

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF EAST KENTUCKY)	CASE NO.
POWER COOPERATIVE, INC.'S NEED FOR)	2010-00238
THE SMITH 1 GENERATING FACILITY)	

O R D E R

On August 23, 2010, East Kentucky Power Cooperative, Inc. (“East Kentucky”) and the other parties to this case filed a joint motion requesting that this case be held in abeyance for 60 days to afford all parties an opportunity to discuss the issues relating to East Kentucky’s construction of Smith 1, a 278 MW coal-fired generating unit in Clark County, Kentucky. The motion further states that such discussions “could substantially narrow the issues which the Commission will ultimately have to decide” and proposes that a status report be filed toward the end of the 60 days’ abeyance.¹

Based on the motion and being otherwise sufficiently advised, the Commission finds that this case is an investigation that the Commission initiated on our own motion, pursuant to KRS 278.260, by Order entered June 22, 2010. That Order set forth a comprehensive list of issues to be investigated by the Commission, including East Kentucky’s most recent load forecast, its need for additional generating capacity, the timing and financial impacts of Smith 1, and available alternatives to Smith 1. The

¹ Joint Motion at 3.

June 22, 2010 Order also established a procedural schedule for the filing of testimony and conducting discovery.

The first step in the procedural schedule required East Kentucky to file its direct testimony by July 23, 2010. However, by motion filed on June 30, 2010, East Kentucky requested an extension of time through August 27, 2010, so that the testimony it files could include its 2010 long-term load forecast, which was scheduled to be approved by its Board of Directors on August 10, 2010. The Commission granted East Kentucky's request and established a revised procedural schedule, setting August 30, 2010 as the new due date for East Kentucky's testimony.²

In lieu of filing that testimony, East Kentucky and the other parties now seek to abate this investigation for 60 days, or possibly more, to allow them time to narrow the issues. The motion to abate, however, contains no explanation of how any agreement among the parties can narrow the comprehensive list of issues that were established by the Commission, not by the parties, to be investigated in this case. The Commission's June 22, 2010 Order set forth a comprehensive list of issues so there would be no doubt as to the scope and inclusive nature of our investigation. While it may well be reasonable for East Kentucky to attempt to narrow the issues that the other parties might choose to raise when filing their response testimony, the issues set forth in the June 22, 2010 Order can be changed only by the Commission, not by any agreement of the parties.

The Commission further finds that the pending motion to abate omits any discussion of the status of East Kentucky's 2010 long-term load forecast, the pending

² See Commission Order entered July 16, 2010.

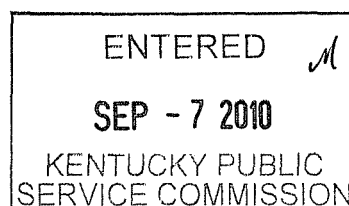
approval of which was the basis for East Kentucky's prior motion to extend the time to file its testimony. Absent detailed information on the status of the 2010 load forecast, all of the other information that East Kentucky was directed to include in its direct testimony, and an explanation of how the parties can narrow the issues set for investigation in this case, the Commission is unable to rule on the motion to abate or establish a new procedural schedule at this time.

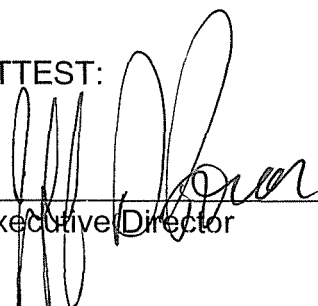
IT IS THEREFORE ORDERED that, within seven days of the date of this Order, East Kentucky shall file, individually or jointly with the other parties, the following:

1. A detailed explanation of how an agreement of the parties can operate to narrow the issues that were enumerated in the Commission's June 22, 2010 Order to be investigated in this case.

2. Its 2010 load forecast, if completed, along with all of the other information specified by the June 22, 2010 Order, if available. If any item is unavailable, a report shall be filed describing in detail the status of each unavailable item and the anticipated date that the item will be available for filing in this case.

By the Commission



ATTEST:


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