

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY STATE BOARD ON
ELECTRIC GENERATION AND TRANSMISSION SITING

In the Matter of:

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|---------------------------------|---------------------|
| APPLICATION OF DTE WICKLIFFE,) | |
| LLC, FOR A CERTIFICATE TO) | |
| CONSTRUCT A 13 MEGAWATT) | |
| MERCHANT ELECTRIC) | CASE NO. 2005-00108 |
| GENERATING FACILITY IN) | |
| BALLARD COUNTY, KENTUCKY) | |

O R D E R

On April 13, 2005, DTE Wickliffe, LLC (“DTE-W”), filed an application with the Board for approval to build a merchant electric generating plant in Ballard County, Kentucky. The plant will be located on a 0.2-acre tract attached to MeadWestvaco Paper Mill (“Mead”) approximately one mile south of the city of Wickliffe. The facility will operate as a cogeneration plant although it does not meet the exact standards of a “qualifying facility” pursuant to Federal Energy Regulatory Commission regulations. As such, the exhaust stack of the facility cannot be located within 1,000 feet from the nearest adjoining property line, as required by KRS 278.704(2). Hence, DTE-W has requested a deviation from that requirement.

Pursuant to KRS 278.704(4), “The board may grant a deviation . . . on a finding that the proposed facility is designed and located to meet the goals of KRS 224.10-280, 278.010, 278.212, 278.214, 278.216, 278.218, and 278.700 to 278.716 at a distance closer than those provided in subsection (2) of this section.” The only property owner located within 1,000 feet of the proposed facility is the host industry, Mead, and it has

no objection to the request for the deviation. Indeed, as an integral part of the cogeneration project, Mead stands to gain from approval of this application.

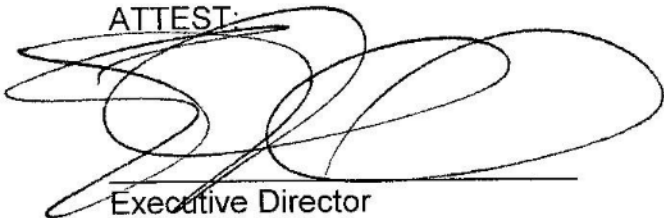
The Board has considered each of those statutes and finds that the proposed facility is designed and located to meet their goals. The Board further finds, then, that the requested deviation should be granted.

IT IS THEREFORE ORDERED that DTE-W is granted a deviation from the 1,000-foot requirement of KRS 278.704(2).

Done at Frankfort, Kentucky, this 22nd day of April, 2005.

By the Board

ATTEST:

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

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