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March 6, 2009

RECEIVED  
MAR 9 2009  
PUBLIC SERVICE  
COMMISSION

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

Re: East Kentucky Power Cooperative, Inc. 2009 Integrated Resource Plan  
Case No. 2009-0106

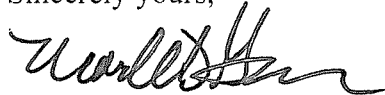
Dear Mr. Derouen:

Please find enclosed for filing with the Commission an original and ten copies of the Motion of East Kentucky Power Cooperative, Inc. for a Waiver of the Integrated Resource Plan Filing Schedule.

EKPC's 2009 IRP filing has not yet been given a case number that I could find. Could you please assign a case number and insert on the Motion?

Please file this document of record and return a file stamped copy of the above to me in the enclosed self-addressed, stamped envelope.

Sincerely yours,



Mark David Goss

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 9 2009

PUBLIC SERVICE  
COMMISSION

In the Matter of:

THE 2009 INTEGRATED RESOURCE PLAN OF ) CASE NO.  
EAST KENTUCKY POWER COOPERATIVE, INC. ) 2009-00106

**MOTION OF EAST KENTUCKY POWER COOPERATIVE,  
INC. FOR A WAIVER OF THE INTEGRATED  
RESOURCE PLAN FILING SCHEDULE**

Comes now East Kentucky Power Cooperative, Inc. ("EKPC"), by and through counsel, pursuant to 807 KAR 5:058 Section 3, and 807 KAR 5:001 Section 14, and respectfully moves the Kentucky Public Service Commission (the "Commission"), for a waiver of the filing schedule for EKPC's 2009 Integrated Resource Plan ("IRP"), as specified in 807 KAR 5:058 Section 2. In support of this motion, EKPC states as follows:

1. EKPC's 2009 IRP is due to be filed by March 31, 2009.
2. EKPC currently has outstanding air permit requests for both Smith Unit 1 and 2 which should be ruled upon by the appropriate permitting agencies in the coming months. Receipt of these permits is integral to EKPC's prospective planning insofar as it relates to construction of new baseload generation which is desperately needed to serve native load plus an adequate reserve margin. The usefulness of any IRP filed by EKPC before it is known whether these two baseload generation facilities are likely to be built is questionable. A more accurate and reliable IRP should be the goal. With the uncertainty surrounding these air permits that goal is much less achievable than it would otherwise be after they are finally considered and approved or denied. (See, 807 KAR 5:058 Section 8).

3. The vast majority of EKPC's annual expenditures involve the purchase of coal and natural gas necessary for generation of the electricity it furnishes to its Member Systems. Since the last IRP, which was filed by EKPC in 2006, fuel prices have undergone, and are still undergoing, unprecedented market volatility. Central Appalachian coal, for instance, has gone from approximately \$30 per ton to approximately \$100 per ton, and it is back down in the \$50-\$60 per ton range, all in the course of 2-3 years. Natural gas is no different. Because of this volatility, it is difficult to predict with any degree of certainty what fuel prices will look like in the coming months and years. However, an extension of the Company's IRP, even by six months, would give it a better sense of the long-term trends for fuel prices. (See, 807 KAR 5:058 Section 8(3)).

4. EKPC currently has a General Rate Case pending at the Commission (Case No. 2008-00409). It may or may not be finally concluded by the date for filing the IRP. Possessing knowledge of the precise results of this Rate Case, both as to revenues allowed and the type of rate design which will be in place, will permit EKPC to more accurately predict its financial condition going forward. (See, 807 KAR 5:058 Section 9). A tentative settlement of all issues in the rate case has been reached. However, until the Commission finally rules on the case, there will remain uncertainty as to rates going forward.

5. The Board of Directors of EKPC has expressed a keen interest in the current IRP. The requested extension will permit EKPC Staff additional time to review the fundamental portions of the filing with the Board and to obtain its input into the more strategic aspects of the IRP. (See, 807 KAR 5:058 Section 8).

6. EKPC is aware of 807 KAR 5:058 Section 3, which requires that any requested waiver of a provision of the regulation must be made no later than 90 days prior to the date

established for filing the Integrated Resource Plan. EKPC had every intention of trying to meet the IRP filing deadline in this case. However, due to all of the factors mentioned above, plus the fact that EKPC Staff has been extremely busy with a General Rate Case, a Management Audit Case, a Certificate case involving the J.S. Cooper Station and an extremely important regulatory asset case which the Commission recently decided, EKPC has determined that it would be in its best interests to seek a six month extension for filing its IRP. Indeed, 807 KAR 5:001 Section 14, entitled "Deviations from Rules," provides that "[i]n special cases, for good cause shown, the Commission may permit deviations from these rules." The factors described above provide more than adequate "good cause" for the Commission to deviate from the 90 day requirement in 807 KAR 5:058 Section 3.

WHEREFORE, for the reasons stated above, EKPC respectfully moves the Commission for a waiver from 807 KAR 5:058 Section 2, and requests that it enter an Order extending the date for filing of EKPC's IRP from March 31, 2009 to September 30, 2009.

Respectfully submitted,




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Counsel for East Kentucky Power Cooperative, Inc.

**CERTIFICATE OF SERVICE**

This is to certify that an original and ten copies of the foregoing Motion of East Kentucky Power Cooperative, Inc. for a waiver of the Integrated Resource Plan Filing Schedule, was mailed to Jeff Derouen, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort KY 40601. Pursuant to 807 KAR 5:058 Section 2(2), there being no Intervenor in the last Integrated Resource Plan of East Kentucky Power Cooperative, Inc., no additional copies were mailed.

This 6<sup>th</sup> day of March, 2009.

  
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Counsel for East Kentucky Power Cooperative, Inc.