

**Frost
Brown Todd**^{LLC}
ATTORNEYS

RECEIVED
APR 15 2010
PUBLIC SERVICE
COMMISSION

KENTUCKY · OHIO · INDIANA · TENNESSEE · WEST VIRGINIA

Mark David Goss
(859) 244-3232
MGOSS@FBTLAW.COM

April 15, 2010

Via Hand-Delivery


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.
PSC Case No. 2009-00476

Dear Mr. Derouen:

Please find enclosed for filing with the Commission an original and nine (9) copies of East Kentucky Power Cooperative, Inc.'s Motion to Withdraw Application to be filed in the above-referenced matter. Please return a file stamped copy to me for my file.

Very truly yours,



Mark David Goss

Enclosures

cc: Parties of Record

RECEIVED
APR 15 2010
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR)
APPROVAL OF THE ISSUANCE OF)
\$900,000,000 OF SECURED PRIVATE) CASE NO. 2009-00476
PLACEMENT DEBT AND UP TO)
\$21,435,000 OF UNSECURED DEBT)

**MOTION TO WITHDRAW APPLICATION OF EAST KENTUCKY
POWER COOPERATIVE, INC. FOR APPROVAL OF THE
ISSUANCE OF \$900,000,000 OF SECURED PRIVATE PLACEMENT DEBT
AND UP TO \$21,435,000 OF UNSECURED DEBT**

Comes now East Kentucky Power Cooperative, Inc. ("EKPC"), by counsel, and for its Motion to the Kentucky Public Service Commission ("Commission") requesting that the Commission allow EKPC to Withdraw its Application for Approval of the Issuance of \$900,000,000 of Secured Private Placement Debt and Up to \$21,435,000 of Unsecured Debt, respectfully states as follows:

1. Pursuant to 807 KAR 5:001, Section 8(1), the facts upon which EKPC's original Application was based are as follows: EKPC sought approval of the issuance of \$900,000,000 of secured private placement debt and up to \$21,435,000 of unsecured debt to finance Smith Unit No. 1 ("Smith 1 CFB"), a 278-megawatt coal-fired circulating fluidized bed generating unit. The Commission granted EKPC a Certificate of Public Convenience and Necessity ("CPCN") for Smith 1 CFB in Case No. 2005-00053. After Warren Rural Electric Cooperative Corporation decided to decline membership from EKPC, the Commission reviewed the CPCN for Smith 1

CFB and ordered, in Case No. 2006-00564, that EKPC should retain said CPCN for Smith 1 CFB and continue construction.

2. Due to the need to provide permanent long-term financing for the construction of Smith 1 CFB, EKPC's Application in this case sought regulatory authority for the placement of the requested debt with capital markets lenders/investors. The Application set forth that the financing was to be funded in tranches and it was intended that the Commission would be informed at the time that each tranche was needed.

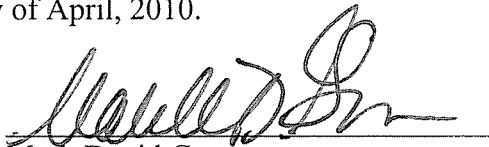
3. Proceeds from this financing was to be used to reimburse EKPC's general funds for Smith 1 CFB expenditures to date, possible new or unanticipated Smith 1 CFB costs (which should be minimal), as well as to directly fund yet-to-be incurred capital expenditures. Because of the structure of this financing, the terms of each placement were to vary by amount, tenor, and interest rate depending upon market conditions and lender expectations at the time of issuance.

4. EKPC's assertions made in paragraphs 1-12 of its original Application filed December 4, 2009, including the exhibits attached thereto, remain true and accurate to the best of its belief.

5. EKPC believes that financial prudence requires that it step back and reassess its immediate needs for this financing. EKPC will refile an Application under KRS 278.300 for Commission approval pending this reassessment

WHEREFORE, on the basis of the foregoing, EKPC respectfully requests that the Commission grant its Motion to Withdraw the Application and enter an Order dismissing same, without prejudice.

Respectfully submitted, this 15th day of April, 2010.




Mark David Goss
Frost Brown Todd LLC
250 West Main Street
Suite 2800
Lexington, KY 40507-1749
Counsel for East Kentucky Power Cooperative, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served by U.S. Mail, postage prepaid, on April 15, 2010 to the following:

Hon. Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East 7th Street, Suite 1510
Cincinnati, Ohio 45202
Counsel for Gallatin Steel


Counsel for East Kentucky Power Cooperative, Inc.