COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CUMBERLAND VALLEY ELECTRIC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY	)) CASE NO.) 2003-00026

O R D E R

Cumberland Valley Electric, Inc. (Cumberland Valley) filed its application on January 23, 2003 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at an estimated cost of $10,305,689. In support of its application, Cumberland Valley filed its 2003-2006 Work Plan which describes in detail the improvements and additions to its plant that are required over the next 4 years to serve its load.

Cumberland Valley seeks authorization to construct extensions and additions to its plant as follows:

1.	New Distribution Lines	$ 5,293,750
2.	Distribution Line Conversions	360,800
3.	Transformers and Meters	2,392,039
4.	Service Upgrades	203,196
5.	Sectionalizing Equipment	276,090
6.	Voltage Regulators	94,500
7.	Line Capacitors	36,000
8.	Pole Replacements	350,946
9.	SCADA	265,300
10.	Security Lights	1,033,068
	TOTAL	$10,305,689

The proposed construction will enable Cumberland Valley to continue to provide adequate and dependable electric service to its customers. The system improvements

recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, and provide for improved service reliability.

Based on the application and supporting 2003-2006 Work Plan, and being advised, the Commission finds that the proposed improvements and additions to be constructed by Cumberland Valley are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Cumberland Valley is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 2003-2006 Work Plan.

Done at Frankfort, Kentucky, this 6th day of May, 2003.

By the Commission

ATTEST:

Executive Director