

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CUMBERLAND VALLEY)	
ELECTRIC, INC. FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY TO)	CASE NO.
CONSTRUCT FACILITIES ACCORDING TO)	2006-00545
THE APPLICANT'S 01/01/2007 ~ 12/31/2010)	
CONSTRUCTION WORK PLAN)	

ORDER

Cumberland Valley Electric, Inc. ("Cumberland Valley") filed its application on January 10, 2007 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at an estimated cost of \$13,635,571. In support of its application Cumberland Valley filed its 2007-2010 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:

New member construction	\$4,760,404
Transformers and meters	\$2,859,260
Service changes and upgrades	\$356,400
Sectionalizing equipment and activities	\$912,000
Capacitor Bank appurtenances and controls	\$126,000
Voltage regulators	\$56,000
Pole Replacements	\$522,953
Security light installations	\$1,136,000
System improvement projects	\$2,770,554
SCADA equipment	<u>\$136,000</u>
TOTAL	\$13,635,571

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 service reliability.

Based on the application and supporting 2007-2010 Work Plan, and being otherwise sufficiently 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 2007-2010 Work Plan.

Done at Frankfort, Kentucky, this 2nd day of April, 2007.

By the Commission

ATTEST:



Executive Director