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NEWS RELEASE

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SITING BOARD REVISES SCHEDULE FOR REVIEW OF PROPOSED PLANT IN TRIMBLE COUNTY

Application covers portion of proposed expansion at LG&E facility

FRANKFORT, Ky. (Aug. 1, 2005) – The Kentucky State Board on Electric Generation and Transmission Siting has revised the schedule for its review of an application requesting a construction certificate for a generating plant near Bedford in Trimble County.

Although the application initially was determined to be complete as of Tuesday, May 31, 2005, further information provided to the Siting Board revealed that proper notice had not been provided to all adjacent property owners, as required.

The proceeding was suspended to allow the property owners to be notified. Proper notification has been made, and the schedule has been revised to reflect that the application was deemed complete as of July 21, 2005.

The Illinois Municipal Electric Agency (IMEA) and the Indiana Municipal Power Agency (IMPA) have applied for a certificate for their joint 25 percent ownership of a 750-megawatt, coal-fired facility that the Louisville Gas & Electric Co. (LG&E) and the Kentucky Utilities Co. (KU) are proposing to build at LG&E's existing Trimble County Station. Because IMEA and IMPA would be selling their portion of the plant's output on the wholesale market to their member utilities, they are classified as independent power producers and required to apply for a certificate from the Siting Board.

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

http://psc.ky.gov/agencies/psc/siting_board/merchant.htm

LG&E's and KU's portion of the project is under the jurisdiction of the Kentucky Public Service Commission (PSC). The two utility companies, which are both subsidiaries of LG&E Energy LLC, have applied to the PSC for approval of the new unit. The Trimble County Station currently includes a 514-megawatt coal-fired unit and six gas turbine generators with a total capacity of more than 900 megawatts.

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Under the law passed in 2002 by the Kentucky General Assembly, the Siting Board has 120 days after an application is complete to decide whether to approve that application. The law and associated regulations set certain requirements and deadlines for public participation in the review process. Those are:

- Persons or entities with an 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. 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. **The new deadline in the IMEA/IMPA case is Aug. 22 , 2005.**
- 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 at the above address within 30 days of the filing of a complete application. **The new deadline in the IMEA/IMPA case is Aug. 22 , 2005.**

A formal evidentiary hearing in the case will be held at 9:30 a.m. EDT on Monday, Sept. 19. It will be at the offices of the PSC, 211 Sower Boulevard in Frankfort. Any local hearing will be announced as it is scheduled.

More information on the public participation process is available on the Siting Board Web site.

The case number for the IMEA/IMPA application is 2005-00152. The PSC case covering LG&E and KU is number 2004-00507. Case documents are available on the PSC Web site, psc.ky.gov.

The Siting Board is an agency within the Environmental and Public Protection Cabinet. It is charged with reviewing applications for merchant power plants, also known as independent power producers, which sell electricity on the wholesale, unregulated market.

The Siting Board consists of the three members of the Kentucky Public Service Commission (PSC), the secretary of the Kentucky Environmental and Public Protection Cabinet or her designee, the secretary of the Kentucky Economic Development Cabinet or his designee, and two local members appointed by the Governor for each case. The chairman of the PSC serves as chairman of the Siting Board.

The PSC's 110 employees provide staff and administrative support to the Siting Board.