



**Big Sandy Rural Electric  
Cooperative Corporation**

504 11th Street  
Paintsville, Kentucky 41240-1422  
(606) 789-4095 • Fax (606) 789-5454  
Toll Free (888) 789-RECC (7322)

**RECEIVED**

JAN 11 2011

PUBLIC SERVICE  
COMMISSION

January 10, 2010

Mr. Jeff Derouen, Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
PO Box 615  
Frankfort, Kentucky 40602

Re: Case No. 2010-00516  
Application for "Certificate of Convenience and Necessity"

Dear Mr. Derouen:

Please find attached responses to your letter dated January 4, 2011 referencing filing deficiencies in the above referenced Case No. 2010-00516.

1. Filing deficiencies pursuant to 807 KAR 5:001:

807 KAR 5:001: Section 9(2)(a) ..... The facts relied upon to show that the proposed new construction is or will be required by public convenience or necessity.

**Response:** Big Sandy is proposing to construct a new Operations Center and warehouse facility. It is estimated that the cost will be approximately \$1 million. This construction is necessary due to the fact the present warehouse facility floods on a consistent basis. This causes a disruption for service and construction crews.

807 KAR 5:001: Section 9(2)(b) ..... Copies of franchises or permits, if any, from the proper public authority for the proposed new construction or extension, if not previously filed with the Commission.

**Response:** No franchise or permits from any public authority are required for the proposed new construction.

807 KAR 5:00:1 Section 9(2)(d) .....Three (3) maps to suitable scale (preferably not more than *two* (2) miles per inch) showing the location or route of the proposed new construction or extension, as well as the location to scale of any like facilities owned by others located anywhere within the map area with adequate identification as to the ownership of such other facilities.

**Response:** An architectural firm has been contracted to provide drawings and specifications for the Operations Center. Three (3) copies of these drawings will be submitted to the Commission as soon as they become available to Big Sandy.

807 KAR 5:00:1: Section 9(2)(f) ..... An estimated cost of operation after the proposed facilities are completed.

**Response:** Approximately one-half (1/2) of the new construction will be for the Operations Center and one-half (1/2) for the warehouse portion. The warehouse portion will be charged to stores clearing, which is capitalized. Therefore, it is estimated the cost of operation after the facilities are completed would not change materially from operating costs shown on our September 30, 2010, Statement of Operations included in the application as Exhibit II.

Respectfully submitted,



Albert A. Burchett

Copy to: David Estepp, President & General Manager  
Big Sandy Rural Electric Cooperative