COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY STATE BOARD ON ELECTRIC GENERATION AND TRANSMISSION SITING

In the Matter of:

THE APPLICATION OF WESTLAKE ENERGY CORPORATION FOR A CERTIFICATE TO CONSTRUCT A COMBINED CYCLE NATURAL GAS-FIRED GENERATING PLANT IN MARSHALL COUNTY, KENTUCKY

CASE NO. 2002-00171

<u>ORDER</u>

On May 15, 2002, Westlake Energy Corporation, 2801 Post Oak Boulevard, Houston, Texas 77056 ("Westlake") filed a notice of intent to construct a 520 MW combined cycle natural gas-fired electric generating plant in Calvert City, Marshall County, Kentucky. The case was docketed as Case No. 2002-00171. No application has since been submitted to the Board.

On July 9, 2004, the Board issued a show cause Order requiring Westlake to explain why the case should not be dismissed for failure to prosecute. On September 7, 2004, Westlake updated the Board on the project and agreed to send a further update in the Spring of 2005.

On April 8, 2005, Westlake provided that second update, stating in a letter from counsel that "Westlake continues to evaluate the best arrangements for ensuring a reliable supply of electric power for the Calvert City complex. However, Westlake has not reached a definitive conclusion regarding the optimum service arrangement for Westlake's Calvert City operations. Thus, Westlake is not filing an application at this time." The letter further stated that Westlake "is not opposed to an order removing this case from the Board's docket, as long as such order is without prejudice to Westlake's ability to file a construction application in the future."

Under KRS 278.700-.716 and 807 KAR 5:100-110, Westlake may file a new notice and application at any time. The only restriction in those laws is that the notice precede the application by at least 30 days. Thus, dismissal of this notice and removal of this case from the Board's docket will be without prejudice to Westlake to file a new notice and application when it reaches a final decision on this project. In light of the April 8, 2005 letter from Westlake, the Board finds that this case and the underlying notice should be dismissed without prejudice.

IT IS THEREFORE ORDERED that:

1. The notice filed in this case is dismissed.

2. This case is removed from the Board's docket, without prejudice to Westlake filing a later notice and application in accordance with the statutes and the Board's regulations.

Done at Frankfort, Kentucky, this 14th day of April, 2005.

By the Board

ATTEST: Beth O'Donnell

Executive Director, Public Service Commission on behalf of the Kentucky State Board on Electric Generation and Transmission Siting