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NEWS RELEASE

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Vectren Submits Revised Application for Transmission Line in Henderson and Webster Counties

Change triggers new timetable for Siting Board review

FRANKFORT, Ky. (Oct. 15, 2010) – Vectren Corp. is proposing a new route for an electric transmission line in the Henderson area, thus restarting the schedule for consideration of the plan by the Kentucky State Board on Electric Generation and Transmission Siting.

Vectren, of Evansville, Ind., filed an amended application for a construction certificate with the Siting Board on Oct. 14, 2010. The amended application was deemed complete as submitted.

The revised route is the result of an agreement Vectren has reached with the City of Henderson, Henderson Municipal Power and Light, and Henderson Water Utility, which are parties to the case.

Vectren plans to construct about 15 miles of 345 kilovolt transmission line, mostly through Henderson County and with a small portion in Webster County.

The line is to connect Vectren's A.B. Brown power plant in Posey County, Ind., to a Big Rivers Electric Corp. substation at its Reid power plant near Sebree. It is one end of a 70-mile line that also will extend from the Brown plant to Duke Energy Indiana's Gibson power plant northwest of Evansville.

The line is intended to improve reliability of the regional transmission grid and has been approved by the Midwest Independent System Operator, the regional transmission organization of which Vectren is a member. Vectren says the new line will provide a more reliable source of power to aluminum smelters in the Sebree area.

The application and related documents are available on the Siting Board website:

http://psc.ky.gov/efs/efs_search.aspx?case=2010-00223

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The Siting Board is an agency within the Energy and Environment Cabinet. Under a law passed in 2002 by the Kentucky General Assembly, the Siting Board is charged with reviewing applications for high-voltage transmission lines that are not regulated by the Kentucky Public Service Commission (PSC).

Applicants to the Siting Board are not required to meet the criteria set by the PSC for new facilities built by regulated utilities, and thus do not need to prove that the proposed facility is necessary to meet demand for electricity.

The Siting Board considers issues such as visual impact, economic impacts and effects of the proposed facility on Kentucky's electric grid. It does not consider environmental matters under the jurisdiction of other state or federal agencies.

By law, the Siting Board has either 90 days or 120 days after an application to construct a transmission line is deemed complete to decide whether to approve the application, deny the application, or approve the application contingent upon changes in the design or configuration of the line. If a local public hearing is held in the matter, the deadline is 120 days; if not, the deadline is 90 days. The law and associated regulations set certain requirements and deadlines for public participation in the review process.

Persons or entities with a specific interest in the case may apply to the Siting Board to become parties to the case (intervenors). Intervenors are full participants in the case, with the right to request information from the applicant or other parties to the case and to cross-examine witnesses in the evidentiary hearing.

Intervenors are not required to reside in the county in which the facility is proposed, but must present a specific reason for seeking intervention that is within the Siting Board's jurisdiction. Requests for intervenor status, citing the case number and the reason for intervention, must be made in writing to the Siting Board at the above address within 30 days of the filing of a complete application.

A formal evidentiary hearing may be held at the request of parties to the case or on the motion of the Siting Board. Participation in the hearing is limited to the applicants and to parties to the case. Testimony is taken under oath. Requests for a formal hearing must be made in writing to the Siting Board within 30 days of the filing of a complete application.

A local public hearing will be held if requested by a local government entity and may be held if requested by at least three residents of the county in which the facility is proposed. The local public hearing would provide an opportunity for the general public to be heard by the Siting Board in an informal setting. Requests for an informal local public hearing must be made in writing to the Siting Board within 30 days of the filing of a complete application.

The deadline to file requests for intervention, a formal evidentiary hearing or a local public hearing in the Vectren case is Nov. 15, 2010.

More information on the public participation process is available on the Siting Board website. Any hearings in the case will be announced as they are scheduled.

The case number for the Vectren application is 2010-00223.

By law, the Siting Board consists of the three members of the PSC, the secretary of the Kentucky Energy and Environmental Cabinet or his designee, the secretary of the Kentucky Cabinet for Economic Development or his designee and two local members. The local members serve on the Siting Board only for the specific case for which they were appointed. The chairman of the PSC serves as chairman of the Siting Board.

In addition the PSC commissioners, the Siting Board members for the Vectren case are Robert Amato, designated by Kentucky Energy and Environmental Cabinet Secretary Leonard Peters; Ken Robinson, designated by Kentucky Economic Development Cabinet Secretary Larry Hayes; and two members named by Governor Steve Beshear: Webster County Judge/Executive Jim Townsend and Tommy Chandler, a resident of Webster County.

The PSC's 100 employees provide staff and administrative support to the Siting Board.

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