERIODS ENDING)	2009-00039
DECEMBER 31, 2007; JUNE 30, 2008 AND)	
DECEMBER 31, 2008 AND THE PASS-THROUGH)	
MECHANISM FOR ITS SIXTEEN MEMBER)	
DISTRIBUTION COOPERATIVES)	

**EAST KENTUCKY POWER COOPERATIVE, INC.’S APPLICATION FOR
REHEARING OF COMMISSION’S ORDER OF NOVEMBER 6, 2009**

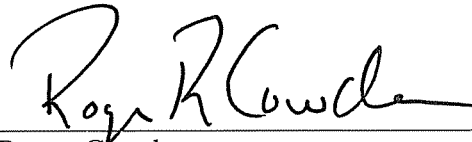
Comes now East Kentucky Power Cooperative, Inc. (“EKPC”) pursuant to KRS 278.400, and 807 KAR 5:001 Section 4, and makes application to the Kentucky Public Service Commission (“Commission”) for rehearing and modification of its Order of November 6, 2009 in the above-referenced proceeding. Specifically, EKPC requests that the Commission modify its finding on Page 5 of the November 6, 2009 Order to accurately reflect how long the two-month “true-up” adjustment would be in effect and to include on Page 8 an ordering paragraph authorizing the two-month “true-up” adjustment.

Page 5 of the Commission’s November 6, 2009 Order states: “We further find reasonable EKPC’s proposal to implement a two-month ‘true-up’ adjustment for itself and its Member Cooperatives in the first two monthly filings submitted after the date of this Order.” (emphasis added) EKPC’s intent was to implement the two-month true-up

adjustment on a going-forward basis, similar to the two-month “true-up” adjustments included in the environmental surcharge mechanisms of Kentucky Power Company, Kentucky Utilities Company, and Louisville Gas and Electric Company. As currently written, the language on Page 5 implies the two-month “true-up” adjustment would only be in effect for the first two monthly filings submitted after the November 6, 2009 Order. EKPC notes that the Direct Testimony of Ann F. Wood, filed with the Commission on March 26, 2009, at Page 8, Lines 5 through 8, stated: “When would EKPC propose that this two-month true-up adjustment become effective? EKPC proposes that this adjustment be included in the surcharge mechanism in the first month following the Commission’s Final Order in this proceeding.” EKPC respectfully suggests that the November 6, 2009 Order, at Page 5, should be revised to state implementation of the two-month “true-up” adjustment for EKPC and its Member Cooperative should begin with the first monthly filing submitted after the date of the Order.

The ordering paragraphs in the November 6, 2009 Order makes no reference to the two-month “true-up” adjustment for either EKPC or its Member Cooperatives. The incorporation of a two-month “true-up” adjustment is a modification to EKPC’s environmental surcharge mechanism and the Member Cooperatives’ pass-through mechanism. EKPC believes that such changes should have been included in the ordering paragraphs. EKPC and its Member Cooperatives respectfully suggest the November 6, 2009 Order be revised to include an ordering paragraph which states: “The proposed two-month “true-up” adjustment for EKPC and its Member Cooperatives is approved and shall become effective with the first monthly filing submitted after the date of this Order.”

This 12th day of November 2009.



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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served by U.S. Mail, postage prepaid, on November 12, 2009 to the following:

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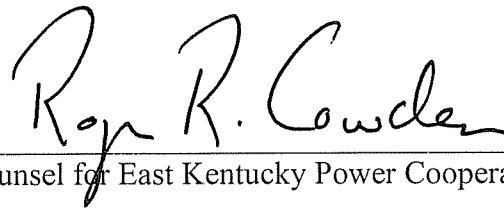
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