

Grayson Rural Electric Cooperative Corporation

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RECEIVED
JAN 27 2012
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

THE APPLICATION OF GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION FOR A CERTIFICATION
OF CONVENIENCE AND NECESSITY FOR AN
ADDITIONAL TWO PROJECTS TO BE ADDED TO
ITS FOUR YEAR CONSTRUCTION WORK PLAN
(2009-2012)

Case No. _____

January 24, 2012

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

Dear Mr. Derouen:

Grayson is providing an original and ten copies of an application requesting approval to begin construction on the following two projects not contained in the original 2009-2012 Construction Work Plan:

386- Everman's Creek on March 1, 2012.
606- Carter City Line on March 1, 2012.

The attached amendments, approved by RUS, should provide adequate information about the above projects. However, if you require additional information, please address them to Brian Poling, Manager of Technical services.

Sincerely,

A handwritten signature in black ink, appearing to read "Carol Hall Fraley". The signature is written in a cursive style with a large, sweeping initial 'C'.

Carol Hall Fraley
President & CEO

**Amendment to Current Approved
Construction Work Plan**

Amendment # 2012-1

Borrower Designation KY 61

Work Plan Period 2009-2012

Change Proposed

Upgrade 3.75 miles of 1/0 ACSR single phase line to 1/0 ACSR three phase (OH599_8 to OH2681_8).

740c Code

386-Everman's Creek

Reason for Change

The line currently has a measured amp draw of 57 Amps at 27 degrees Fahrenheit. The model shows 73.49 amp draw. The upgrade would help the reliability of 77 customers and help us balance the load.

Method of Financing

Loan Funds

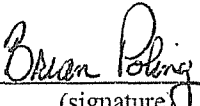
General Funds

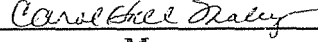
Contributions in Aid

Status of Borrowers Environmental Report: see attached maps

Estimated Cost : \$217,500

Engineering Support Attached n/a

Engineer: 
(signature)

Requested By  Date : 1-5-2012
Manager

Approved By:  Date: 1-5-2012
RUS, GFR

Subject to BER approval? Yes No

Status of Construction: Proposed 2012



386-Proposed Everman's Creek upgrade to three phase. Terrain is valleys that contain two state highways, small farms and residential properties.

**Amendment to Current Approved
Construction Work Plan**

Amendment # 2012-2

Borrower Designation KY 61

Work Plan Period 2009-2012

Change Proposed

Replace approximately 5.4 miles of transmission type construction line ("H-Structure") poles to standard three phase distribution construction poles.

740c Code

606-Carter City Line

Reason for Change

The line was constructed as a transmission line around 1951 then converted to distribution voltage. Most of the poles and cross-arms are original and have reached the end-of-life. We have experienced numerous outages in the past couple of years from both bad poles and/or bad cross-arms. The frequency of problems on this line has increased in the past few months.

Method of Financing

Loan Funds X
General Funds
Contributions in Aid

Status of Borrowers Environmental Report: see attached maps

Estimated Cost : \$297,000

Engineering Support Attached NA

Engineer: Brian Isling Date: 1-16-2011
(signature)

Requested By Clay Hill Sealey Date : 1-16-2011
Manager

Approved By: Mike Norman Date: 1-16-2011
RUS, GFR

Subject to BER approval? Yes No X

Status of Construction: Proposed 2012



Proposed pole replacement of Carter City to Leon substations H-Structure to standard construction.

Grayson Rural Electric (KY-61)

CWP 2009-2012-Amendment 2012-2