

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GREEN RIVER ELECTRIC)	
CORPORATION FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY PURSUANT)	
TO K.R.S. 278.020(1) AND 807 K.A.R.)	CASE NO. 93-269
5:001, SECTION 9 AND RELATED SECTIONS,)	
AUTHORIZING CERTAIN PROPOSED)	
CONSTRUCTION)	

O R D E R

Green River Electric Corporation ("Green River") filed its application on August 2, 1993, for a Certificate of Public Convenience and Necessity to construct new distribution facilities and to upgrade some existing distribution facilities. In support of its application, Green River filed a copy of its 1994-1995 Work Plan which estimates a total construction budget of \$4,861,013 as follows:

1. New Distribution Lines	\$1,837,050
2. Distribution Line Conversions	\$ 402,867
3. Ordinary Replacements ¹	\$2,541,496
4. Other Distribution Items	\$ 79,600
	<u>\$4,861,013</u>

Green River proposes several projects in its Two Year Work Plan to improve system reliability and to maintain an adequate level of service to its customers. The majority of the projects involve conductor replacements, changes in existing routes, or

¹ This term was used in Green River's application and is not indicative of the Commission's opinion on the regulatory treatment of the projects summarized in that category.

phase conversions. Green River proposes no voltage conversions or establishment of new substations in its 1994-1995 Work Plan.

In support of its application, Green River explains that several different line sections require rerouting as a result of conductor deterioration and inaccessibility by maintenance crews. Other sections require conductor replacements to reduce excessive voltage drops. Some of the conductor replacements or rerouting will be performed in coordination with the Kentucky Department of Transportation's ("DoT's") schedule for road improvements, and Green River will be partially reimbursed by DoT for these changes. Several more projects are part of Green River's on-going efforts to replace aging copper conductors with aluminum, primarily to reduce outage time and to correct potential safety code violations resulting from long spans with excessive conductor sag.

Green River will construct an estimated twelve months of the work plan using general funds. Green River will file a loan application with the Rural Electrification Administration ("REA") and the National Bank for Cooperatives ("CoBank") within the next few months for long-term financing. Green River indicated that it will request Commission approval to issue evidences of indebtedness to CoBank upon approval of the loan application by REA and CoBank.

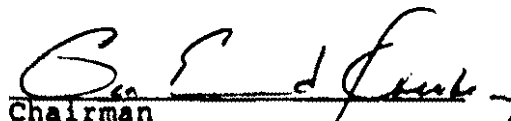
Based on the application and supporting 1994-1995 Work Plan, and being advised, the Commission finds that the proposed improvements and additions to be constructed by Green River are necessary to provide adequate, reliable electric service to

existing and new customers and will not result in wasteful duplication.

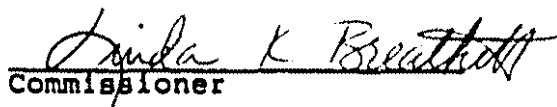
IT IS THEREFORE ORDERED that Green River be and it hereby is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 1994-1995 Work Plan.

Done at Frankfort, Kentucky, this 23rd day of November, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director