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ecoPower Generation, LLC  
Application to the Kentucky State Board on  
Electric Generation and Transmission Siting

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**ecoPower Generation**  
Energizing America with Clean Power

Case No. 2009-00530



**APPLICATION BY ECOPOWER GENERATION, LLC  
FOR A CERTIFICATE TO CONSTRUCT A MERCHANT ELECTRIC  
GENERATING FACILITY AND TRANSMISSION LINE  
PERRY COUNTY, KENTUCKY  
CASE NO. 2009-00530**

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Contact Person: Gary T. Crawford – 859-685-1106

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## 1.0 APPLICANT INFORMATION

**KRS 278.706(2)(a)**

**KRS 278.714(2)(a)**

*The name, address, and telephone number of the person proposing to construct and own the merchant electric generating facility and the person proposing construction of the nonregulated transmission line;*

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ecoPower Generation, LLC, (“ecoPower”) is submitting this application to the Kentucky State Board on Electric Generation and Transmission Siting (“Siting Board”) to request approval for a certificate to construct and operate a merchant electric generating facility and a 69 KV transmission line (“Project”) in Perry County, Kentucky. The 69 KV transmission line is required to transmit the electric power generated by the generating facility to the Kentucky Power Engle substation, approximately 1.5-miles from the Project.

ecoPower is a Kentucky limited liability company formed in May 2009. The principal contact person, name, address and telephone number for this application are provided below:

ecoPower Generation, LLC  
1256 Manchester Street  
Lexington, KY 40504  
(859) 685-1106

Gary T. Crawford, CEO

## 2.0 PROPOSED SITE DESCRIPTION

### **KRS 278.706(2)(b)**

*A full description of the proposed site, w/ map showing distance of the proposed site from residential neighborhoods, the nearest residential structures, schools, and public and private parks that are located within a two (2) mile radius of the proposed facility.*

### **KRS 278-714(2)(b)**

*A full description of the proposed route of the transmission line and its appurtenances. The description shall include a map or maps showing:*

- *The location of the proposed line and all proposed structures that will support it;*
- *The proposed right-of-way limits;*
- *Existing property lines and the names of persons who own the property over which the line will cross; and*
- *The distance of the proposed line from residential neighborhoods, schools, and public and private parks within one (1) mile of the proposed facilities.*

### **KRS 278.714(2)(c)**

*A full description of the proposed line and appurtenances, including the following:*

- *Initial length and design voltages and capacities;*
- *Length of line;*
- *Terminal points; and*
- *Substation connections.*

### **KRS 278.714(2)(d)**

*A statement that the proposed line and appurtenances will be constructed and maintained in accordance with accepted engineering practices and the National Electric Safety Code.*

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## 2.1 Proposed Electric Generating Facility

ecoPower intends to build and operate an approximate 50 megawatt renewable fuel electric generating plant in Perry County, Kentucky. The plant will utilize atmospheric fluid bed combustion technology and will be fired with wood biomass or byproducts (sawdust, bark, wood chips, tip wood, low quality logs, etc.). Engineering analysis and preliminary design are currently being conducted by Sargent and Lundy, LLC, ecoPower's engineers for the project.

ecoPower proposes to construct the bioenergy electric power generating facility approximately 10-miles north/northwest of Hazard, Perry County, Kentucky. It will be situated on 125-acres of a reclaimed coal mine within the Coal Fields Regional Industrial Park located off US Highway 15 (refer to **Figure 1 Site Location Map**).

The proposed facility is depicted on **Figure 2 Conceptual Site Plan; Figure 3 Setback, Site Layout and 2000-Foot Vicinity Map** and **Figure 4 2-Mile Site Vicinity Map**.

The proposed electric generating facility will include several buildings and the following equipment:

- One fluidized bed boiler (FBB) with a maximum heat input of 672 mmBtu/hr (fired exclusively on biomass with propane available as the startup fuel), and a steam turbine generator with a nominal gross output of 50 MW;
- One propane fired auxiliary boiler;
- An air cooled condenser;
- Material handling systems that include, but are not limited to, two truck dumps, receiving hopper, conveyors, roads, storage piles, silos, screens, wood chipper, and wood hog;
- Ancillary equipment (i.e., emergency generator, fire water pump, and fuel tanks); and
- Several buildings including: a boiler building; a turbine building; a wood hog building; a chipper building; a warehouse/shop building; and a service building;
- 69 KV transmission line.

The boiler and steam turbine generator will produce a nominal 50 MW-gross electrical output. The FBB will be designed to generate 450,000 lb/hr of steam, operate at 950°F and 1,800 psig, and have an air cooled condenser to reduce water use. The boiler will be fired by blended biomass that includes bark, wood chips, chipwood, and sawdust. A propane-fired auxiliary boiler will be utilized to provide steam during startup of the main boiler.

A planned 1,600 kW, diesel-fired emergency generator and a 450 hp, diesel-fired emergency fire water pump will be used in emergency situations (i.e., interrupted electrical supply, wood fires) at the facility. Diesel storage tanks for these two units, as well as a tank to supply diesel fuel for facility heavy equipment will be located on site.

## **2.2 Plant Site Location**

The Project will be located on approximately 125 acres of land on a reclaimed coal mine in the Coal Fields Regional Industrial Park in Perry County, Kentucky. The site is accessed from US Highway 15, approximately 10 miles



north/northwest of Hazard, Kentucky (refer to **Figure 1 Site Location Map** and **Figure 3 Setback, Site Layout and 2000-Foot Vicinity Map**). Approximate coordinates for the center of the site are:

Latitude 37° 22' 29 N

Longitude 83° 16' 23" W

The site is not within the boundaries of any city. The subject property is in the jurisdiction of the Perry County Fiscal Court. The site is approximately 10 miles north/northwest of Hazard, Kentucky and 14 miles southeast of Jackson, Kentucky. See **Figure 3, Setback, Site Layout and 2000-Foot Vicinity Map** and **Figure 4, 2-Mile Site Vicinity Map**.

The property is owned by Coal Fields Regional Industrial Authority, Inc. and the Applicant has an Option to Purchase the property, a copy of which is included in **Exhibit A1 Site Option Agreement**. A copy of the property survey has been included as **Exhibit A2 Survey**.

### **2.3 Proposed Transmission Line**

ecoPower proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the existing Kentucky Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, a distance of approximately 1-mile from the Project property boundary (1.54-miles overall). The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast over currently existing easements or easements to be acquired for this purpose. The transmission route is depicted on **Figure 5, Transmission Route and 1-Mile Vicinity Plan**. Design drawings depicting the structures and appurtenances are included as **Figures 6 and 7**.

The 1.54-mile line will operate nominally at 69 kilovolts (kV) centered in a 100-ft right-of-way, and have a current capacity of 650 amperes. **The proposed transmission line and appurtenances will be constructed and maintained in accordance with accepted engineering practices and the National Electric Safety Code.**

#### ***Pole Details***

Column 2 of the following table identifies the type of pole at each location. **Figure 7** provides a configuration for the pole at each pole location. The arrangement and details are conceptual but will be representative of the final design. In general, the transmission line is supported by wood poles, both guyed and self-supported, which will typically span up to 600 ft. Tubular steel poles are used where longer spans are required.

The conductor will be 477 kcmil 26/7 ACSR "Hawk", and the shield wire will be 7#8 Alumoweld.

### Proposed Structure Access Table

<b>Pole No. (See Fig. 6)</b>	<b>Type (See Fig. 7)</b>	<b>Property Owner</b>	<b>Proposed Access</b>
WP1	TS-5G	ecoPower	200-ft spur road from plant.
WP2	TP-69G	ecoPower	Existing paved road.
WP3	TP-69G	ecoPower	180-ft spur road off existing paved road.
WP4	TS-4G	ecoPower	100-ft spur road off existing paved road.
WP5	TP-69G	ecoPower	500-ft spur road off existing paved road.
WP6	TS-5G	Napier Heirs	Existing paved road.
WP7	TS-4G	Napier Heirs	Improve existing dirt road.
WP8	TP-69G	A.N.R. Coal	Existing Road
SP9	Steel Pole DE	A.N.R. Coal	80-ft spur road off an existing road.
SP10	Steel Pole DE	Keith Miller	50-ft spur road off Keith Miller Drive. (Private)
WP11	TS-4G	A.N.R. Coal	Keith Miller Drive. (Private)
WP12	TS-4G	A.N.R. Coal	Keith Miller Drive. (Private)
WP13	TS-4G	A.N.R. Coal	Keith Miller Drive. (Private)
WP14	TP-69G	A.N.R. Coal	250-ft spur off Keith Miller Drive. (Private)
WP15	TS-5G	A.N.R. Coal	Locate on Engle Substation property.

The preceding table shows the proposed means of access to each transmission pole, the current property owner, where the pole will be located and the type of pole. The terrain is generally flat where proposed transmission poles are located. Access to the poles will be from existing roads where possible, or from spur roads.

## 2.4 Transmission Line Route

The transmission line routing is shown on **Figures 5** and **6**. **Figure 5** imposes the transmission line route on an area map. **Figure 6** shows the pole locations along the route and designates pole structure types (wp = wood pole and sp = steel poles). The route for the transmission line was selected to minimize impact to residences or sensitive land, minimize impact on property parcels, minimize overall route length, maximize use of existing linear corridors by following existing transmission lines or roads, minimize number of line angles, and minimize crossings of public roads.

The transmission line will travel across ecoPower property to its eastern boundary and will then travel along an easement as shown on **Figure 5, Transmission Line Route and 1-Mile Vicinity Map**. **Figure 6 Transmission Line Plan & Profile** shows the location of the proposed line and all proposed structures that will support it. **Figure 5** also shows the proposed right-of-way, existing property lines and the names of persons who own the property over which the line will cross. The distance from the line to residential neighborhoods is shown as well. There are no schools or public and private parks within one mile of the proposed line.

The line will head southeast from the biomass plant switchyard, remaining on the plant property for approximately a half-mile. This section will first be parallel to an existing easement, and will then turn slightly northward to avoid the AOD Transport, Inc. property.

The line then heads south along the western Payne Napier property line adjacent to the eastern AOD Transport property line before turning southeast to parallel an existing road for approximately 800 ft. Two steel poles will then be used to span a 1400-ft wide valley. Spanning this valley will avoid placing several poles on the steep slopes, minimizing clearing and grading, and impacts to vegetation and the waterway located at the bottom of the ravine.

South of the ravine, the line will follow an existing private road until it crosses Coalfields Industrial Drive and enters the existing Engle Substation. There are existing distribution lines in this area which need to be crossed. There is also an existing 69-kV line to cross to get into the Engle substation. These crossings and access to the transmission poles at the substation will be addressed during detailed design.

Three tracts of land will be crossed by the proposed Transmission line. The owner of each tract has been identified on **Figure 5** and notice has been given to

each by letter (refer to **Exhibit B1 Letters to Property Owners**) in addition to a Public Notice published in accordance with KRS 278.714 (Refer to **Exhibit B2 Public Notice**).

ecoPower has entered into discussions with the owners of the three tracts in order to obtain easements for the route depicted on **Figure 5**. Mr. Grant Curry, ecoPower Vice President for Fuel Procurement, has met with each of the three owners and reports that each has stated a willingness to enter into an option for an easement. Options will be executed upon completion of field checking the designed line and development of the legal descriptions of each easement. As part of the field checking process, ecoPower has worked with each affected property owner to confirm the route is acceptable. The form of Option, Easement and Memorandum of Option are included in **Exhibit A3**.

### ***Transmission Route Alternatives***

Prior to selecting the route described in this application and depicted on **Figure 5**, ecoPower analyzed several alternative routes. Initially, two primary routes were chosen for analysis: the selected route which travels along the eastern portion of the Industrial Park and a second route that traveled west from the Engle substation to the point within the Industrial Park where Coalfields Industrial Drive turns north toward the Project site. From that point, the proposed route traveled parallel with Coalfields Industrial Drive to the edge of the property. The two initial routes analyzed are shown on **Figure 8 CSK-2**.

The second western route was not chosen for the following reasons:

- In places where the transmission line paralleled the existing distribution line or was planned to over-top the distribution line, the existing right of way would require widening. In certain areas along the Coalfields Industrial Drive, the right of way may impinge upon active property use.
- The transmission line would cross property where ownership is in dispute, making it difficult or impossible to obtain easements.
- The transmission route would be longer and therefore more expensive than the eastern alternative. The longer route would also be entirely on property owned by others, increasing the number and cost of easements required to successfully construct the line.
- The transmission line would likely be constructed over the top of portions of the existing distribution lines, requiring coordination and increased expense and risk in construction.

Following the preliminary selection of the eastern route, a potential to locate the transmission line along the edge of the Weyerhauser property was evaluated. This possible route would follow the eastern edge of the developed Weyerhauser

property, to the intersection of the Weyerhauser access road with Coalfields Industrial Drive, and then directly to the Engle substation. This route was abandoned after field visits confirmed that a small cemetery was within close proximity to the Weyerhauser property, potentially interfering with the line construction.

Following elimination of the western route and the Weyerhauser route, the selected route was adjusted as described above and depicted in **Figures 5 and 6**.

## 2.5 Site Conditions and Vicinity

The property has been previously surface mined and reclaimed for industrial uses. The Coal Fields Regional Industrial Park contains both developed and undeveloped industrial tracts. Developed tracts and relative locations to the Project are listed below:

<u>Industrial Occupant</u>	<u>Distance and Direction From Project</u>
Sykes Communication	Approximately 2,000 feet southeast
AOD Transport	Approximately 2,500 feet southeast
Weyerhauser	Approximately 3,000 feet south
M.B. Lumber Company	Approximately 3,000 feet southwest
American Woodwork	Approximately 4,500 feet south southeast
Pine Branch Coal Sales	Approximately 5,000 feet south

The Coal Fields Regional Industrial Park is serviced by the following utilities:

Electric:	Kentucky Power Company
Water:	City of Hazard (8" and 12" service lines)
Sewer:	City of Hazard (8" and 10" service lines)

The design of the project calls for air cooling, which reduces potential water needs from those of a water cooled system. As a result of this design decision, ecoPower plans to obtain all process and other water from the City of Hazard, pursuant to an agreement provided in **Exhibit A4 Water Supply Agreement**. In the event of an interruption in service from the City of Hazard water supply, ecoPower has designed water holding tanks as part of the Project which will immediately supply the approximately 35-gallons per minute demand of the process.

ecoPower has identified two secondary sources of water for use in the event the water supply from the City of Hazard becomes unavailable. The first option for secondary water supply will be the Hollybush impoundment which is located approximately 4,000-feet to the northeast of the Project. This impoundment was constructed in the 1980's and has been maintained to service Pine Branch Coal

Company in the immediate area. The impoundment no longer supplies water to the coal company. According to an Annual Drainage Certification completed by CBC Engineers in June 2009, the maximum design storage capacity of the impoundment is 258.9 acre feet, or approximately 84.36 million gallons of water. The June 2009 certification indicated that the impoundment was estimated to contain 68.4 acre-feet of sediment reducing the estimated storage volume to 190.5 acre-feet or 62.07 million gallon. Review of the Discharge Monitoring Records (DMRs) for the impoundment's outlet (Outlet #644) indicated measured flows from January 2008 through June 2009 ranging between 16 and 45 gallons per minute.

ecoPower has conducted initial inquiries to determine the requirements to access the water and has conducted water quality sampling to identify the type of pretreatment that will be required to use the impoundment for process water. Copies of analytical information and data are included in **Exhibit A5 Hollybush Impoundment Data.**)

Another option for secondary water supply is the groundwater present beneath the site within the overburden emplacement. Preliminary geotechnical investigations for foundation design were conducted in 2009 and encountered substantial water resources within the fill material at the site. Preliminary calculations indicate these resources will be adequate to supply the low volume required by the process. A more comprehensive study with several test wells is being designed to confirm the preliminary data.

Waste water discharge is similarly low volume and ecoPower plans to discharge to the City of Hazard subject to a pre-treatment agreement which will be entered into as the potential wastewater constituents are developed during final design tasks. The city of Hazard has confirmed that the sewage treatment system has adequate capacity to handle the approximate 20-25 gallons per minute flow likely from the facility.

Electric service to the Project will be accomplished through the proposed transmission line, using a transformer to allow the Project to access service.

The Industrial Park is located in a rural area with commercial, industrial and institutional (i.e., public airport) land uses generally located along major transportation routes (i.e., State Route 15). Reclaimed coal mining operations are located adjacent to the property with active mining in the nearby area.

The nearest incorporated community is Hazard, Kentucky, approximately 10 miles south. Nearby unincorporated communities are: Lamont, approximately 2.75 miles southwest; Rowdy, approximately 1.75 miles northeast; and Chavies, approximately 5 miles southwest.

## **Residential Neighborhoods and Structures**

There are no residential structures or neighborhoods adjacent to the facility or within 2000-feet of the proposed exhaust stack (refer to **Figure 3 Setback, Site Layout and 2000-Foot Vicinity Map**). Various residences are located along Tenmile Creek, State Route 15 and Grapevine Creek in proximity to the Project.

**Figure 4, 2-Mile Site Vicinity Map** depicts the closest residential structures and those residential neighborhoods located within a 2-mile radius of the facility, centered on the facility stack. The closest residential structures include a trailer within the Industrial Park, located 3,000-feet to the south of the Project and residential structures located along Tenmile Creek to the north and Highway 15 to the east, at a distance of over half a mile.

“Residential neighborhood” is defined by KRS 278.700(6) as “a populated area of five (5) or more acres containing at least one (1) residential structure per acre”. Most of the areas marked as residential neighborhoods consist of houses located along Tenmile creek, Highway 15 or Highway 28, making the identification of an appropriate “residential neighborhood” more difficult. Only two residential neighborhoods, located to the east adjacent to the airport, consist of a cluster of houses located in a planned development. ecoPower has been conservative in defining areas as meeting the definition of residential neighborhood and has included any area that potentially meets the definition.

## **Schools**

There are no schools within 2 miles of the proposed Project. The nearest school is the Chavies Elementary School approximately 3.5 miles southwest of the Project.

## **Hospitals and Nursing Homes**

There are no hospitals, clinics or nursing homes within 2 miles of the proposed project. The nearest hospital, clinic and/or nursing home is located in Hazard approximately 7 miles away.

## **Public and Private Parks**

There are no public or private parks within 2 miles of the proposed Project. The nearest public parks are in Hazard, approximately 7 miles away. The closest state park or nature preserve is Buckhorn Lake State Park, approximately 10.75 miles west of the Project and the nearest federal park or nature preserve is the Daniel Boone National Forest, approximately 25 miles northwest of the Project.

### 3.0 PUBLIC NOTICE EVIDENCE

#### **KRS 278.706(2)(c)**

*Evidence of public notice that shall include the location of the proposed site and a general description of the project, state that the proposed construction is subject to approval by the board, and provide the telephone number and address of the Public Service Commission. Public notice shall be given within thirty (30) days immediately preceding the application filing to:*

- 1. Landowners whose property borders the proposed site; and*
- 2. The general public in a newspaper of general circulation in the county or municipality in which the plant is proposed to be located;*

#### **KRS 278.714(e)**

*Evidence that public notice has been given by publication in a newspaper of general circulation in the general area concerned. Public notice shall include the location of the proposed line, shall state that the proposed line is subject to approval by the board, and shall provide the telephone number and address of the Public Service Commission.*

#### **KRS 278.714(f)**

*Proof of service of a copy of the application upon the chief executive officer of each county and municipal corporation in which the proposed line is to be located, and upon the chief executive officer of each public agency charged with the duty of planning land use in the general area in which the line is proposed to be located.*

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Notification letters to landowners whose properties border the proposed site and transmission line were mailed by registered mail, return receipt requested, beginning on December 15, 2009 and thereafter. Copies of the letters and a list of landowners notified are provided in **Exhibit B1 Letters to Property Owners**.

Affidavits from the Hazard Herald of publication of the public notice on December 16, 2009 and on January 13, 2010 are provided in **Exhibit B2 Published Public Notice**.

The application was delivered to County Judge Executive Danny Ray Noble and proof of delivery is included in **Exhibit B3 Proof of Service of Application to County Judge Executive**. There is no public agency charged with the duty of planning land use in the general area in which the line is proposed to be located.



## 4.0 COMPLIANCE WITH LOCAL ORDINANCES AND REGULATIONS

### **KRS 278.706(2)(d)**

*A statement certifying that the proposed plant will be in compliance with all local ordinances and regulations concerning noise control and with any local planning and zoning ordinances. The statement shall also disclose setback requirements established by the planning and zoning commission as provided under KRS 278.704(3);*

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No local noise ordinances or regulations are applicable to the site, nor are there any planning and zoning regulations or associated setback requirements for Perry County. A letter from the Chairman of the Coal Fields Regional Industrial Authority, Inc., Charles Colwell, stating that “there are no local planning and zoning, or noise ordinances that apply to the affected property” is included in **Exhibit C1**.

The Project is governed by the setback requirement of KRS 278.704 (2).

**Exhibit C2** includes certification by the Applicant that the proposed plant will be in operated compliance with all local ordinances and regulations concerning noise control and with any planning and zoning ordinances applicable to the Project.

## 5.0 SETBACK REQUIREMENTS

### **KRS 278.706(2)(e)**

*If the facility is not proposed to be located on site of a former coal processing plant and the facility will use on-site waste coal as a fuel source or in an area where a planning and zoning commission has established a setback requirement pursuant to KRS 278.704(3), a statement that the proposed site is at least one thousand (1,000) feet from the property boundary of any adjoining property owner and two thousand (2,000) feet from any residential neighborhood, school, hospital, or nursing home facility, unless facilities capable of generating ten megawatts (10MW) or more currently exist on the site. If the facility is proposed to be located on site of a former coal processing plant and the facility will use on-site waste coal as a fuel source, a statement that the proposed site is compatible with the setback requirements provided under KRS 278.704(5). If the facility is proposed to be located in a jurisdiction that has established setback requirements pursuant to KRS 278.704(3), a statement that the proposed site is compatible with those established setback requirements;*

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KRS 278.704 (2) applies to the Project. This regulation requires that the exhaust stack of the proposed facility should be at least one thousand feet from the property boundary of any adjoining property owner and two thousand feet from any residential neighborhood, school, hospital or nursing home facility.

The proposed Project stack is located more than 2,000 feet from any residential neighborhoods, schools, hospitals or nursing home facilities; and, therefore the project is in compliance with the 2000' setback requirement.

The stack is, however, less than 1,000 feet from adjacent properties owned by two property owners. The properties within the 1000 radius are depicted on **Figure 3, Setback, Site Layout and 2000-Foot Vicinity Map**. Portions of the Coal Fields Regional Industrial Park, located directly south of the Project, are within the 1000-radius from the proposed Project stack location. These lots are vacant, waiting for industrial development in accordance with the purpose of the Industrial Park. A portion of property owned by Mountain Properties, Inc., located to the west of the Project, is within the 1000-radius. This property is vacant and was previously surface-mined, as was the majority of the immediate area.

KRS 278.710 (4) allows the Siting Board to grant a deviation from these setback requirements if the proposed facility is designed and located to meet goals of other applicable statutes (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 specified

above. Both of the above listed property owners are aware of the plans for the property and have expressed their support for the Project (See **Exhibit D**).

The legislative history and statutory language of the statute suggest that the primary purpose of the setback requirements is to protect the assumptions and expectations of property owners who had no reason to expect the construction of a merchant power plant near their property.

As both property owners are aware of and in support of the proposed Project, the applicant requests that a deviation from the setback requirements be issued based upon a finding that the proposed project is designed and located to meet the goals of applicable statutes at a distance closer than 1,000 feet.

## 6.0 PUBLIC INVOLVEMENT ACTIVITIES

### **KRS 278.706(2)(f)**

*A complete report of the applicant's public involvement program activities undertaken prior to the filing of the application, including any use of media coverage, direct mailing, fliers, newsletters, public meetings, establishment of a community advisory group, and any other efforts to obtain local involvement in the siting process;*

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ecoPower has made a substantial effort to engage the public in numerous ways. Following is a brief description of public involvement program activities undertaken prior to the submission of this Application. ecoPower will continue these efforts and will participate in public notice, comment and public hearings which may be initiated due to ongoing permit activities.

- In August, 2009, Richard Sturgill, the chairman of ecoPower, discussed the project concept and preliminary plans to build a renewable fuel biomass power plant in eastern Kentucky with the Mayor of Hazard.
- In August, 2009, the Coal Fields Regional Industrial Park Board expressed their interest and support for the Project (see letter of support **Exhibit E1**).
- In September, 2009, representatives of ecoPower met with officials from the Coal Fields Regional Industrial Authority and discussed the possible acquisition of property in the Coal Fields Industrial Park as a site for the ecoPower biomass power plant.
- On October 6, ecoPower made a presentation to the Industrial Park Authority Board and requested the Board grant ecoPower an option to purchase 125 acres in the Industrial Park. The Authority Board approved the request unanimously. (see Presentation to Board **Exhibit E2**).
- ecoPower held pre-application meetings with the Kentucky Economic Development Finance Authority (KEDFA), the Energy and Environmental Cabinet's Division of Air Quality (DAQ), and the Siting Board.
  - An application for tax incentives under the Incentives for Energy Independence Act was submitted to KEDFA and a total of \$15,000,000 in potential incentives was approved.
  - An application for an air permit has been filed with the DAQ and is currently under review.
  - A Notice of Intent to file this Application with the Siting Board was filed on December 16, 2009 and this Application for Construction of

the Merchant Plant and associated transmission line is filed on February 1, 2010.

- ecoPower has reached out to the environmental community as well. ecoPower met with representatives of the Sierra Club on November 3, 2009 to discuss and explain the project and respond to questions and concerns. On November 6, 2009, ecoPower met with the Kentucky Resources Council to review plans for the facility and discuss the permitting tasks that the Project will face. On January 15, 2010, ecoPower met with additional members of the Sierra Club to describe the Project and encourage questions from this community. All meetings were cordial and encouraging.
- Public Notice of the intent to file this application with the Siting Board was placed in the Hazard Herald on December 16, 2009 and on January 13, 2010. Copies of the published Notices are included in **Exhibit B2**.
- On December 16, 2009, an article describing the project was published in the Hazard Herald. A second article about the Project was published in the Hazard Herald on December 30, 2009, discussing the Project and its potential impact on the area and announcing the Open House to be held January 5, 2010. Copies of the published articles are provided in **Exhibit E3**.
- ecoPower has made a personal effort to meet with adjacent property owners to discuss the Project and respond to any questions. To date, ecoPower has met several times with all adjacent property owners and numerous citizens who live within the surrounding area of the Project.
- Adjacent land owners to the project were notified of the pending project by letters mailed on December 15, 2009 and thereafter. Copies of those letters are included in **Exhibit B1**.
- ecoPower members met with the Perry County Fiscal Court on December 15, 2009 to discuss the project and respond to questions. Minutes of that meeting are included in **Exhibit E4**.
- On December 15, 2009, Gary Crawford, CEO of ecoPower and Grant Curry, Vice President for Fuel Procurement, were interviewed by WYMT-TV, a primary station in eastern Kentucky, about the project and the story was aired on December 15, 2009 on the 6:00 pm and 11:00 pm broadcasts. A copy of the interview, as aired, is included on the accompanying disc to this Application. Additionally, a copy of the story

was posted on the WYMT News website. That story has been included in **Exhibit E5** together with 20 comments posted in response.

- On December 17, 2009, WSGS radio, a local station in the Perry County area discussed information contained in a press release issued by ecoPower on December 10, 2009. A copy of the news release is included in **Exhibit E6**.
- ecoPower has created a website available to the public that provides information about the company and the Project: [www.ecopg.com](http://www.ecopg.com). Additionally, a brochure describing the project and company has been created and is being distributed to community members and neighbors of the Project as ecoPower staff meets with them. A copy of the brochure is included in **Exhibit E7**.
- ecoPower has established an office in Hazard to be the focal point of public information. It is staffed by Grant Curry, ecoPower's Vice President for Fuel Procurement. Mr. Curry is a professional forester with over 20 years experience in wood procurement and sustainable forest management.
- ecoPower published an advertisement on December 30, 2009 about an Informational Open House to be held on January 5, 2010 at the Chavies Elementary School to meet neighbors of the project and provide a chance to ask and answer questions. A copy is included in **Exhibit E8**.
- A flyer was created to use as a hand out to homes and businesses in proximity to the Project to encourage attendance at the public meeting. The flyer included contact information for questions and the general website address, as well as the personal contact information for Grant Curry, local ecoPower spokesperson. A copy is included in **Exhibit E9**.
- The public meeting was held on January 5, 2010 at the Chavies Elementary School. That morning, Perry County closed its schools due to snow and cold. ecoPower contacted the local media (TV, Radio, Newspaper) and asked them to announce that the Open House would be conducted as planned. The Hazard Herald placed a story on their internet page to remind readers of the Open House and WSGS-FM aired reminder announcements. Various displays and information were made available at this meeting including sample wood materials ecoPower will use to fuel the plant, brochures, site maps, and process descriptions. ecoPower personnel met with members of the community and answered questions for over 2 hours. Sign-in sheets are included in **Exhibit E10**. Summaries

of comments from the open house attendees are included in **Exhibit E11** and photographs of the event are attached as **Exhibit E12**.

- WYMT-TV covered the Open House on January 5, 2010 and their report aired that evening on the 11pm News broadcast.
- WSGS-FM aired a story about the Open House and the Project on January 6, 2010 and indicated an optimistic response from the attendees.

## 7.0 EFFORT TO LOCATE NEAR EXISTING ELECTRIC GENERATING FACILITIES

### **KRS 278.706(2)(g)**

*A summary of the efforts made by the applicant to locate the proposed facility on a site where existing electric generating facilities are located;*

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It is clear from events on a national and international level that increasing power generation from renewable fuel sources is encouraged. Review of Governor Beshear's "Intelligent Energy Choices for Kentucky's Future – Kentucky's 7-Point Strategy for Energy Independence" reflects this same concern with several of the Strategies directly addressing the need for increased use of biofuels to generate energy. A significant issue with bioenergy production is the difficulty of transporting large volume, low-density fuels to a large generating facility.

ecoPower has solved this problem, making bioenergy more cost effective and increasing the likelihood of long term success. The essential and unique aspect of ecoPower's business plan is to take the power generating unit to the fuel, thereby reducing dramatically reducing the cost and logistics associated with transporting the fuel out of the area.

Eastern Kentucky is highly engaged in timbering and wood products manufacturing. These activities create a large volume of unused wood byproducts that are currently stockpiled, disposed of or transported out of state for reuse. ecoPower is locating within the midst of the source of these wood byproducts and will create a market for them on the local level.

In order to locate the generating plant where the fuel is, ecoPower must locate within eastern Kentucky. There are no currently existing generating facilities located in eastern Kentucky that would be available to co-locate the ecoPower facility (refer to **Exhibit F Electric Generating Facilities Located in Eastern Kentucky**). The one facility depicted on the map, Kentucky Mountain Power, has never been built. Therefore, ecoPower has planned to build the first bioenergy generating plant in southeastern Kentucky.

The lack of existing electric power generating facilities within the fuel source area eliminated the possibility of co-locating the ecoPower facility with an existing power generation facility.



## 8.0 PROOF OF SERVICE

### **KRS 278.706(2)(h)**

*Proof of service of a copy of the application upon the chief executive officer of each county and municipal corporation in which the proposed facility is to be located, and upon the chief officer of each public agency charged with the duty of planning land use in the jurisdiction in which the facility is proposed to be located;*

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Proof of service of a copy of the Application on County Judge Executive Denny Ray Noble is included in **Exhibit B3**. The Project is not located within an incorporated city, and is not subject to a planning land use agency.

## 9.0 EFFECT ON KENTUCKY'S ELECTRICITY TRANSMISSION SYSTEM

### **KRS 278.706(2)(i)**

*An analysis of the proposed facility's projected effect on the electricity transmission system in Kentucky;*

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ecoPower has initiated the process to determine the potential impact of the Project on the electric transmission grid by filing an Interconnection Request with PJM Interconnection ("PJM"). A copy of their acknowledgement is included in **Exhibit G1**. The initial stage of the study, the Feasibility Study was scheduled to be completed by January 31, 2010. The following two stages will be conducted following completion of the Feasibility Study.

In addition to the process initiated with PJM, Sargent & Lundy, the engineering firm advising and designing the project, has completed a "Transmission Feasibility Study for Engle Substation" a copy of which is included in **Exhibit G2**. The study analyzed the feasibility of injecting 50MW of generation at Kentucky Power's Engle 69kV substation, the intended grid connection point for the Project.

A power flow study was conducted to identify transmission facilities that would overload based on their thermal rating when injecting generation. The results of the power flow study for the new generation case shows no overloads requiring mitigation, even in the case that key local facilities are out of service, commonly referred to as "First Order Contingency Planning" in industry parlance.

Discussions with PJM indicate the Feasibility Study is on schedule and will confirm the findings in the Sargent & Lundy report.

## 10.0 LOCAL ECONOMIC IMPACT

### **KRS 278.706(2)(j)**

*An analysis of the proposed facility's economic impact on the affected region and the state;*

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The overall economic impact of the project to the surrounding area will be significant. This impact will occur in two distinct phases, the construction phase – expected to last 2-3 years - and the operating phase – with a life of 30 years or more. The benefits to the community will include the scores of construction labor jobs created during the construction period, the creation and/or support of numerous jobs in the regional logging and transportation industries, a substantial increase in the local tax base and the benefits of a viable and long term employer and corporate citizen in the region. The Project will provide renewable power, and its commitment to sustainable forest management and the use of underutilized low value timber and wood manufacturing byproducts will promote the health and economic viability of the region's forests for decades to come.

The Kentucky Economic Development Cabinet has studied the economic impact of adding or losing 100 jobs in any area of Kentucky (refer to **Exhibit H1 Economic Impact of Gaining or Losing 100 Jobs**). The Project will be located in a region that has lost jobs in the past couple of years. Like other regions of Kentucky, this area understands the pain of losing 100 jobs. Perry County will benefit from the increase in employment that will result from the Project.

The information in **Exhibit H1** is organized by industrial sector. ecoPower, while a merchant plant and not regulated by the Public Service Commission, would still qualify as a utility. The utilities industrial sector represents the highest potential impact to the economy when compared with other sectors. This is reflected in both dollars into the economy and number of indirect and induced jobs.

Extrapolating from the general figures provided by **Exhibit H1**, ecoPower's 40 operational jobs should result in over \$16,000,000 in economic benefit; over 100 jobs, including direct, indirect and induced jobs; and about \$2,400,000 in estimated state and local taxes. These estimates are based on the figures in **Exhibit H1**. Following is a discussion that supports these generalized numbers.

### **Economic Impact of Construction**

The construction of the ecoPower project will occur over an approximate two year period, with commercial operation anticipated to begin in early 2013. During construction there will be an average of 200 craft and contract workers on site.

Many of these workers will be residents of the eastern Kentucky area or workers who temporarily relocate to the area for the term of the construction. In addition to these skilled labor positions, there will be construction management positions including a Project Manager, Project Engineer and various support engineers, construction superintendents and construction managers. There will be approximately 30 of these highly paid positions during the construction period.

The total capital expenditure for the project will be over \$150,000,000. Typically 60% of capital cost is equipment and materials and 40% is labor. Based on this distribution, approximately \$90,000,000 will be spent on equipment and materials and approximately \$60,000,000 on labor. Using a conservative multiplier of 2.5<sup>1</sup>, every dollar of new expenditure in a community produces \$2.50 in additional income. Therefore, the impact of the construction of the ecoPower project on the regional economy will be quite large. Assuming that a minimum of 50% of the construction labor dollars and 5% of the value of construction materials will flow directly through the regional economy, the total economic impact on the region during the approximate 2 year construction period will be at least \$82,500,000.

### **Economic Impact of Operations**

Once construction is completed, the plant will operate 24 hours per day, seven days per week with a significant contingent of employees to operate and maintain the plant during regular work days and a reduced staff operating the plant on the night shifts and weekends.

ecoPower will have approximately 40 full time employees, in positions such as plant manager, plant operators, fuel procurement specialists, wood yard labor and security personnel. During the operational phase of the plant ecoPower will maximize local hiring by seeking assistance from the local vocational school and community college to train potential employees. While a few highly skilled personnel may come from outside the region, it is expected that the majority of the work force can be recruited and trained locally. The annual payroll for the operation of the plant will be in excess of \$2,600,000.

The plant will purchase wood biomass, byproducts, pulp wood, and forest product residuals for fuel. Supply of these commodities will result in numerous truck drivers hired to transport the materials from their point of origin to the plant. The annual labor expense for this transportation service is expected to be about \$1,500,000.

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<sup>1</sup> A multiplier of 2.5 assumes that \$0.60 of each dollar of additional income is spent, a conservative assumption for a depressed region like eastern Kentucky.

Periodically the plant will undergo major maintenance. These outages will employ significant numbers of skilled craftsmen, similar to those employed during plant construction. It is expected that the annual labor cost for these maintenance activities will range from \$100,000 to as much as \$2,000,000.

The first year operating budget for the project includes the following annual expenditures:

Payroll	\$ 2,618,000
Fuel Expenditure	\$12,495,000
Water Expenditure	\$ 90,000
Operation & Maintenance Expenditures	\$ 1,104,000
<b>Total</b>	<b>\$16,307,000</b>

It is expected that annual expenses will increase at a rate of 2.5% to 3% per year.

### **Economic Impact of Fuel Supply**

The plant will purchase wood industry byproducts, low quality logs and other woody biomass for fuel from an approximate 75-mile radius of the Project. Approximately 500,000 tons of fuel will be used annually. Pine Mountain Lumber, the sister company of ecoPower, will supply at least 1/4 of the fuel. Fuel will be transported to the site by truck by various loggers and other vendors. Previously, the Coalfields Regional Industrial Park site contained a large engineered lumber manufacturer, Weyerhaeuser, which used over 400,000 tons of wood per year, a similar volume to that planned for the ecoPower facility. This business is no longer in operation. However, the Weyerhaeuser facility was able to utilize only 6 of the 35 commercially available hardwood timber species present in the ecoPower procurement area. ecoPower will be able to utilize all commercial hardwood timber species present in the same procurement area.

The wood biomass used by ecoPower will come from a variety of sources, species, and parts of trees. By providing a market for underutilized low quality logs, ecoPower will provide eastern Kentucky landowners an unprecedented opportunity to improve the health and vigor of their forests for future generations. By providing a market for wood manufacturing byproducts ecoPower will improve the strength of existing forest product industries. The Project will help foster and promote sound forest management practices, including sustainable harvesting, conservation and optimizing the economic value of our forest resources. The importance of sustainable forestry practices is a focus for ecoPower. The company employs a professional forester responsible for promoting sustainable forest management and fuel procurement.

## Downstream Economic Impacts

In addition to the direct payroll expenditures, the presence of the Project will benefit other businesses and industries in the area. The Industrial Park will benefit directly as the Project will occupy 125 acres in the Coalfields Regional Industrial Park. The Project will reinvigorate the industrial park by replacing jobs, revenue and ancillary economic activity that were lost when the Weyerhaeuser plant located just south of the ecoPower site closed in 2009.

Payroll flowing to both construction workers and full time operations staff will increase spending in the region for food, travel and entertainment. The housing market in the Project area will also benefit from the Project, both with temporary housing needed for the construction staff and longer term housing purchases by operational staff either moving into the community or current residents, moving up in housing choices due to a stable work environment.

## Economic Impact to Property Tax Receipts

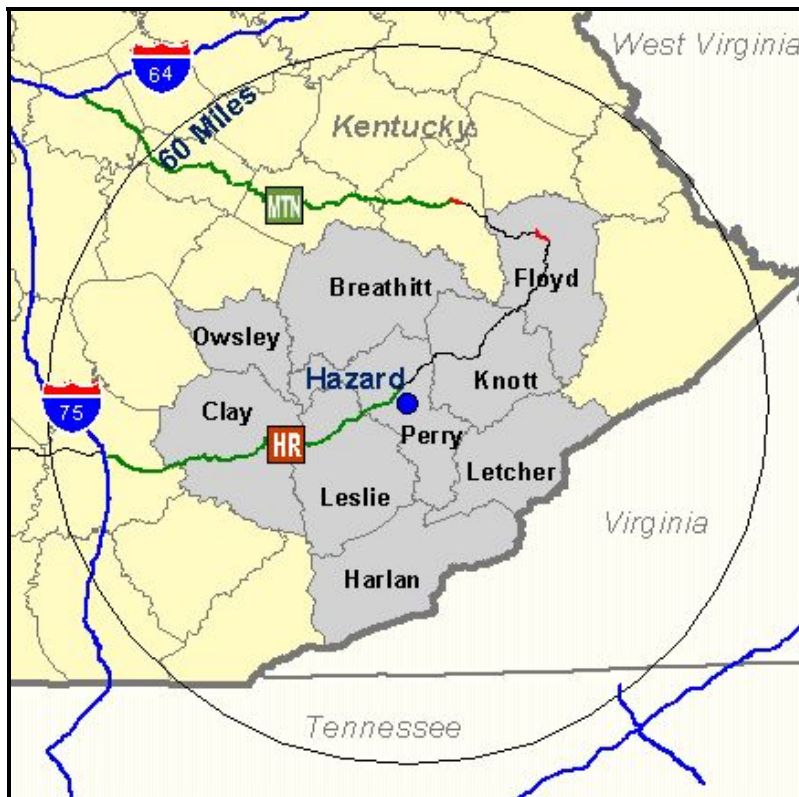
The impact of the project on public tax receipts will also be significant. As only one example, looking at a reasonable estimate of the impact relating to property taxes is illustrative. Following discussions with the Perry County Property Valuation Administrator's office, the beneficial impact for the area will be significant. Assuming that the property in Perry County would increase in value by \$90,000,000 with the construction and operation of the power generating facility, potential tax receipts impacts of over **\$560,000 annually** would be realized as follows:

- Resulting taxes would probably be a combination of real property taxes and tangible (machinery & equipment) taxes. The listing below is the result of applying tax rates for Perry County Common Districts (refer to **Exhibit H2 Perry County 2009 Tax Rates**) to an allocation of 40% of the increased value to real estate and 60% to machinery & equipment. This analysis which is an estimate, includes the exemption of manufacturing and pollution control equipment from local taxation.
  - \$290,905 to the state
  - \$37,260 to the county
  - \$149,040 to the school system
  - \$83,169 to the library, extension service, health department, soil conservation, etc.

These tax revenues would support the community **every year** for years. These rough estimates do not consider the impact of payroll taxes, sales taxes or other revenue streams. Nor do these figures represent the down stream effect of the additional jobs created to support this venture.

### Impact to Employment

The Labor Market for the Project area includes at least Perry, Breathitt, Floyd, Knott, Letcher, Leslie, Clay and Owsley Counties. The Project will have a significant beneficial impact on this labor market first with the construction jobs to be filled, then with permanent employment and the expected increase in jobs in associated industries.



**Perry County Labor Market**

The labor force in this defined region has experienced an increase in unemployment over the past several months of the current recession. The statistics below, from the U.S. Department of Labor, Bureau of Labor Statistics illustrate the impact of the loss of jobs within the labor market with a doubling of unemployed from 6.9% to 12.7% in the space of one year. Prior to the current downturn, the unemployment rate in this area had been fairly stable although

markedly higher than Kentucky as a whole. The construction and operation of the Project will have a beneficial impact on these numbers.

### Civilian Labor Force

	Perry County		Labor Market Area	
	2008	Oct. 2009	2008	Oct. 2009
Civilian Labor Force	11,152	11,445	69,094	70,145
Employed	10,378	9,987	63,802	61,316
Unemployed	774	1,458	5,292	8,829
Unemployment Rate (%)	6.9	12.7	7.7	12.6

Source: U.S. Department of Labor, Bureau of Labor Statistics.



## 11.0 ENVIRONMENTAL VIOLATION RECORD

### **KRS 278.706(2)(k)**

*A detailed listing of all violations by it, or any person with an ownership interest, of federal or state environmental laws, rules, or administrative regulations, whether judicial or administrative, where violations have resulted in criminal convictions or civil or administrative fines exceeding five thousand dollars (\$5,000). The status of any pending action, whether judicial or administrative, shall also be submitted*

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Neither ecoPower, nor any person with an ownership interest in the Project, have violated any federal or state environmental laws, rules or administrative regulations. There are no pending judicial or administrative actions for violating any environmental requirement that have been filed against ecoPower or any person with an ownership interest.

## 12.0 SITE ASSESSMENT REPORT

### **KRS 278.706(2)(I)**

*A site assessment report as specified in KRS 278.708. The applicant may submit and the board may accept documentation of compliance with the National Environmental Policy Act (NEPA) rather than a site assessment report.*

---

The Site Assessment Report is included in **Exhibit J**.

## 13.0 ENVIRONMENTAL PERMIT LIST

### **KRS 278.704(1)**

*The certificate shall be conditioned upon the applicant obtaining necessary air, water and waste permits.*

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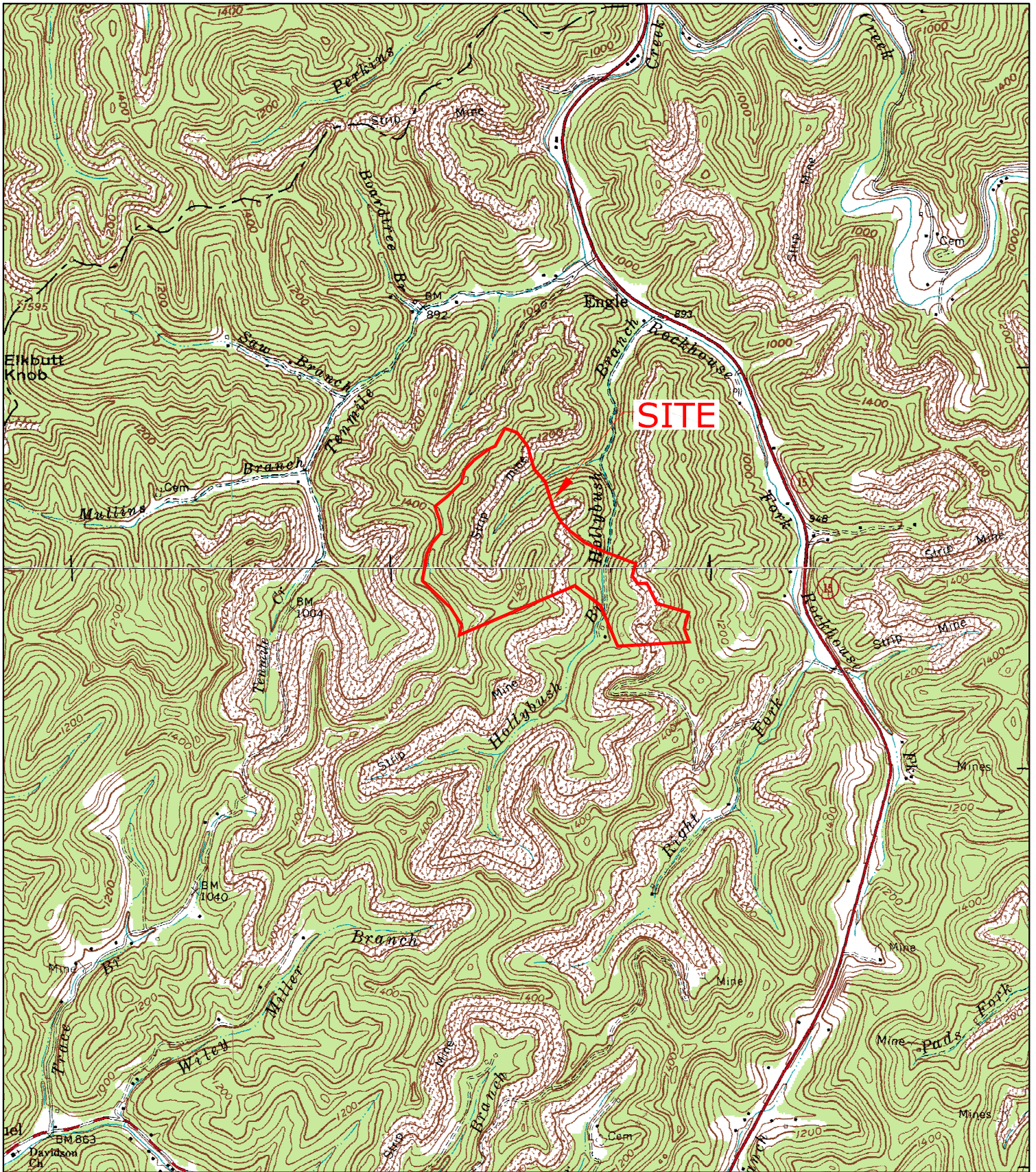
Construction and operation of the project is dependent upon receipt of several state and federal permits. The following permits will have to be issued or applications submitted for authorization of relevant portions of this Project. Status of the applications is included with each permit discussion.

- Kentucky Division for Air Quality: Synthetic Minor Title V Air Quality Permit
  - Application submitted November 17, 2009; currently under review
- Kentucky Division of Water: Stormwater Permit
  - Application in development; anticipated submittal in the first quarter of 2010
- Kentucky State Board on Electric Generation and Transmission Siting
  - Application submitted February 12, 2010
- Stack Height Obstruction Determination – Federal Aviation Administration
  - Application in development; anticipated submittal first quarter 2010
- Kentucky State Approval of FAA Certificate
  - Application in development; anticipate submittal on receipt of FAA certificate

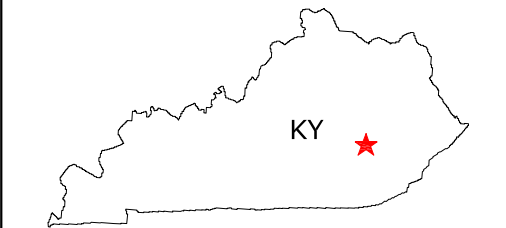
A copy of the Air Permit Application is provided in **Exhibit K**.

## **FIGURES**

**Figure 1**  
**Site Location Map**



1405 Mercer Road  
Lexington, KY 40511  
1860 B Williamson Court  
Louisville, KY 40223  
www.smithmanage.com



**N**  
↑  
↓  
**Q**

QUADRANGLE INFORMATION  
NORTHERN QUAD:  
HADDIX, KY. - 1972  
SOUTHERN QUAD:  
KRYPTON - 1972

SITE LOCATION MAP	
ECOPOWER GENERATION, L.L.C. PERRY COUNTY, KENTUCKY	
SCALE: 1"=2000'	<b>FIGURE</b>  <b>1</b>
DATE: 1/11/10	
PREPARED BY: KAF	
CHECKED BY: JTK	
JOB NO. 2009-4752B	

**Figure 2**  
**Conceptual Site Plan**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 2, Conceptual Site Plan, page size*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

Maps will be available for viewing at the Public Service Commission and at any public hearing.



**Figure 3**  
**Setback, Site Layout and**  
**2000-Foot Vicinity Map**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 3, Setback Site Layout & 200' Vicinity Map,  
42" x 30"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

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Maps will be available for viewing at the Public Service Commission and at any public hearing.

**Figure 4**  
**2-Mile Site Vicinity Map**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 4, 2 mile Site Vicinity Map, 42" x 30"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

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Maps will be available for viewing at the Public Service Commission and at any public hearing.

**Figure 5**  
**Transmission Route and**  
**1-Mile Vicinity Plan**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 5, Transmission Line Route and 1 mile Vicinity Map, 42" x 30"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

Maps will be available for viewing at the Public Service Commission and at any public hearing.

**Figure 6**  
**Transmission Line**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 6, Transmission Line Plan and Profile, 3 pages each 44" x 34"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

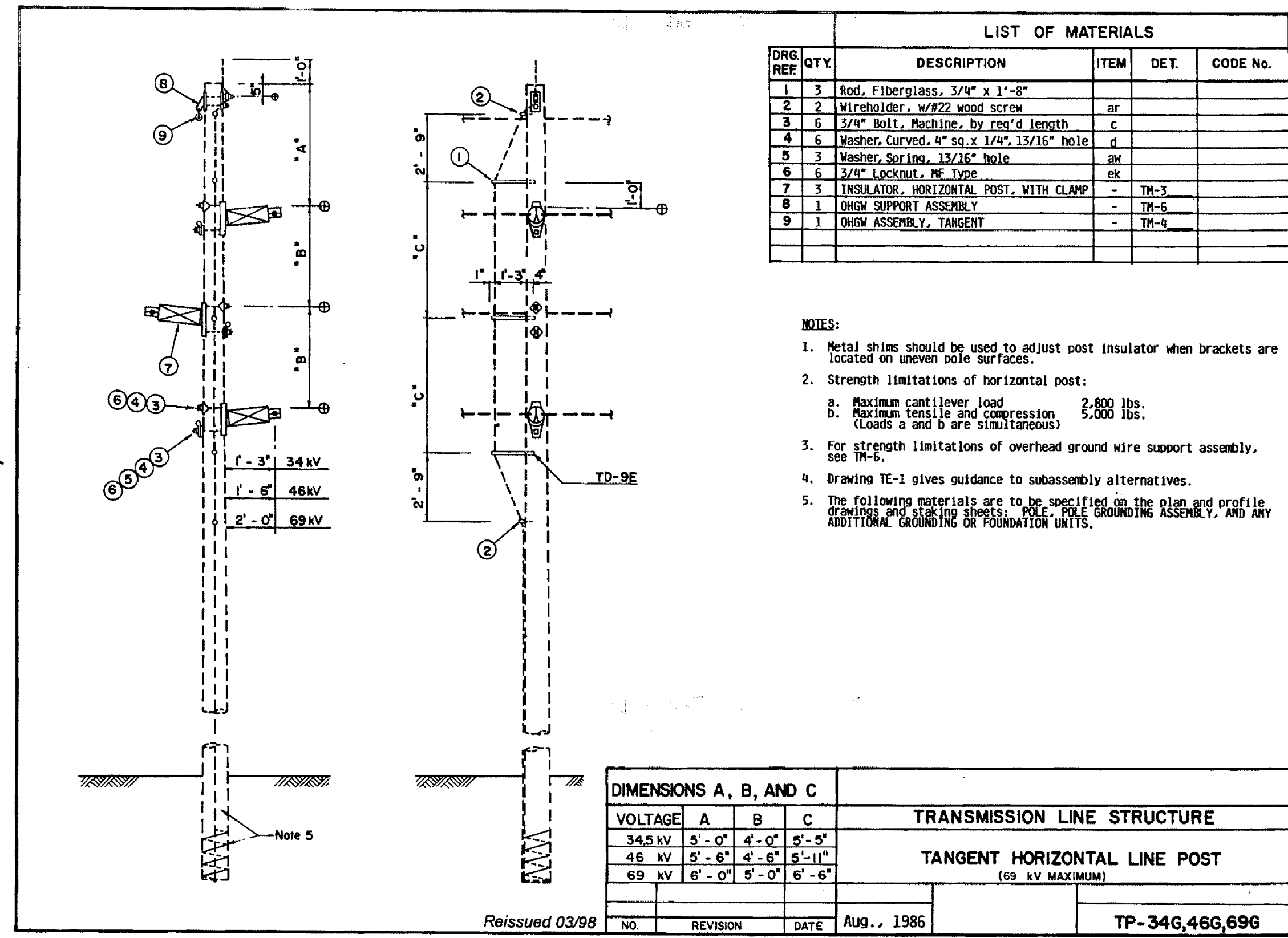
Maps will be available for viewing at the Public Service Commission and at any public hearing.



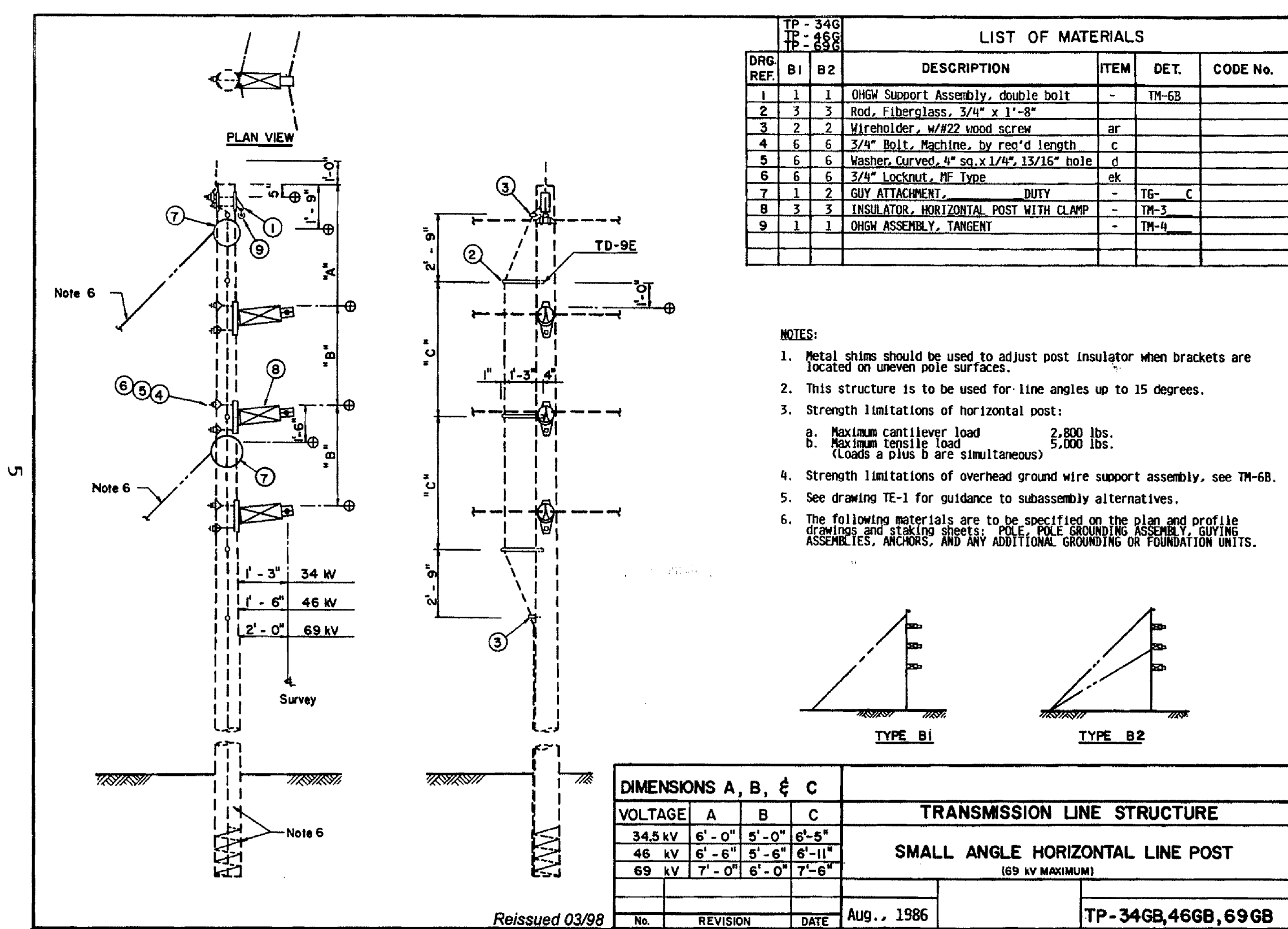




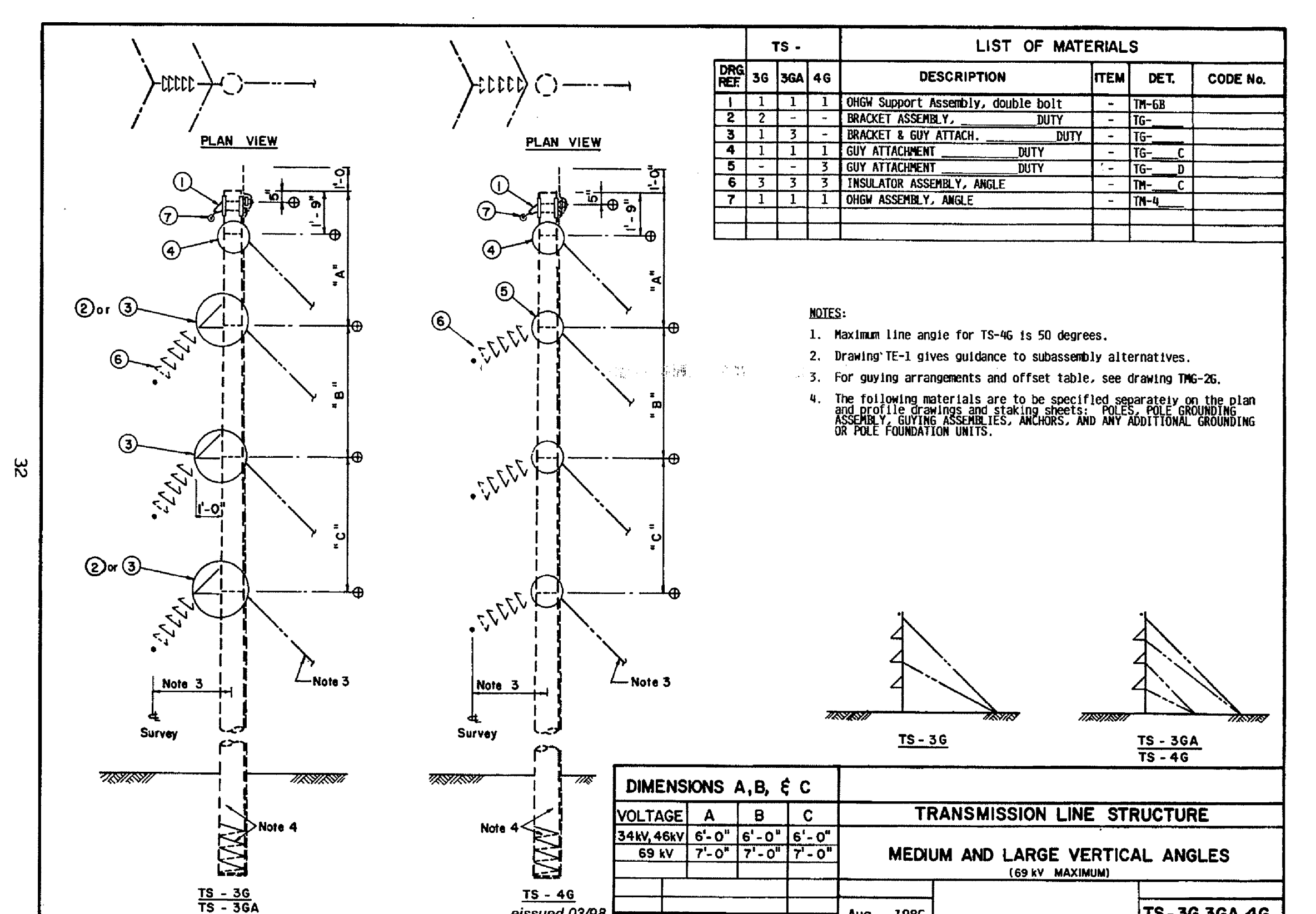
**Figure 7**  
**Transmission Line**  
**Typical Structures**



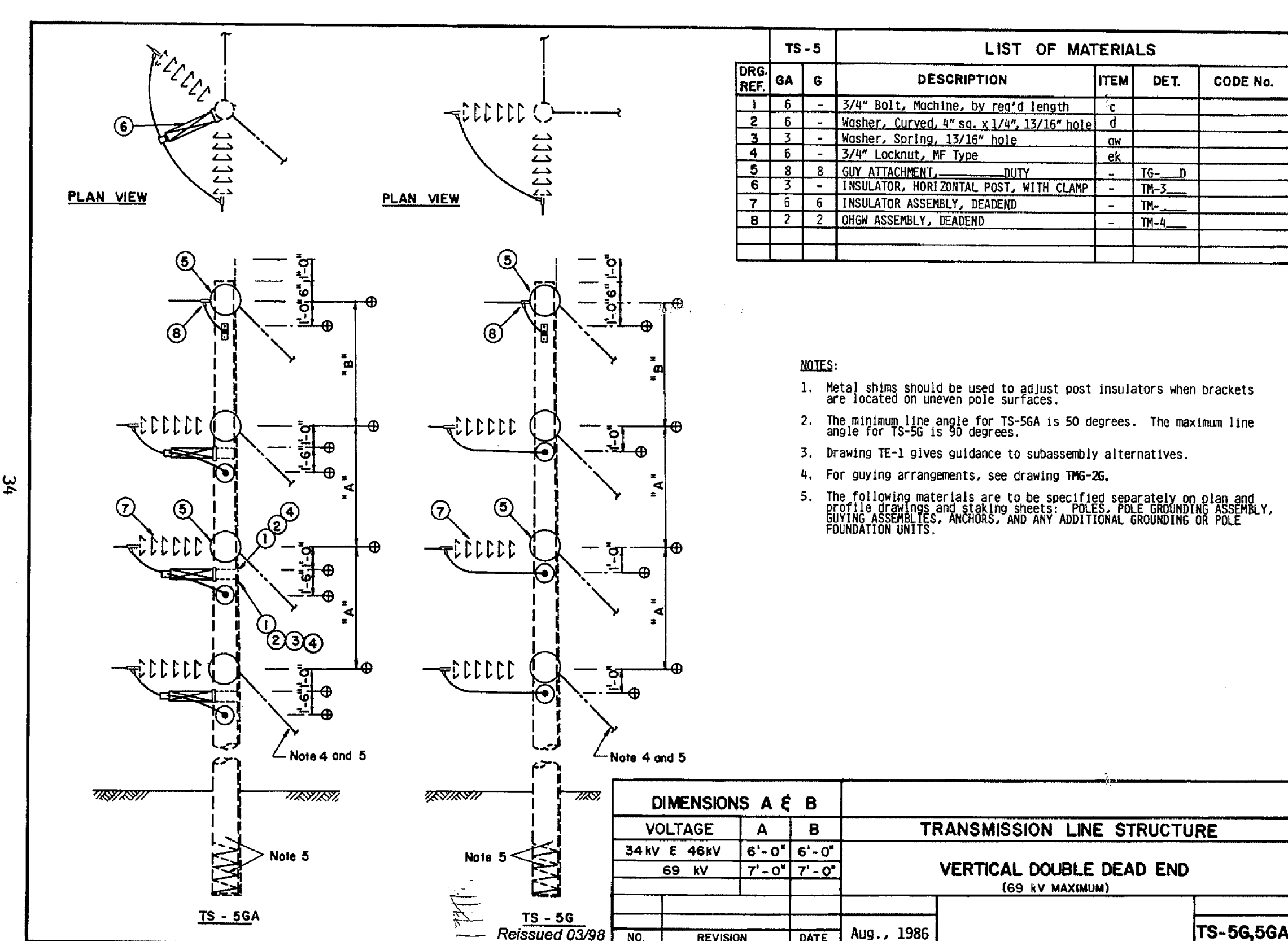
TP-69G



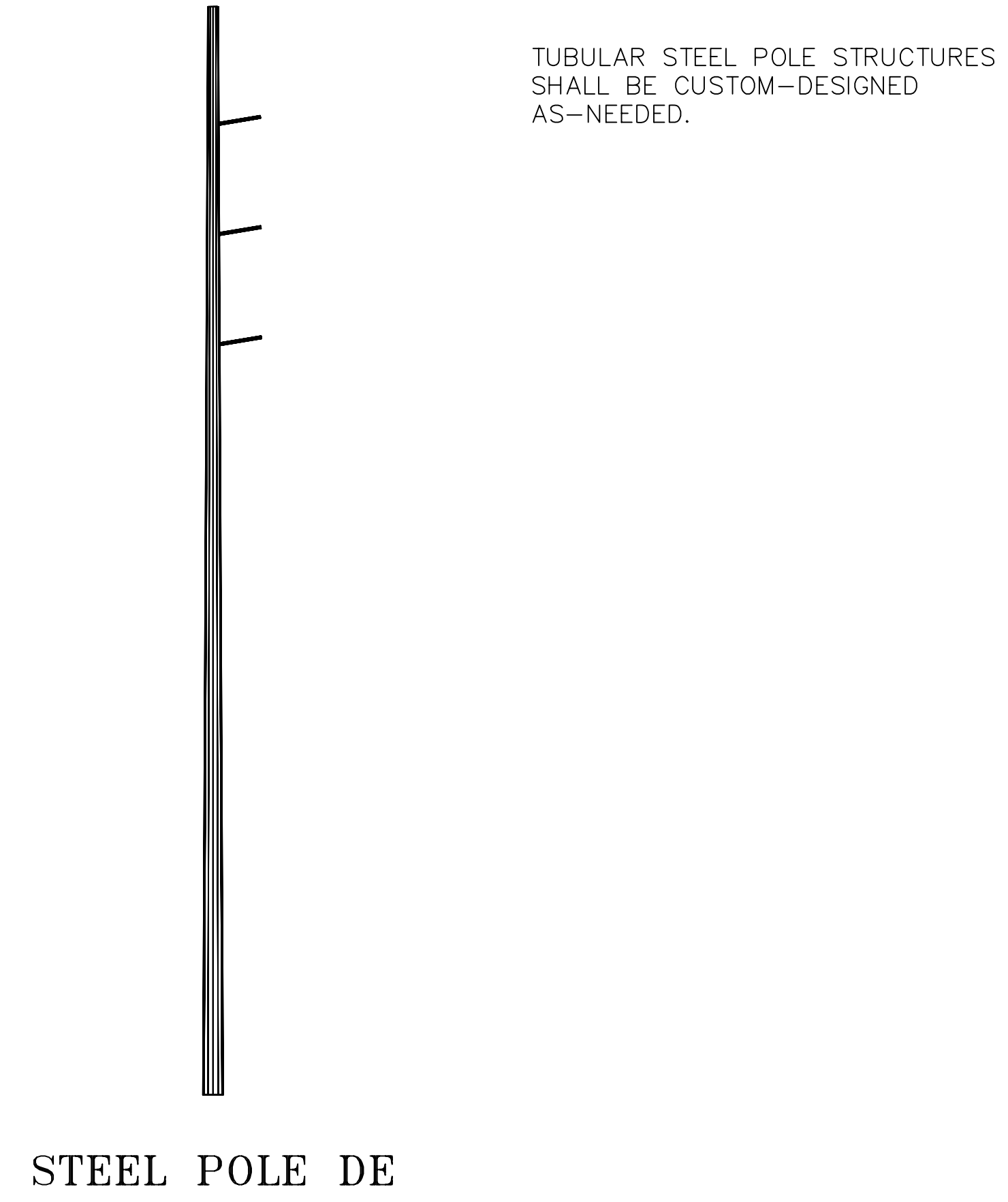
TP-69GB



TS-4G



TS-5G



NOTES

DRAWINGS TAKEN FROM RUS BULLETIN 1728F-810, "ELECTRIC TRANSMISSION SPECIFICATIONS AND DRAWINGS, 34.5 kV THROUGH 69 kV".

STRUCTURE DRAWINGS SHOWN AS REFERENCE. ACTUAL CONFIGURATION TO BE DETERMINED DURING DETAILED DESIGN.

FIGURE 7

NOT FOR CONSTRUCTION

DRAWING RELEASE RECORD						DRAWING RELEASE RECORD					
REV.	DATE REL'D.	PREPARED	REVIEWED	APPROVED	PURPOSE	REV.	DATE REL'D.	PREPARED	REVIEWED	APPROVED	PURPOSE
O	12/07/09	C.N. BOLIN	D.F. ZYLSTRA		ISSUED FOR COMMENTS	A	1/12/10	D.F. ZYLSTRA	B.C. WOOD		FOR CLIENT COMMENTS
A	1/12/10	D.F. ZYLSTRA	S. ROY		FOR CLIENT COMMENTS	B	1/19/10	D.F. ZYLSTRA	S. ROY		FOR CLIENT COMMENTS



CONTRACTOR/INSTALLER SHALL TAKE ALL APPROPRIATE PRECAUTIONS TO ENSURE THE SAFETY OF ALL PEOPLE LOCATED ON THE WORK SITE, INCLUDING CONTRACTOR'S/INSTALLER'S PERSONNEL (OR THAT OF ITS SUBCONTRACTOR(S)) PERFORMING THE WORK.

FILENAME: Figure7.dwg

SCALE: NONE

PROJECT NUMBER: 12616-002

**TRANSMISSION LINE TYPICAL STRUCTURES**  
KENTUCKY SITING BOARD APPLICATION

50 MW NET UNIT  
ECO POWER

DRAWING NO. **FIGURE 7**  
SHEET 1 OF 1

REV. **B**

**Figure 8**  
**CSK-2 Transmission Route Alternatives**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure 8, Transmission Line Routing, 42" x 30"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

Maps will be available for viewing at the Public Service Commission and at any public hearing.

**Figure J1**  
**Plant Elevation**

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Figure J1, Plant Elevation, 48" x 36"*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

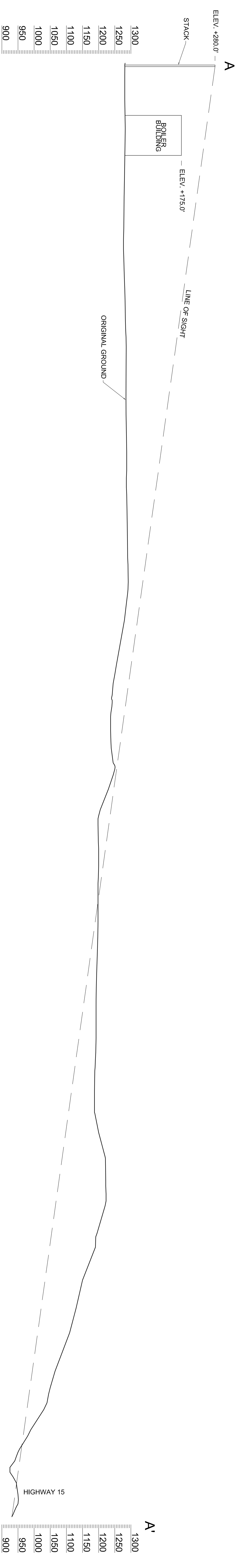
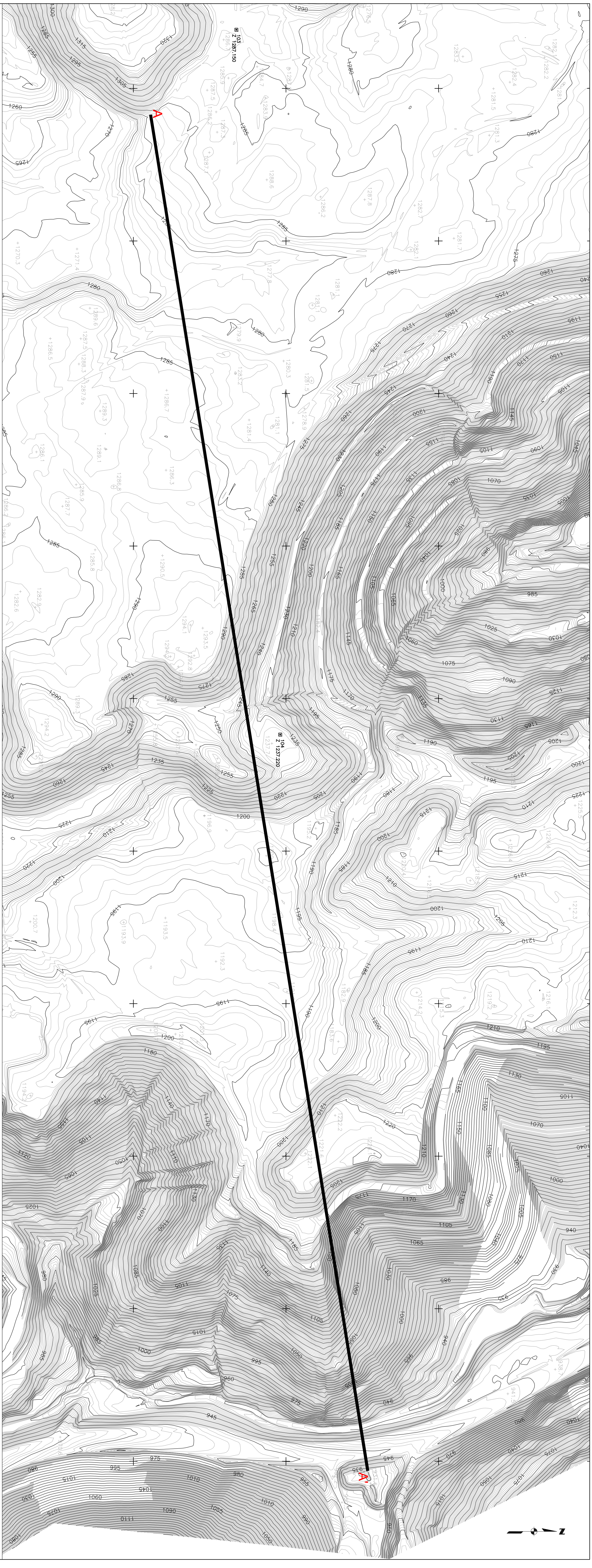
Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.


Maps will be available for viewing at the Public Service Commission and at any public hearing.



**Figure J2**  
**Line of Sight Profile and Location Map**



NOTE: MAPPING PROVIDED BY GRW, INC.

 Smith Management Group 1415 Marcor Road Lexington, KY 40511 1860 B Williamson Court Louisville, KY 40223 www.smithmgroup.com		LINE OF SIGHT PROFILE AND LOCATION MAP ECOPOWER GENERATION, L.L.C. FERRY COUNTY, KENTUCKY	
SCALE: 1"=100'	DATE: 1/14/10	JOB NO. PREPARED BY: KAF	FIGURE 12
CHECKED BY: SSS			

## **EXHIBITS**

**EXHIBIT A1**

**Site Option Agreement**

## OPTION TO PURCHASE AND GRANT OF RIGHT OF ENTRY

THIS OPTION TO PURCHASE AND GRANT OF RIGHT OF ENTRY (the "Agreement") is executed actually on the dates indicated in the notarial certificates affixed following the signatures of the parties below, but is made and entered into effective as of this 7<sup>th</sup> day of October, 2009, by and between: [i] **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, having an address 917 Perry Park Road, Hazard, Perry County, Kentucky 41701 (the "Optionor"); and [ii] **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company having an address of 1256 Manchester Street, Lexington, Fayette County, Kentucky 40504 (the "Optionee").

### RECITALS:

A. Subject to and in accordance with the terms of this Agreement, the Optionor desires to grant to the Optionee, and the Optionee desires to accept from the Optionor, an option to purchase up to 125 acres as more particularly described on Exhibit A-1 attached hereto (the "Option Property") constituting a portion of the real property located in Hazard, Perry County, Kentucky, commonly known as the Coal Fields Regional Industrial Park as depicted the map attached hereto as Exhibit A-2 for the purpose of constructing and operating a 50 megawatt biomass-fueled power plant and generating facility and for such other purposes as the Optionee deems related, incidental or ancillary activities (the "Business").

B. The Optionor and the Optionee desire to enter into this Agreement to more particularly set forth their understanding regarding the Option to Purchase granted in favor of the Optionee.

**NOW THEREFORE**, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. Grant of Option to Purchase; Restriction on Sale. In consideration of the payment by the Optionee to the Optionor of the "Option Consideration" as set forth below, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Optionor, and in accordance with the terms and subject to the conditions of this Agreement, the Optionor hereby grants, conveys and warrants unto the Optionee, or its successors and assigns, the right and option to purchase the Option Property (the "Option to Purchase"), upon delivery of the Notice of Exercise as provided in Section 3 below, at any time before 5:00pm, on October 1, 2012 (the "Expiration Date"). The Optionor agrees that it shall not, prior to the Expiration Date or the earlier termination of this Agreement as provided in Section 9, sell or offer to sell the Option Property to anyone other than the Optionee or its assignee as provided in Section 10 below.

In the event the Optionee shall elect to purchase a portion but not all of the Option Property, then the Optionor and Optionee shall negotiate in good faith and use their best efforts to fix the boundary lines of the portion of the property thus selected. In fixing such boundary lines, the parties shall avoid the creation of any residual parcel which would be inaccessible to public rights of way and utilities or a parcel which, in the exercise of Optionor's reasonable judgment and discretion, would constitute an uneconomic remnant not reasonably useful for the purpose for which the Optionor is to hold and develop such property. In the event the parties are unable to agree upon the boundary lines of the tract to be purchased by the Optionee, then neither party shall have any further obligation to the other.

2. **Option Consideration.** The Optionee hereby agrees to pay to the Optionor, as the consideration for the Optionor entering into this Agreement an amount equal to Thirty Thousand Dollars (\$30,000.00)(the "**Option Consideration**"). The Option Consideration shall be payable as follows: [i] an amount equal to \$20,000.00 shall be paid by the Optionee to the Optionor on the date which the Optionee and the Optionor have fully executed this Agreement; [ii] an amount equal to \$5,000.00 shall be paid by the Optionee to the Optionor on [October 1, 2010]; and [iii] an amount equal to \$5,000.00 shall be paid by the Optionee to the Optionor on [October 1, 2011]. The Optionee hereby recognizes, acknowledges and agrees that the Option Consideration is being given to the Optionor in consideration of, and as an inducement to, the Optionor entering into this Agreement. Accordingly, subject to the right of the Optionee to terminate this Agreement as provided in Section 9 below, each installment of the Option Consideration shall be deemed to be earned upon payment made by the Optionee, shall be non-refundable, and shall be retained by the Optionor in full even if the Optionee does not elect to exercise the Option to Purchase pursuant to the terms of this Agreement. If the Optionee fails to timely make payment of any installment of the Option Consideration as provided in this Section 2, the Optionor agrees to deliver a written notice to the Optionee informing the Optionee that it did not timely make such payment (the "**Non-Payment Notice**"). The Optionee shall have an additional period of thirty (30) days following receipt of any such Non-Payment Notice from the Optionor in which to make such payment and the applicable payment shall be considered to have been timely made as provided herein if the Optionee makes such payment to the Optionor within such additional thirty (30) day period. If the Optionee fails to timely make payment of any installment of the Option Consideration as provided in this Section 2 before the expiration of the additional thirty (30) day period following receipt of any such Non-Payment Notice, this Agreement shall terminate as contemplated by Section 9 below.

3. **Election to Exercise; Notice of Exercise.** If the Optionee desires to exercise the Option to Purchase in its sole discretion, the Optionee shall give written notice of such election to the Optionor on or before the Expiration Date (the "**Notice of Exercise**"). The Notice of Exercise shall be deemed sufficient if personally delivered or sent by registered or certified mail, return receipt requested, to the address of the Optionor first set forth in this Agreement above. Time shall be of the essence in connection with the delivery of the Notice of Exercise. If the Optionee fails to deliver the

Notice of Exercise to the Optionor on or before the Expiration Date, this Agreement shall automatically terminate.

4. **Purchase Price.** If the Optionee timely elects to exercise the Option to Purchase as provided in Section 3 of this Agreement, the purchase price payable by the Optionee for the conveyance of the Option Property (the "**Purchase Price**") shall be calculated as follows: [i] an amount equal to Ten thousand Dollars (\$10,000.00) per acre, **multiplied by** [ii] the exact number of acres of the Option Property which the Optionee elects to purchase as set forth in the Notice of Exercise and as evidenced by the survey obtained by the Optionee in connection with the Closing. For example, if the Optionee exercises the Option to Purchase with respect to the entire 125 acres comprising the Option Property, the Purchase Price will be \$1,250,000.00 (**i.e.**, \$10,000.00 [price per acre], **multiplied by** 125 [number of acres] = \$1,250,000.00). The Purchase Price shall be payable in full on the Closing Date described below and upon the closing of the transactions contemplated by this Agreement. The Optionor acknowledges and agrees that the Optionee shall receive a credit against the Purchase Price otherwise payable to the Optionor hereunder in an amount equal to the total Option Consideration paid by the Optionee (whether to the Optionor or its predecessor-in-interest to the Option Property) under this Agreement prior to the Closing Date (as defined below).

5. **Right of Entry; Inspections; Investigations; Due Diligence.** From and after the date of this Agreement first set forth above, the Optionor hereby grants to the Optionee the full and unrestricted continuing right to enter upon the Option Property for the purpose of conducting at its sole cost and expense such inspections, investigations and other due diligence relating to the Option Property, including, without limitation, soil borings on the Option Property and otherwise with respect to the Business and the transactions contemplated hereby, as the Optionee deems necessary and desirable, in its sole discretion (the "**Right of Entry**"). The Right of Entry granted by the Optionor in favor of the Optionee as provided in the forgoing sentence shall be exercisable in such manner as the Optionee deems appropriate. The Optionee hereby indemnifies and agrees to hold harmless and defend the Optionor and its Directors and Officers from and with respect to any and all claims, demands, actions and causes of action arising out of the exercise of the Right of Entry by the Optionee as provided herein.

6. **Closing; Closing Date.** If the Optionee timely provides a Notice of Exercise, the closing of the purchase and sale of the Option Property as contemplated by this Agreement (the "**Closing**") shall be at a time and place designated by the Optionee and shall occur not later than thirty (30) days following the date of the Notice of Exercise as provided in Section 3 (such date being referred to herein as the "**Closing Date**"). At and as of the Closing, [i] the Optionor shall execute, acknowledge and deliver to the Optionee, a good and sufficient Deed of Conveyance conveying title to the Option Property substantially in the form of **Exhibit B** attached hereto; [ii] the Optionee shall deliver the Purchase Price, in immediately available funds as directed by the Optionor; and [iii] the Optionor and the Optionee shall enter into such other documents and instruments as are customary in transactions similar to those contemplated by this Agreement or as otherwise reasonably acceptable to the Optionor and the Optionee. At

the Closing, the Option Property shall be conveyed to the Optionee free and clear of all liens, encumbrances and other defects in title or ownership of any kind or nature, except such restrictions, covenants, stipulations and other matters of record set forth on **Exhibit C**. The costs of curing any title defects or liens with respect to (or otherwise encumbering) the Option Property shall be borne by the Optionor as a credit in favor of the Optionee against the Purchase Price. Possession of the Option Property shall be delivered to the Optionee on the Closing Date.

7. **Damage to Property.** If the Optionee elects to exercise the Option to Purchase, and prior to the Closing Date, any damage occurs to the Option Property, any insurance proceeds (and the right to pursue recovery thereof) maintained by or for the benefit of the Optionor shall inure to the benefit of the Optionee, and the Optionee shall have the right, in its sole discretion, to terminate the Notice of Exercise upon the occurrence of any such damage or to collect the insurance proceeds from the Optionor and complete the purchase the Option Property.

8. **Remedies upon Default.** If the Optionor or the Optionee shall at any time be in default in the performance of any of the covenants, terms, conditions or provisions of this Agreement and shall fail to remedy such default within thirty (30) days after receipt of written notice thereof from the other party, such other shall have the right to seek specific performance or an injunction, as applicable, and to recover all other damages allowed by law or in equity, provided that if the Optionee fails to timely make payment of any installment of the Option Consideration as provided in Section 2 above before the expiration of the additional thirty (30) day period following receipt of any such Non-Payment Notice, this Option shall terminate as contemplated by Section 9 below.

9. **Termination.** The Optionor understands that the Optionee does not intend to exercise the Option to Purchase with respect to the Option Property as granted in this Agreement (i) unless and until it receives preliminary approval from the Kentucky Economic Development Finance Authority for all appropriate incentives under the Kentucky Incentives for Energy Independence Act; (ii) if it determines that the Option Property is unsuitable for the Business; or (iii) it otherwise determines that it will not conduct the Business on the Option Property. If the Optionee does not timely elect to exercise the Option to Purchase, or the Optionee does not otherwise timely make a payment of any installment of the Option Consideration as provided in Section 2 above and this Agreement lapses, all of the Option Consideration paid by the Optionee prior to such date shall be retained by the Optionor and the Optionee shall be fully and finally released from the obligation to make any further payment of any additional installment of the Option Consideration otherwise due thereafter and this Option shall thereupon terminate and neither party shall have any further liability to the other.



10. **Assignment.** The Optionee may freely assign this Agreement in its sole discretion to any affiliate of Optionee without the prior written consent of the Optionor, and upon any such assignment, such assignee shall have all of the rights, remedies and obligations as if it were originally named as the Optionee hereunder; provided, however, no such permitted assignment shall relieve the Optionee of its obligations under this Agreement in the event of non-performance by such permitted assignee. From and after any such assignment, the term "Optionee" shall refer to such assignee.

11. **Brokers.** Each of the parties hereto represents and warrants to the other party that it has not engaged or dealt with any real estate broker or agent in connection with the transactions contemplated by this Agreement and hereby indemnifies, and agrees to hold the other party wholly harmless from and against, any and all fees or commissions which may be claimed by any such real estate broker or agent in connection with any action taken by such party with respect to the transactions contemplated hereby.

12. **Insurance.** Optionee shall, at its sole cost and expense, at all times during the term of this Agreement maintain in effect a policy or policies of a commercial general liability insurance with minimum limits of \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$1,000,000 for damage to or destruction of properties in any one occurrence, which shall be applicable to the Option Property and any access and utility easements appurtenant thereto. Optionee shall name Optionor, as an additional insured as its interests may appear in regards to the aforementioned commercial general liability insurance policy and shall furnish Optionor with certificates of insurance and appropriate endorsements upon its request.

13. **Expenses.** Each party hereto shall bear all of its own expenses in connection with the negotiation, execution or settlement of this Agreement and the Closing of the transactions contemplated hereby. If the Optionee timely elects to exercise the Option to Purchase and acquires the Option Property, the Optionor shall pay such expenses as are customarily paid by a seller of real estate, and the Optionee shall pay such expenses as are customarily paid by a buyer of real estate, in each instance in Perry County, Kentucky. Notwithstanding the foregoing, the Optionee agrees that any and all costs incurred in connection with obtaining an environmental report, title commitment and survey of the Option Property shall be paid solely by the Optionee.

14. **Entire Agreement.** This Agreement and the other documents and instruments executed and delivered in connection herewith or therewith contain the entire agreement between the parties hereto with respect to the subject matter hereof. No modification or amendment of this Agreement shall be binding upon any party unless made in writing and signed by each of the parties hereto.

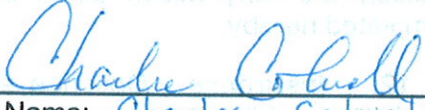
15. **Governing Law.** This Agreement shall be governed by and shall be construed in accordance with the laws of the Commonwealth of Kentucky in all respects.

16. **Recording.** The Optionee shall have the right, in its sole discretion but upon the prior written notice to the Optionor, to record a short-form memorandum of this Agreement in the form of **Exhibit D** attached hereto and incorporated herein by this reference in the Office of the Clerk of Perry County, Kentucky (the "**Clerk's Office**").

**IN TESTIMONY WHEREOF**, witness the signatures of the Optionor and the Optionee as of the effective date first above written.

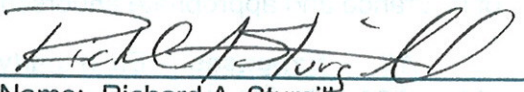
**"OPTIONOR"**

COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC., a Kentucky corporation f/k/a PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.

By:   
Name: Charles Colwell  
Title: Chairman

**"OPTIONEE"**

ECOPOWER GENERATION, LLC,  
a Kentucky limited liability company

By:   
Name: Richard A. Sturgill  
Title: Chairman

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF PERRY )

The foregoing instrument was subscribed, sworn to and acknowledged before me this 17<sup>th</sup> day of October, 2009, by [Charles Colwell], as [Chairman] of **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, on behalf of such corporation.

Notary Public:

Printed Name:

My Commission Expires:

My County of Residence:

Patricia E. Nidiffer

Patricia E. Nidiffer

11/19/2011

Perry

[AFFIX NOTARIAL SEAL]

COMMONWEALTH OF KENTUCKY )

COUNTY OF PERRY )

SS:

The foregoing instrument was subscribed, sworn to and acknowledged before me this 7<sup>th</sup> day of October, 2009, by Richard A. Sturgill as a duly authorized officer and manager of **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company, on behalf of such limited liability company.

Notary Public: Patricia E. Nidiffer  
Printed Name: Patricia E. Nidiffer  
My Commission Expires: 11/19/2011  
My County of Residence: Perry

[AFFIX NOTARIAL SEAL]

**THIS INSTRUMENT PREPARED BY:**

\_\_\_\_\_  
Patrick W. Mattingly, Esq.  
WYATT, TARRANT & COMBS, LLP  
2800 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202  
502.589.5235

10342621.7

**EXHIBIT A-1**

(Legal Description of Option Property)

A tract of land within the Coal Fields Regional Industrial Park, formerly known as the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park, located in Perry County, Kentucky more specifically described as follows:

Beginning on a point being in the East of line the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Authority boundary and the Northeast corner of a lot owned by AODD Transportation, Inc.; thence with the North line of AODD Transportation, Inc.;

S 85\_-44'-10" W, 1032.41' to a point in the East right of way of a proposed street (roadway); thence with the East right of way of said street or roadway the following two calls;

N 23\_-00'-00" W, 634.53'

N 52\_-40'-34" W, 527.12'

to a point in said East right of way; thence, S 66\_-30'-58" W, 1855.08' crossing said road and intersecting the North right of way of a street or roadway to a point in the West outside boundary of the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park; thence, following the outside boundary line of said park the following calls and distances;

N 11_-28'-41" E	105.99'
N 33_-48'-21" W	319.24'
N 46_-39'-05" W	255.55'
N 46_-09'-03" W	311.98'
N 07_-23'-31" E	359.21'
N 23_-24'-44" E	163.46'
N 37_-30'-07" E	265.50'
N 08_-36'-54" W	142.52'
N-19_-37'-40" W	127.19'
N 17_-53'-09" W	135.67'
N 54_-40'-31" E	148.43'
N-44_-30'-11" E	365.78'
N 15_-19'-15" E	182.16'
N 39_-00'-01" E	158.21'
N 49_-50'-34" E	286.82'
N 59_-55'-09" E	139.96'
N 31_-41'-11" E	119.71'
N 27_-25'-16" E	184.15'
S 68_-57'-19" E	128.13'
S 44_-58'-32" E	267.95'

S 14_-58'-04" E	268.06'
S 20_-34'-58" E	106.68'
S 43_-12'-32" E	232.35'
S 18_-15'-10" E	471.75'
S 31_-12'-05" E	162.80'
S 43_-05'-03" E	218.23'
S 55_-17'-46" E	364.24'
S 65_-28'-14" E	325.96'
S 72_-47'-55" E	325.32'
S 63_-38'-02" E	103.95'
S 17_-43'-54" W	171.04'
S 32_-59'-59" E	187.30'
N 79_-41'-43" E	117.96'
S 28°-50'-55" E	337.26'
S 74°-44'-53" E	496.79'
S 13°-49'-27" W	217.82'
S 21°-13'-52" E	202.64'

to the point of beginning containing 124.98 acres or 5444175.7 square feet.

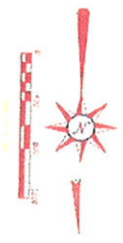
# EXHIBIT A-2

(Map of Coal Fields Regional Industrial Park)



Legend

Symbol	Description
[Red Line]	Proposed Boundary
[Blue Line]	Existing Boundary
[Green Line]	Proposed Road
[Yellow Line]	Existing Road
[Blue Dashed Line]	Proposed Utility
[Red Dashed Line]	Existing Utility
[Green Dashed Line]	Proposed Water
[Blue Dotted Line]	Existing Water
[Red Dotted Line]	Proposed Sewer
[Blue Dotted Line]	Existing Sewer
[Green Dotted Line]	Proposed Gas
[Blue Dotted Line]	Existing Gas





**EXHIBIT B**

(Form of Deed of Conveyance)

**DEED OF CONVEYANCE**

This **DEED OF CONVEYANCE**, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, with offices at 917 Perry Park Road, Hazard, Kentucky 41701, party of the first part ("Grantor"), and **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company having an address of 1256 Manchester Street, Lexington, Fayette County, Kentucky 40504 party of the second part ("Grantee").

**WITNESSETH:**

That said Grantor, for and in consideration of in the amount of [\_\_\_\_\_] ([\$\_\_\_\_\_]), the receipt and sufficiency of which is hereby acknowledged, bargained and sold and by these presents do hereby bargain, sell, grant and convey unto the Grantee, its successors and assigns forever, including both the surface and certain mineral rights (excluding oil and gas and appurtenant rights hereinafter described), a portion of the real property commonly known as the Coal Fields Regional Industrial Park on the Hollybush Branch and the Right Fork of the Rockhouse Fork of Tenmile Creek of Lost Creek of Troublesome Creek and Wiley Miller Branch of Grapevine Creek of the North Fork of the Kentucky River in Perry County, Kentucky, and more particularly described on Exhibit A-1, which is a portion of the real property depicted on the map attached as Exhibit A-2.

**SOURCE OF TITLE:** Being a portion of Parcel Nos. 1 (surface and mineral rights) and 3 (mineral rights only) of the property conveyed from **COASTAL COAL COMPANY, LLC**, to Grantor by deed dated September 30, 1998, and recorded in Deed Book 271, page 425, and a portion of the property (surface rights only) conveyed by **MOUNTAIN PROPERTIES, INC.**, to Grantor by deed dated September 30, 1998, and recorded in Deed Book 271, page 419, both of record in the Perry County Clerk's Office.

EXCEPTION NO. 1

This conveyance is subject to those certain rights of access to future utility services and to those reservations of easement or access rights in favor of Coastal Coal Company, LLC and Mountain Properties, Inc., and the lessees, licensees, successors and assigns of each, for ingress and egress to that property denoted as Coastal Coal Company LLC's tract #'s PE-239 and PE-241 which are contained in Deed Book 271, page 425 and Deed Book 271, page 419 in the Perry County Clerk's Office.

EXCEPTION NO. 2

This conveyance is expressly made subject to those rights and privileges reserved and excepted for development of certain oil and gas reserves by Coastal Coal Company, LLC in the Deed of Conveyance dated September 30, 1998 recorded at Deed Book 271, page 425 in the Perry County Clerk's Office, including (i) those rights granted to Kentucky West Virginia Gas Company by Virginia, Iron, Coal & Coke Company by deed dated April 17, 1939, and of record at Deed Book 72, page 311, records of the Perry County Clerk's Office; and (ii) those rights and privileges granted to the Hazard-Perry County Airport Board by VICC Land Company and Kentucky-West

Virginia Gas Company by deed dated April 29, 1980, and of record at Deed Book 182, page 644, records of the Perry County Clerk's Office.

#### EXCEPTION NO. 3

This conveyance is made subject to a continuing right of entry under mining permits issued pursuant to state and federal law and certain residual leasehold rights with respect to reclamation obligations under certain mining permits issued under state and federal law that survived the expiration or termination of the Indian Head Mining, Inc. and River Coal Company, Inc. Consolidated and Amended Lease Agreement dated November 11, 1977, which was assigned to Pro-Land, Inc. on January 25, 1983, and such rights as pertain to the use of the lease area for ingress and egress pursuant to that certain Surface Lease dated May 1, 1987 between Apache Mining Company d/b/a Enterprise Coal Company and Pro-Land, Inc., as the same may have been modified by unrecorded Agreement dated September 30, 1998 among Grantor, Coastal Coal Company, LLC, Pro-Land, Inc. d/b/a Kem Coal Company and Leslie Resources, Inc.

#### EXCEPTION NO. 4

Ingress and egress to and from the properties is subject to those rights of access and for utility easements granted by Enterprise Coal Company to Leslie Wood Products, Inc. by deed dated November 10, 1995 and recorded in Perry County Deed Book 254, page 784, and to KY MAY, Inc. by deed dated November 20, 1995 and recorded in Perry County Deed Book 255, page 568, and those public rights of way previously granted by Virginia Iron Coal and Coke Company to Perry County by deed dated April 1, 1968 and recorded in Deed Book 138, page 347, by Cleveland Combs to Perry County by deed dated March 6, 1968 recorded in Deed Book 135, page 478, by Enterprise Coal Company to the Perry County Fiscal Court by Deed of Conveyance

dated October 11, 1993 recorded at Deed Book 243, page 719 and Deed of Correction dated September 21, 1994 recorded at Deed Book 252, page 201, and by Coastal Coal Company, LLC to the Perry County Fiscal Court by Right of Way Deed dated December 22, 1998 recorded at Deed Book 272, page 676, all of record in the Perry County Clerk's Office.

#### EXCEPTION NO. 5

This conveyance is made subject to the terms of those certain Declarations of Covenants, Conditions and Restrictions between Grantor and the Kentucky Economic Development Finance Authority dated October 7, 1998 recorded at Deed Book 271, page 439 in the Perry County Clerk's Office.

#### EXCEPTION NO. 6

Electrical service to the industrial park through Right of Way Easement to Kentucky Power Company dated March 21, 2000 and January 9, 2001 recorded at Deed Book 280, page 80 and Deed Book 285, page 219 in the Perry County Clerk's Office.

#### EXCEPTION NO. 7

This conveyance is made subject to the terms of that certain Interlocal Cooperation Agreement dated February 4, 2003 by and among the following Kentucky counties: Perry County, Harlan County, Leslie County, Breathitt County and Knott County recorded in Misc. Book 34, page 20 and re-recorded in Misc. Book 35, page 744 in the Perry County Clerk's office.

#### EXCEPTION NO. 8

There is hereby excepted all existing conditions, covenants, easements, exceptions, reservations, restrictions and rights-of-way of whatever nature, if any,

whether or not of record in the Perry County Clerk's Office or otherwise, and to any state of facts that an accurate survey may reveal, and the conveyance is expressly subject to all city, county, municipal and state zoning laws and other ordinances, regulations, and restrictions, including statutes and other laws of municipal, county or other governmental authorities applicable to, and enforceable against, the property described herein.

**TO HAVE AND TO HOLD** the same, together with the appurtenances thereunto belonging unto the Grantee, its successors and assigns forever, with covenants of General Warranty.

**IN TESTIMONY WHEREOF**, witness the signatures of the Grantor on this the day and year first above written.

**GRANTOR:**

**COAL FIELDS REGIONAL INDUSTRIAL  
AUTHORITY, INC.**, a Kentucky corporation  
f/k/a **PERRY, HARLAN, LESLIE, BREATHITT  
REGIONAL INDUSTRIAL AUTHORITY, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CONSIDERATION CERTIFICATE**

The undersigned hereby swear and affirm, under penalty of perjury pursuant to KRS Chapter 382, that the consideration recited in the foregoing Deed of Conveyance to which this Consideration Certificate is attached is the full actual consideration paid or to be paid for the Property.

The property tax bill for 2009, if any, shall be sent to the following address:  
EcoPower Generation, LLC, 1256 Manchester Street, Lexington, Kentucky 40504.

**"GRANTOR"**

COAL FIELDS REGIONAL INDUSTRIAL  
AUTHORITY, INC., a Kentucky corporation f/k/a  
PERRY, HARLAN, LESLIE, BREATHITT  
REGIONAL INDUSTRIAL AUTHORITY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**"GRANTEE"**

ECOPOWER GENERATION, LLC,  
a Kentucky limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF PERRY )

The foregoing instrument was subscribed, sworn to and acknowledged before me this [ ] day of \_\_\_\_\_, 2009, by [ \_\_\_\_\_ ], as [ \_\_\_\_\_ ] of **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, on behalf of such corporation.

Notary Public: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
My County of Residence: \_\_\_\_\_

[AFFIX NOTARIAL SEAL]

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to and acknowledged before me this [ ] day of \_\_\_\_\_, 2009, by [ \_\_\_\_\_ ] as a duly authorized officer and manager of **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company, on behalf of such limited liability company.

Notary Public: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
My County of Residence: \_\_\_\_\_

[AFFIX NOTARIAL SEAL]

**THIS INSTRUMENT PREPARED BY:**

---

Paul Collins, Esq.  
Hollon & Collins  
P.O. Box 779  
Hazard, Kentucky 41702  
(606) 439-1302



**EXHIBIT A-1**

(Legal Description of Option Property)

A tract of land within the Coal Fields Regional Industrial Park, formerly known as the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park, located in Perry County, Kentucky more specifically described as follows:

Beginning on a point being in the East of line the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Authority boundary and the Northeast corner of a lot owned by AODD Transportation, Inc.; thence with the North line of AODD Transportation, Inc.;

S 85\_-44'-10" W, 1032.41' to a point in the East right of way of a proposed street (roadway); thence with the East right of way of said street or roadway the following two Calls;

N 23\_-00'-00" W, 634.53'

N 52\_-40'-34" W, 527.12'

to a point in said East right of way; thence, S 66\_-30'-58" W, 1855.08' crossing said road and intersecting the North right of way of a street or roadway to a point in the West outside boundary of the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park; thence, following the outside boundary line of said park the following calls and distances;

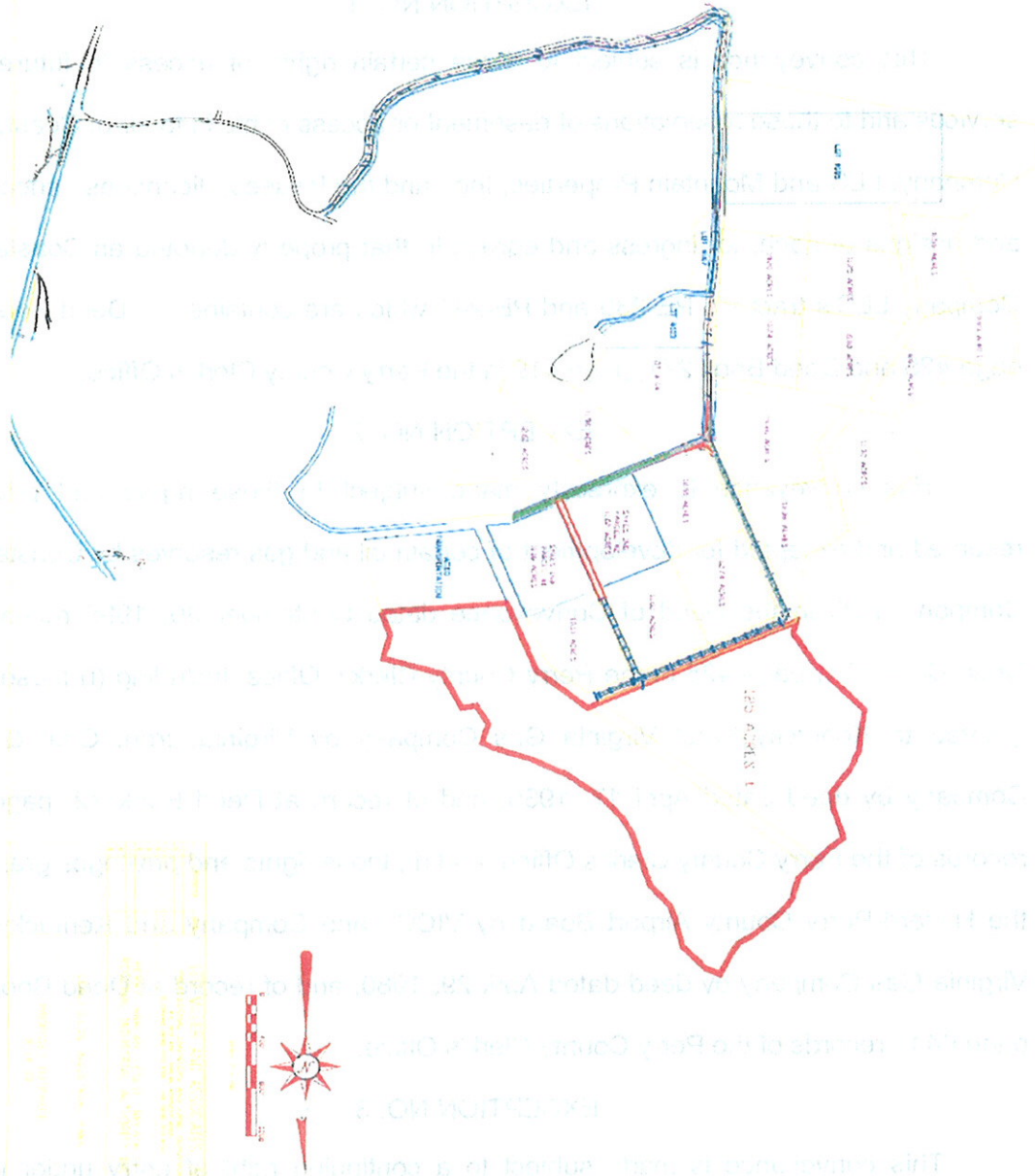
N 11_-28'-41" E	105.99'
N 33_-48'-21" W	319.24'
N 46_-39'-05" W	255.55'
N 46_-09'-03" W	311.98'
N 07_-23'-31" E	359.21'
N 23_-24'-44" E	163.46'
N 37_-30'-07" E	265.50'
N 08_-36'-54" W	142.52'
N-19_-37'-40" W	127.19'
N 17_-53'-09" W	135.67'
N 54_-40'-31" E	148.43'
N-44_-30'-11" E	365.78'
N 15_-19'-15" E	182.16'
N 39_-00'-01" E	158.21'
N 49_-50'-34" E	286.82'
N 59_-55'-09" E	139.96'
N 31_-41'-11" E	119.71'
N 27_-25'-16" E	184.15'
S 68_-57'-19" E	128.13'
S 44_-58'-32" E	267.95'

S 14_-58'-04" E	268.06'
S 20_-34'-58" E	106.68'
S 43_-12'-32" E	232.35'
S 18_-15'-10" E	471.75'
S 31_-12'-05" E	162.80'
S 43_-05'-03" E	218.23'
S 55_-17'-46" E	364.24'
S 65_-28'-14" E	325.96'
S 72_-47'-55" E	325.32'
S 63_-38'-02" E	103.95'
S 17_-43'-54" W	171.04'
S 32_-59'-59" E	187.30'
N 79_-41'-43"E	117.96'
S 28°-50'-55" E	337.26'
S 74°-44'-53" E	496.79'
S 13°-49'-27" W	217.82'
S 21°-13'-52" E	202.64'

to the point of beginning containing 124.98 acres or 5444175.7 square feet.

**EXHIBIT A-2**

(Map of Coal Fields Regional Industrial Park)



**EXHIBIT C**

(Exceptions)

EXCEPTION NO. 1

This conveyance is subject to those certain rights of access to future utility services and to those reservations of easement or access rights in favor of Coastal Coal Company, LLC and Mountain Properties, Inc., and the lessees, licensees, successors and assigns of each, for ingress and egress to that property denoted as Coastal Coal Company LLC's tract #'s PE-239 and PE-241 which are contained in Deed Book 271, page 425 and Deed Book 271, page 419 in the Perry County Clerk's Office.

EXCEPTION NO. 2

This conveyance is expressly made subject to those rights and privileges reserved and excepted for development of certain oil and gas reserves by Coastal Coal Company, LLC in the Deed of Conveyance dated September 30, 1998 recorded at Deed Book 271, page 425 in the Perry County Clerk's Office, including (i) those rights granted to Kentucky West Virginia Gas Company by Virginia, Iron, Coal & Coke Company by deed dated April 17, 1939, and of record at Deed Book 72, page 311, records of the Perry County Clerk's Office; and (ii) those rights and privileges granted to the Hazard-Perry County Airport Board by VICC Land Company and Kentucky-West Virginia Gas Company by deed dated April 29, 1980, and of record at Deed Book 182, page 644, records of the Perry County Clerk's Office.

EXCEPTION NO. 3

This conveyance is made subject to a continuing right of entry under mining permits issued pursuant to state and federal law and certain residual leasehold rights with respect to reclamation obligations under certain mining permits issued under state

and federal law that survived the expiration or termination of the Indian Head Mining, Inc. and River Coal Company, Inc. Consolidated and Amended Lease Agreement dated November 11, 1977, which was assigned to Pro-Land, Inc. on January 25, 1983, and such rights as pertain to the use of the lease area for ingress and egress pursuant to that certain Surface Lease dated May 1, 1987 between Apache Mining Company d/b/a Enterprise Coal Company and Pro-Land, Inc., as the same may have been modified by unrecorded Agreement dated September 30, 1998 among Grantor, Coastal Coal Company, LLC, Pro-Land, Inc. d/b/a Kem Coal Company and Leslie Resources, Inc.

#### EXCEPTION NO. 4

Ingress and egress to and from the properties is subject to those rights of access and for utility easements granted by Enterprise Coal Company to Leslie Wood Products, Inc. by deed dated November 10, 1995 and recorded in Perry County Deed Book 254, page 784, and to KY MAY, Inc. by deed dated November 20, 1995 and recorded in Perry County Deed Book 255, page 568, and those public rights of way previously granted by Virginia Iron Coal and Coke Company to Perry County by deed dated April 1, 1968 and recorded in Deed Book 138, page 347, by Cleveland Combs to Perry County by deed dated March 6, 1968 recorded in Deed Book 135, page 478, by Enterprise Coal Company to the Perry County Fiscal Court by Deed of Conveyance dated October 11, 1993 recorded at Deed Book 243, page 719 and Deed of Correction dated September 21, 1994 recorded at Deed Book 252, page 201, and by Coastal Coal Company, LLC to the Perry County Fiscal Court by Right of Way Deed dated December 22, 1998 recorded at Deed Book 272, page 676, all of record in the Perry County Clerk's Office.

EXCEPTION NO. 5

This conveyance is made subject to the terms of those certain Declarations of Covenants, Conditions and Restrictions between Grantor and the Kentucky Economic Development Finance Authority dated October 7, 1998 recorded at Deed Book 271, page 439 in the Perry County Clerk's Office, as amended by instrument contemplated to be executed and delivered contemporaneously with closing and to be recorded thereafter.

EXCEPTION NO. 6

Electrical service to the industrial park through Right of Way Easement to Kentucky Power Company dated March 21, 2000 and January 9, 2001 recorded at Deed Book 280, page 80 and Deed Book 285, page 219 in the Perry County Clerk's Office.

EXCEPTION NO. 7

This conveyance is made subject to the terms of that certain Interlocal Cooperation Agreement dated February 4, 2003 by and among the following Kentucky counties: Perry County, Harlan County, Leslie County, Breathitt County and Knott County recorded in Misc. Book 34, page 20 and re-recorded in Misc. Book 35, page 744 in the Perry County Clerk's office.

EXCEPTION NO. 8

There is hereby excepted all existing conditions, covenants, easements, exceptions, reservations, restrictions and rights-of-way of whatever nature, if any, whether or not of record in the Perry County Clerk's Office or otherwise, and to any state of facts that an accurate survey may reveal, and the conveyance is expressly subject to all city, county, municipal and state zoning laws and other ordinances,

regulations, and restrictions, including statutes and other laws of municipal, county or other governmental authorities applicable to, and enforceable against, the property described herein.

**EXHIBIT D**

(Form of Memorandum of Option to Purchase)

**MEMORANDUM OF  
OPTION TO PURCHASE**

**THIS MEMORANDUM OF OPTION TO PURCHASE** (the "**Memorandum**") is executed actually on the dates indicated in the notarial certificates affixed following the signatures of the parties below, but is made and entered into effective as of the 7<sup>th</sup> day of October, 2009, by and between: [i] **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, having an address 917 Perry Park Road, Hazard, Perry County, Kentucky 41701 (the "**Optionor**"); and [ii] **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company having an address of 1256 Manchester Street, Lexington, Fayette County, Kentucky 40504 (the "**Optionee**").

**RECITALS**

**A.** The Optionor is the owner of a certain tract of real property consisting of up to 125 acres, more or less, as more particularly described on **Exhibit A-1** attached hereto and incorporated herein by this reference (the "**Property**") constituting a portion of the real property located in Perry County, Kentucky commonly known as the Coal Fields Regional Industrial Park, as depicted on **Exhibit A-2**.

**B.** The Optionor has granted to the Optionee, and the Optionee has accepted from the Optionor, a certain option to purchase the Property (the "**Option to Purchase**") pursuant to the terms and subject to the conditions more particularly set forth in that certain Option to Purchase and Grant of Right of Entry of even date herewith (the "**Option Agreement**").

**C.** The Optionor and the Optionee desire to enter into this Memorandum to place third-parties on notice regarding, and to record of public record, the terms of the Option Agreement.

**NOW THEREFORE**, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Optionor and the Optionee hereby agree as follows:

1. **Grant of Option to Purchase.** The Optionor, in consideration of the amount set forth in the Option Agreement, duly paid by the Optionee upon execution of the Option Agreement (the "**Option Consideration**"), and otherwise subject to the terms and in accordance with the conditions of the Option Agreement, has granted to the Optionee, or its successors or permitted assigns, the right and option to purchase the Property (the "**Option to Purchase**"), upon delivery of the Notice of Exercise as provided in Section 3 of the Option Agreement, at any time before the Expiration Date as described in the Option Agreement.



2. **Notice of Exercise.** If the Optionee desires to exercise the Option to Purchase, the Optionee shall give written notice of such election to the Optionor on or before the Expiration Date as provided in the Option Agreement (the "**Notice of Exercise**"). The Notice of Exercise shall be deemed sufficient if personally delivered or sent by registered or certified mail, return receipt requested, to the address of the Optionor first set forth in the Option Agreement. Time shall be of the essence in connection with the delivery of the Notice of Exercise. If the Optionee fails to deliver the Notice of Exercise to the Optionor on or before the Expiration Date for any reason, the Option Agreement shall automatically terminate and the Option Consideration theretofore paid by the Optionee shall be forfeited to, and become the sole property of, the Optionor as provided in the Option Agreement.

3. **Purchase Price.** If the Optionee timely elects to exercise the Option to Purchase as provided in the Option Agreement, the purchase price payable by the Optionee for the conveyance of the Property shall be equal to the amount set forth in Section 4 of the Option Agreement (the "**Purchase Price**"), payable in full on the date of Closing described therein and upon the closing of the transactions contemplated by the Option Agreement.

4. **Closing; Closing Date.** If the Optionee timely provides a Notice of Exercise, the closing of the purchase and sale of the Property as contemplated by the Option Agreement (the "**Closing**") shall be at a time and place designated by the Optionee (the "**Closing Date**").

5. **Restriction on Sale.** The Optionor agrees not to sell or offer for sale the Property, or any part thereof, to any party other than the Optionee during the term of the Option Agreement.

6. **Assignment.** The Optionee may freely assign the Option Agreement upon written notice to the Optionor as provided in the Option Agreement and, upon any such assignment, such assignee shall have all of the rights, remedies and obligations as if it were originally named as the Optionee hereunder. From and after any such assignment, the term "Optionee" shall refer to such assignee.

7. **Entire Agreement.** This Memorandum, the Option Agreement and the other documents and instruments executed and delivered in connection herewith or therewith contain the entire agreement between the parties hereto with respect to the subject matter hereof. No modification or amendment of this Memorandum or the Option Agreement shall be binding upon any party unless made in writing and signed by each of the parties hereto. The terms of this Memorandum are subject to the terms of the Option Agreement in all respects and are hereby incorporated herein by this reference. In the event of any conflict between the terms of this Memorandum and the Option Agreement, the terms of the Option Agreement shall control in all respects.

8. **Governing Law.** This Memorandum shall be governed by and shall be construed in accordance with the laws of the Commonwealth of Kentucky in all respects.

9. **Recording.** This Memorandum shall be recorded in the Office of the Clerk of Perry County, Kentucky (the "**Clerk's Office**"). If the Option to Purchase is not timely exercised by the Expiration Date or, if so exercised, the Closing does not occur by the date of Closing set forth in the Option Agreement, the Option Agreement shall terminate automatically and be of no further effect.

**IN TESTIMONY WHEREOF**, witness the signatures of the Optionor and the Optionee as of the effective date first above written.

**"OPTIONOR"**

COAL FIELDS REGIONAL INDUSTRIAL  
AUTHORITY, INC., a Kentucky corporation f/k/a  
PERRY, HARLAN, LESLIE, BREATHITT  
REGIONAL INDUSTRIAL AUTHORITY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**"OPTIONEE"**

ECOPOWER GENERATION, LLC,  
a Kentucky limited liability company

By: \_\_\_\_\_  
Name: Richard A. Sturgill  
Title: Chairman

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF PERRY )

The foregoing instrument was subscribed, sworn to and acknowledged before me this 7th day of October, 2009, by [\_\_\_\_\_] as [\_\_\_\_\_] of **COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY, INC.**, a Kentucky corporation f/k/a **PERRY, HARLAN, LESLIE, BREATHITT REGIONAL INDUSTRIAL AUTHORITY, INC.**, on behalf of such corporation.

Notary Public: \_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

My County of Residence: \_\_\_\_\_

[AFFIX NOTARIAL SEAL]

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF PERRY )

The foregoing instrument was subscribed, sworn to and acknowledged before me this 7<sup>th</sup> day of October, 2009, by Richard A. Sturgill as a duly authorized officer and manager of **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company, on behalf of such limited liability company.

Notary Public: \_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

My County of Residence: \_\_\_\_\_

[AFFIX NOTARIAL SEAL]

**THIS INSTRUMENT PREPARED BY:**

---

Patrick W. Mattingly, Esq.  
WYATT, TARRANT & COMBS, LLP  
2800 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202  
502.589.5235

**EXHIBIT A-1**

(Legal Description of Property)

A tract of land within the Coal Fields Regional Industrial Park, formerly known as the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park, located in Perry County, Kentucky more specifically described as follows:

Beginning on a point being in the East of line the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Authority boundary and the Northeast corner of a lot owned by AODD Transportation, Inc.; thence with the North line of AODD Transportation, Inc.;

S 85°-44'-10" W, 1032.41' to a point in the East right of way of a proposed street (roadway); thence with the East right of way of said street or roadway the following two calls;

N 23°-00'-00" W, 634.53'

N 52°-40'-34" W, 527.12'

to a point in said East right of way; thence, S 66°-30'-58" W, 1855.08' crossing said road and intersecting the North right of way of a street or roadway to a point in the West outside boundary of the Perry-Harlan-Leslie-Breathitt-Knott Counties Industrial Park; thence, following the outside boundary line of said park the following calls and distances;

N 11°-28'-41" E	105.99'
N 33°-48'-21" W	319.24'
N 46°-39'-05" W	255.55'
N 46°-09'-03" W	311.98'
N 07°-23'-31" E	359.21'
N 23°-24'-44" E	163.46'
N 37°-30'-07" E	265.50'
N 08°-36'-54" W	142.52'
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N 17°-53'-09" W	135.67'
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N 31°-41'-11" E	119.71'
N 27°-25'-16" E	184.15'

S 68_-57'-19" E	128.13'
S 44_-58'-32" E	267.95'
S 14_-58'-04" E	268.06'
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S 43_-12'-32" E	232.35'
S 18_-15'-10" E	471.75'
S 31_-12'-05" E	162.80'
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S 63_-38'-02" E	103.95'
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S 32_-59'-59" E	187.30'
N 79_-41'-43" E	117.96'
S 28°-50'-55" E	337.26'
S 74°-44'-53" E	496.79'
S 13°-49'-27" W	217.82'
S 21°-13'-52" E	202.64'

to the point of beginning containing 124.98 acres or 5444175.7 square feet.

**SOURCE OF TITLE:** Being a portion of Parcel Nos. 1 (surface and mineral rights) and 3 (mineral rights only) of the property conveyed from **COASTAL COAL COMPANY, LLC**, to Grantor by deed dated September 30, 1998, and recorded in Deed Book 271, page 425, and a portion of the property (surface rights only) conveyed by **MOUNTAIN PROPERTIES, INC.**, to Grantor by deed dated September 30, 1998, and recorded in Deed Book 271, page 419, both of record in the Perry County Clerk's Office.

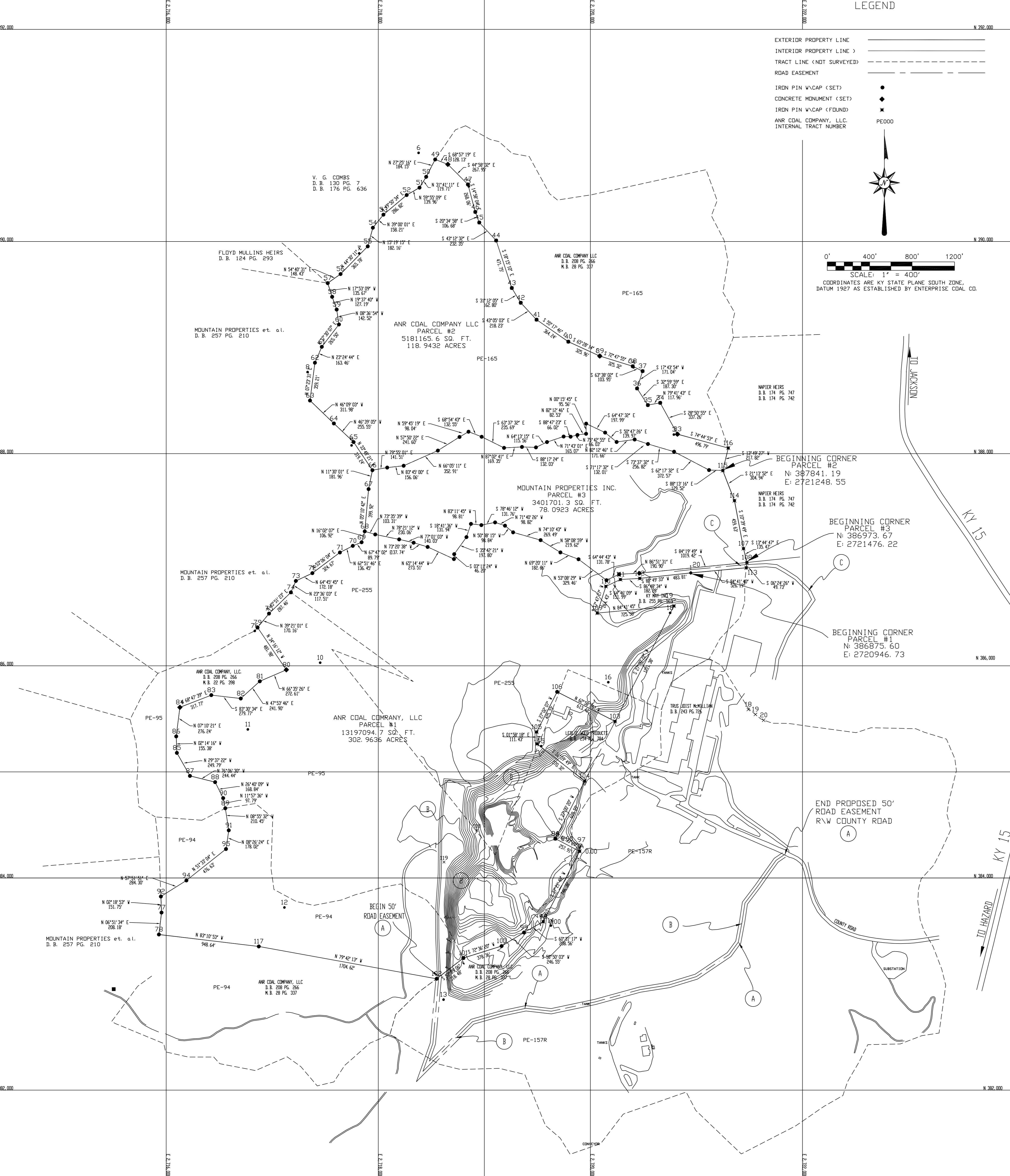
**EXHIBIT A-2**

(Map of Coal Fields Regional Industrial Park)



**EXHIBIT A2**  
**Property Survey Map**





**METS AND BOUNDS DESCRIPTIONS**

**PARCEL #1**

UNLESS STATED OTHERWISE, MONUMENTS REFERRED TO AS IRON PIN W/ CAP IS A SET 5/8" x 24" EPOXY COATED REBAR WITH ORANGE PLASTIC CAP STAMPED FORESTER HAMILTON RLS 2736, TYPICALLY PROJECTING 2" ABOVE THE GROUND. MONUMENTS REFERRED TO AS A 3" ALUMINUM CAP SET IN A CONCRETE MONUMENT IS A 3" ALUMINUM CAP EMBEDDED IN A 4" x 24" CONCRETE MONUMENT STAMPED 'LED MILLER & ASSOC. LED MILLER PLS 1904. DO NOT DESTROY. BOUNDARY CORNER, TYPICALLY PROJECTING APPROXIMATELY 2" ABOVE GROUND. ALL BEARINGS AND COORDINATES STATED HEREIN ARE BASED ON THE KENTUCKY STATE PLANE COORDINATE SYSTEM SOUTH ZONE, DATUM 1927 AS ESTABLISHED BY ENTERPRISE CDAL CO.

**PARCEL #2**

UNLESS STATED OTHERWISE, MONUMENTS REFERRED TO AS IRON PIN W/ CAP IS A SET 5/8" x 24" EPOXY COATED REBAR WITH ORANGE PLASTIC CAP STAMPED FORESTER HAMILTON RLS 2736, TYPICALLY PROJECTING 2" ABOVE THE GROUND. MONUMENTS REFERRED TO AS A 3" ALUMINUM CAP SET IN A CONCRETE MONUMENT IS A 3" ALUMINUM CAP EMBEDDED IN A 4" x 24" CONCRETE MONUMENT STAMPED 'LED MILLER & ASSOC. LED MILLER PLS 1904. DO NOT DESTROY. BOUNDARY CORNER, TYPICALLY PROJECTING APPROXIMATELY 2" ABOVE GROUND. ALL BEARINGS AND COORDINATES STATED HEREIN ARE BASED ON THE KENTUCKY STATE PLANE COORDINATE SYSTEM SOUTH ZONE, DATUM 1927 AS ESTABLISHED BY ENTERPRISE CDAL CO.

**PARCEL #3**

UNLESS STATED OTHERWISE, MONUMENTS REFERRED TO AS IRON PIN W/ CAP IS A SET 5/8" x 24" EPOXY COATED REBAR WITH ORANGE PLASTIC CAP STAMPED FORESTER HAMILTON RLS 2736, TYPICALLY PROJECTING 2" ABOVE THE GROUND. MONUMENTS REFERRED TO AS A 3" ALUMINUM CAP SET IN A CONCRETE MONUMENT IS A 3" ALUMINUM CAP EMBEDDED IN A 4" x 24" CONCRETE MONUMENT STAMPED 'LED MILLER & ASSOC. LED MILLER PLS 1904. DO NOT DESTROY. BOUNDARY CORNER, TYPICALLY PROJECTING APPROXIMATELY 2" ABOVE GROUND. ALL BEARINGS AND COORDINATES STATED HEREIN ARE BASED ON THE KENTUCKY STATE PLANE COORDINATE SYSTEM SOUTH ZONE, DATUM 1927 AS ESTABLISHED BY ENTERPRISE CDAL CO.

**LEGEND**

- EXTERIOR PROPERTY LINE
- INTERIOR PROPERTY LINE
- TRACT LINE (NOT SURVEYED)
- ROAD EASEMENT
- IRON PIN W/ CAP (SET)
- CONCRETE MONUMENT (SET)
- IRON PIN W/ CAP (FOUND)
- ANR COAL COMPANY, LLC INTERNAL TRACT NUMBER

**SCALE: 1" = 400'**

**COORDINATES ARE KY STATE PLANE SOUTH ZONE, DATUM 1927 AS ESTABLISHED BY ENTERPRISE CDAL CO.**

**PARCEL #1**  
 BEGINNING ON THE SOUTH EDGE OF THE ROAD LEADING TO THE SUBJECT PROPERTY, SAID POINT IS A COMMON CORNER TO ANR COAL COMPANY, LLC (D.B. 208, PG. 266), M.B. 28, PG. 337, KY MAY INC. (D.B. 255, PG. 563) AND TRUS JOST INC. (D.B. 252, PG. 337), TRACT WEISS (D.B. 208, PG. 266), M.B. 28, PG. 337, TRACT WEISS AND THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS (D.B. 208, PG. 266), M.B. 28, PG. 337, TRACT WEISS AND THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS WITH SAID ROAD AND ANR COAL COMPANY, LLC TRACT WEISS S 84°11'40" W 526.19' TO THE POINT OF BEGINNING AND CONTAINING 13197094.17 SQ. FT., 302.9636 ACRES ACCORDING TO A SURVEY BY FORESTER HAMILTON, RLS #2736, WITH LED MILLER & ASSOC. INC. FROM TRACT WEISS PAGE 337 (FOR A MORE COMPLETE DESCRIPTION SEE DEED BOOK 208, PAGE 266) WHICH IS OF RECORD IN PERRY COUNTY, KY.

**PARCEL #2**  
 BEGINNING ON AN IRON PIN W/ CAP FOUND ON THE NORTH SIDE OF THE ROAD LEADING TO THE SUBJECT PROPERTY AND THE KY MAY INC. CORNER (D.B. 255, PG. 563), THE NORTHEAST CORNER OF MOUNTAIN PROPERTIES INC. (D.B. 257, PG. 210) AND IN THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS (D.B. 208, PG. 266), M.B. 28, PG. 337, TRACT WEISS AND THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS WITH SAID ROAD AND ANR COAL COMPANY, LLC TRACT WEISS S 84°11'40" W 526.19' TO THE POINT OF BEGINNING AND CONTAINING 13197094.17 SQ. FT., 302.9636 ACRES ACCORDING TO A SURVEY BY FORESTER HAMILTON, RLS #2736, WITH LED MILLER & ASSOC. INC. FROM TRACT WEISS PAGE 337 (FOR A MORE COMPLETE DESCRIPTION SEE DEED BOOK 208, PAGE 266) WHICH IS OF RECORD IN PERRY COUNTY, KY.

**PARCEL #3**  
 BEGINNING ON AN IRON PIN W/ CAP FOUND ON THE NORTH SIDE OF THE ROAD LEADING TO THE SUBJECT PROPERTY AND THE KY MAY INC. CORNER (D.B. 255, PG. 563), THE NORTHEAST CORNER OF MOUNTAIN PROPERTIES INC. (D.B. 257, PG. 210) AND IN THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS (D.B. 208, PG. 266), M.B. 28, PG. 337, TRACT WEISS AND THE WEST LINE OF THE NAPHER HEIRS (D.B. 174, PG. 742), TRACT WEISS WITH SAID ROAD AND ANR COAL COMPANY, LLC TRACT WEISS S 84°11'40" W 526.19' TO THE POINT OF BEGINNING AND CONTAINING 13197094.17 SQ. FT., 302.9636 ACRES ACCORDING TO A SURVEY BY FORESTER HAMILTON, RLS #2736, WITH LED MILLER & ASSOC. INC. FROM TRACT WEISS PAGE 337 (FOR A MORE COMPLETE DESCRIPTION SEE DEED BOOK 208, PAGE 266) WHICH IS OF RECORD IN PERRY COUNTY, KY.

**ROAD EASEMENT NOTES**

EXISTING 30' WIDE ROAD EASEMENT AS BEHELD TO LESLIE WOOD PRODUCTS BY ANR COAL COMPANY AS DESCRIBED IN B.B. 254 PG. 563 NOT SURVEYED.

EXISTING 30' WIDE ROAD EASEMENT AS BEHELD TO KY MAY INC. BY ENTERPRISE CDAL COMPANY AS DESCRIBED IN B.B. 255 PG. 563 NOT SURVEYED.

**CORNER MONUMENTS**

IDENTIFIED AS IRON PIN W/ CAP ON PLAT AND IN DESCRIPTION. 3" ALUMINUM CAP EMBEDDED IN 4" x 24" CONCRETE MONUMENT STAMPED 'LED MILLER & ASSOC. LED MILLER PLS 1904. DO NOT DESTROY. BOUNDARY CORNER, TYPICALLY PROJECTING APPROXIMATELY 2" ABOVE GROUND.

IDENTIFIED AS CONCRETE MONUMENT ON PLAT AND IN DESCRIPTION. 3" ALUMINUM CAP EMBEDDED IN 4" x 24" CONCRETE MONUMENT STAMPED 'LED MILLER & ASSOC. LED MILLER PLS 1904. DO NOT DESTROY. BOUNDARY CORNER, TYPICALLY PROJECTING APPROXIMATELY 2" ABOVE GROUND.

**ENCROACHMENT NOTES**

THERE ARE NO APPARENT VISE ENCROACHMENTS AFFECTING PARCELS 1, 2, 3.

**GENERAL NOTES**

THE SUBJECT PROPERTY IS CLASSIFIED AS URBAN DUE TO PROPOSED DEVELOPMENT.

**SPECIAL NOTES**

ALL THREE PARCELS MAY BE ENCUMBERED DUE TO PAST MINING ACTIVITIES (OUTSTANDING LEASES, PERMITS, BONDS, ETC.)

**ROAD EASEMENT NOTES**

EXISTING 30' WIDE ROAD EASEMENT AS BEHELD TO LESLIE WOOD PRODUCTS BY ANR COAL COMPANY AS DESCRIBED IN B.B. 254 PG. 563 NOT SURVEYED.

EXISTING 30' WIDE ROAD EASEMENT AS BEHELD TO KY MAY INC. BY ENTERPRISE CDAL COMPANY AS DESCRIBED IN B.B. 255 PG. 563 NOT SURVEYED.

**PREPARED FOR:**  
 PERRY, HARLAN, LESLIE, BREATHITT  
 REGIONAL INDUSTRIAL AUTHORITY INC.  
 917 PERRY PARK ROAD  
 HAZARD, KENTUCKY 41701

**LOCATED ON HOLLYBUSH BRANCH OF ROCKHOUSE FORK OF LOST CREEK OF THE NORTH FORK OF THE KENTUCKY RIVER, PERRY COUNTY, KENTUCKY**

**LEO MILLER AND ASSOCIATES, INC.**  
 PROFESSIONAL ENGINEERS AND LAND SURVEYORS  
 P.O. BOX 488 KENTUCKY 40381  
 TELEPHONE (606)-573-4300 FAX (606)-573-6722

**SURVEY OF A PORTION OF ANR COAL COMPANY, LLC. PROPERTY AS DESCRIBED IN D.B. 208 PG. 266 AND MOUNTAIN PROPERTIES INC. AS DESCRIBED IN D.B. 257 PG. 210**

**1 OF 1**

**SHEET**

**PLAT DATE**

7-23-98

**SURVEYED BY**

F.H.

**DRAWN BY**

M.J.

**CHECKED BY**

L.M.

**FIELD SURVEY DATE**

7-2-98 THRU 7-14-98

**ENR. FILE NO.**

LBLSITE.DEG  
 LBLSITE.CRD

**SURVEYORS CERTIFICATION**

THE SURVEY SHOWN HEREIN WAS PERFORMED UNDER MY DIRECTION BY THE METHOD OF RANDOM TRAVERSE WITH SIGHT SHOTS. THE BEARINGS AND DISTANCES SHOWN HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. THE BEARINGS AND DISTANCES HAVE NOT BEEN ADJUSTED FOR CLOSURE. THE UNADJUSTED ERROR OF CLOSURE OF THE TRAVERSE LOOP IS 14.45", 250.00' FROM THE POINT OF BEGINNING OR EXCEEDS THE MINIMUM STANDARDS FOR A PROPERTY SURVEY PERFORMED IN THE STATE OF KENTUCKY AS PROMULGATED BY THE STATE BOARD OF REGISTRATION FOR ENGINEERS AND LAND SURVEYORS.

**DATE**

L.S.

**DATE**

**ALL RIGHTS RESERVED**

**REVISIONS**

NO.	REVISIONS	DATE
1	PARCEL #2 BEG REFERENCE	7/27/98
2		
3		
4		
5		
6		
7		
8		
9		

FACSIMILES OF PROFESSIONAL ENGINEER AND/OR LAND SURVEYOR SEALS, IF AFFIXED TO THIS INSTRUMENT, SHALL BE LEGITIMATE ONLY IF SIGNED AND DATED BY THE REGISTRANT.

THIS DOCUMENT IS THE PROPERTY OF LEO MILLER & ASSOC., INC. AND SHALL NOT BE REPRODUCED, WHOLE OR IN PART, OR USED IN THE CONSTRUCTION OF ANY PROJECT OTHER THAN THIS SPECIFIC PROJECT WITHOUT THE WRITTEN PERMISSION OF LEO MILLER & ASSOC., INC.

**EXHIBIT A3**

**Forms of Option:  
Purchase Easement  
and  
Right of Way**

**Option to Purchase Easement  
And Right of Entry Agreement**

**OPTION TO PURCHASE EASEMENT AND  
RIGHT OF ENTRY AGREEMENT**

THIS OPTION TO PURCHASE EASEMENT AND RIGHT OF ENTRY AGREEMENT (the "**Agreement**") is made effective as of the \_\_\_\_ day of January, 2010 (the "**Effective Date**"), by and between: (i) "**Name**" and "**Name**", husband and wife, having an address of "**Address**" (the "**Seller**"); and (ii) ECOPOWER GENERATION, LLC, a Kentucky limited liability company, having an address of 1256 Manchester Street, Lexington, Kentucky 40504 (the "**Purchaser**").

**RECITALS:**

A. Subject to and in accordance with the terms of this Agreement, Seller desires to grant to Purchaser and Purchaser desires to accept from Seller, an option to purchase a perpetual right-of-way and easement (the "**Easement**") in, over, under, through and across that certain property (the "**Property**") located in Perry County, Kentucky, all of which is more particularly described on the Right Of Way and Easement (the "**Easement Agreement**") attached hereto as **Exhibit A** and made a part hereof.

B. Seller and Purchaser desire to enter into this Agreement to describe and memorialize their understanding regarding the option to purchase and right of entry granted in favor of Purchaser.

**NOW, THEREFORE**, in consideration of the premises contained herein, the above Recitals which are a material part of this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. **Grant of Option to Purchase.** In consideration of the payment by Purchaser to Seller of the Option Consideration as described below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Seller, and in accordance with the terms and subject to the conditions of this Agreement, Seller hereby grants to Purchaser the exclusive and irrevocable option to purchase (the "**Option to Purchase**") the Easement.

2. **Option Consideration.** The consideration (the "**Option Consideration**") for the Option to Purchase is an amount equal to ten percent (10.00%) of the Purchase Price as described in Section 5 of this Agreement, cash in hand paid, the receipt and sufficiency of which is hereby acknowledged by Seller. The Option Consideration is non-refundable, and shall be retained by Seller in full even if Purchaser does not elect to exercise the Option to Purchase pursuant to the terms of this Agreement. In the event the Option to Purchase is exercised, the Option Consideration shall be credited on the purchase price for the Easement.

3. **Term of Option.** The Option to Purchase may be exercised by Purchaser at any time on or before 5:00 p.m., on October 1, 2012 (the "**Expiration Date**").

4. **Exercise of Option.** The Option to Purchase may be exercised by written notice delivered by Buyer to Seller at the address stated in the preamble of this Agreement. Upon the

exercise of the Option to Purchase, this Agreement, including all exhibits and schedules attached hereto, shall become a valid and binding contract of sale, at the price hereinafter set out, and upon the terms hereinafter set out.

5. **Purchase Price.** If Purchaser elects to exercise the Option to Purchase as provided in Section 4 of this Agreement, the purchase price (the "**Purchase Price**") payable by Purchaser for the granting and conveyance of the Easement shall be: (i) an amount equal to One Thousand Dollars (\$1,000.00) multiplied by (ii) the exact number of acres, or fraction thereof, of the portion of the Property which shall be affected and burdened by the Easement which is more particularly described on **Exhibit B** to the Easement Agreement. Purchase Price shall be payable in full on the Closing Date described below and upon the Closing of the transaction contemplated by this Agreement. Seller acknowledges and agrees that Purchaser shall receive a credit against the Purchase Price otherwise payable to Seller hereunder in an amount equal to the total Option Consideration paid by Purchaser under this Agreement in accordance with Section 2 of this Agreement.

6. **Right of Entry.** At all times while the Option to Purchase is in force, and from and after the date of exercise of the Option to Purchase, until closing or termination, Purchaser shall have the right to enter upon the Property for the purpose of making such surveys, test borings, examinations, tests, or inspections as may appear to Purchaser to be necessary and desirable, so long as such studies do not result in a change of the present character or topography of the Property.

7. **Closing.** Purchaser and Seller agree that the purchase and sale of the Easement will be consummated as follows:

7.1 **Closing Date.** The purchase and sale of Easement will close on a business day which is no earlier than five (5) business days and no later than ten (10) business days after the exercise of the Option to Purchase by the Purchaser (the "**Closing Date**").

7.2 **Closing Deliveries.** At and as of the Closing: (i) Seller shall execute, acknowledge and deliver to Purchaser the Easement Agreement granting the Easement in the form of **Exhibit A** attached hereto; (ii) Purchaser shall deliver the Purchase Price to Seller; and (iii) Purchaser and Seller shall enter into such other documents and instruments as are customary in transactions similar to those contemplated by this Agreement or as otherwise reasonably acceptable to Purchaser and Seller. At the Closing, the Easement shall be conveyed to Purchaser free of all liens, encumbrances and other defects in title or ownership of any kind or nature.

8. **Remedies Upon Default.** If Purchaser or Seller shall at any time be in default in the performance of any of the covenants, terms, conditions or provisions of this Agreement and shall fail to remedy such default within ten (10) days after receipt of written notice thereof from the other party, such other party shall have the right to seek specific performance or an injunction, as applicable, and to recover all other damages allowed by law or in equity, provided that if Purchaser fails to exercise the Option to Purchase on or before the Expiration Date, the Option to Purchase shall terminate.

9. **Time.** Time is of the essence of each provision of this Agreement.

10. **Assignment.** This Agreement may be assigned, and the provisions hereof shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the parties hereto.

11. **Entire Agreement.** This Agreement, and the exhibits and schedules attached hereto and the other documents executed and delivered in connection herewith or therewith, constitutes the entire agreement between Purchaser and Seller with respect to the subject matter hereof. No modification or amendment of this Agreement shall be binding upon any party unless made in writing and signed by each of the parties hereto.

12. **Attorneys' Fees.** If either party institutes an action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, the unsuccessful party to such action or proceeding will reimburse the successful party therein for the reasonable expenses of attorneys' fees, disbursements or other litigation expenses incurred by the successful party.

13. **Severability.** If any provision of this Agreement is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this Agreement will not be affected thereby. It is the intention of the parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable.

14. **Counterpart Execution.** This Agreement may be executed in counterparts, each of which will be deemed an original document, but all of which constitute a single document. This document will not be binding on or constitute evidence of the contract between the parties until such time as a counterpart of this document has been executed by each party and a copy thereof delivered to the other party to this Agreement.

15. **Governing Law.** This Agreement shall be governed by and shall be construed in accordance with the laws of the Commonwealth of Kentucky in all respects.

16. **Headings.** The headings used in this Agreement are for ease in reference only and are not intended to affect the interpretation of this Agreement in any way.

17. **Recording.** Purchaser shall have the right to record a short-form memorandum of this Agreement in the form of **Exhibit B** attached hereto and incorporated herein by this reference in the office of the County Clerk of Perry County, Kentucky.

**IN WITNESS WHEREOF**, this instrument has been executed by the parties on the dates hereinafter indicated to be effective on the date first above written.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**Signature Pages Follow**

**“SELLER”**

\_\_\_\_\_  
**“Husband’s Name”**

\_\_\_\_\_  
**“Wife’s Name”**

Date Executed: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
  ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by “Husband’s Name” and “Wife’s Name”, husband and wife.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

**“PURCHASER”**

**ECOPOWER GENERATION, LLC**, a Kentucky limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Executed: \_\_\_\_\_

STATE OF KENTUCKY            )  
  ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as \_\_\_\_\_ of ECOPOWER GENERATION, LLC, a Kentucky limited liability company, on behalf of the limited liability company.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC



**EXHIBIT A**

**(Right Of Way and Easement)**

See attached Right Of Way and Easement.

**EXHIBIT B**

**(Memorandum of Option to Purchase)**

See attached Memorandum of Option to Purchase.

30543932.1  
1/15/2010

## **Memorandum of Option to Purchase Easement**

## MEMORANDUM OF OPTION TO PURCHASE EASEMENT

THIS MEMORANDUM OF OPTION TO PURCHASE EASEMENT (the "Memorandum") is executed actually on the dates indicated on the notarial certificates affixed following the signatures of the parties below, but is made and entered into effective as of the \_\_\_\_ day of January, 2010 by and between: "Name" and "Name", husband and wife, having a mailing address of "Address" (the "Seller"); and (ii) ECOPOWER GENERATION, LLC, a Kentucky limited liability company, having a mailing address of 1256 Manchester Street, Lexington, Kentucky 40504 (the "Purchaser").

### RECITALS:

A. Seller is the owner of a certain tract of real property located in Perry County, Kentucky, which is more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property").

B. Seller has granted to Purchaser, and Purchaser has accepted from Seller, a certain option to purchase a perpetual right-of-way and easement for electric transmission, distribution, and/or communication lines and facilities in, over, under, through and across the Property pursuant to the terms and subject to the conditions more particularly set forth in that certain Option to Purchase Easement and Right of Entry Agreement of even date herewith (the "Option Agreement").

C. Seller and Purchaser desire to enter into this Memorandum to place third-parties on notice regarding, and to record in the public records, the terms of the Option Agreement.

NOW, THEREFORE in consideration of the premises contained herein, the above Recitals which are a material part of this Memorandum, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. Grant of Option to Purchase. Seller, in consideration of the amount set forth in the Option Agreement, duly paid by Purchaser upon execution of the Option Agreement (the "Option Consideration"), and otherwise subject to the terms and in accordance with the terms and conditions of the Option Agreement, has granted to Purchaser, and its successors or assigns, the right and option to purchase (the "Option to Purchase") a perpetual right-of-way and easement (the "Easement") for electric transmission, distribution, and/or communication lines and facilities in, over, under, through and across the Property, with said Easement being one hundred (100) feet in width, and lying fifty (50) feet on either side of the centerline of the Easement which centerline is more particularly described in Exhibit B attached hereto and made a part hereof.

2. Term of Option. The Option to Purchase may be exercised by Purchaser at any time on or before 5:00 p.m., on October 1, 2012 (the "Expiration Date").

3. Assignment. The Option Agreement and the provisions thereof shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the parties hereto.

4. **Entire Agreement.** This Memorandum, the Option Agreement and the other documents and instruments executed and delivered in connection herewith or therewith, constitute the entire agreement between Purchaser and Seller with respect to the subject matter hereof. No modification or amendment of this Memorandum or the Option Agreement shall be binding upon any party unless made in writing and signed by each of the parties hereto. The terms of this Memorandum are subject to the terms of the Option Agreement in all respects and are hereby incorporated herein by this reference. In the event of any conflict between the terms of this Memorandum and the Option Agreement, the terms of the Option Agreement shall control in all respects.

IN WITNESS WHEREOF, this Memorandum has been executed by the parties on the dates hereinafter indicated to be effective on the date first above written.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**Signature Pages Follow**

**“SELLER”**

\_\_\_\_\_  
**“Husband’s Name”**

\_\_\_\_\_  
**“Wife’s Name”**

Date Executed: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
  ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by **“Husband’s Name”** and **“Wife’s Name”** , husband and wife.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

**“PURCHASER”**

**ECOPOWER GENERATION, LLC**, a Kentucky limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Executed: \_\_\_\_\_

STATE OF KENTUCKY )  
 ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as \_\_\_\_\_ of ECOPOWER GENERATION, LLC, a Kentucky limited liability company, on behalf of the limited liability company.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY:

\_\_\_\_\_  
Name, Company, Company Address and  
Phone Number of Preparer

**EXHIBIT A**

(Description of Property)



**EXHIBIT B**

(Description of Centerline of Easement)

**[INSERT LEGAL DESCRIPTION OF CENTERLINE OF EASEMENT]**

30543935.1  
1/15/2010

## **Right of Way and Easement**

**RIGHT OF WAY AND EASEMENT**

**THIS RIGHT OF WAY AND EASEMENT**, made this \_\_\_ day of \_\_\_\_\_, by and between “Name” and “Name”, husband and wife, with a mailing address of “Address”, herein, if one or more, called “Grantor,” and **ECOPOWER GENERATION, LLC**, a Kentucky limited liability company, with a mailing address of 1256 Manchester Street, Lexington, Fayette County, Kentucky 40504, herein called “Grantee.”

**WITNESSETH:**

That for and in consideration of the sum of Ten and no/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantee, Grantor has bargained and sold, and does hereby grant and convey to Grantee, its successors and assigns, forever, a perpetual right-of-way and easement for electric transmission, distribution, and/or communication lines in, over, under, through and across that certain property located in Perry County, Kentucky, which is more particularly described on **Exhibit A** attached hereto and made a part hereof, with said right-of-way and easement being one hundred (100) feet in width, and lying fifty (50) feet on either side of the centerline of the easement which centerline is more particularly described on **Exhibit B** attached hereto and made a part hereof.

**GRANTOR FURTHER GRANTS TO GRANTEE** the right, in Grantee’s discretion, to cut down, trim, and otherwise control, using chemicals such as herbicides or tree growth regulators, or other means, and to remove from the right of way and easement any and all trees, overhanging branches, vegetation, brush, or other obstructions. Grantee shall also have the right to cut down, trim, remove, and otherwise control trees situated on lands of the Grantor which adjoin the right of way and easement, when in the opinion of the Grantee those trees may endanger the safety of, or interfere with the construction, operation or maintenance of Grantee’s facilities or ingress or egress to, from or along the right of way and easement.

**GRANTOR FURTHER GRANTS TO GRANTEE** the right of unobstructed access, at any and all times, over, across and along the right of way and easement, and the right of ingress and egress to and from the right of way and easement from a public road in, on, over and across existing or future access roads and lanes and other reasonable routes outside the right of way and easement across Grantor’s adjoining land. However, Grantee agrees to accept full responsibility for damages to Grantor’s land if, but only if, caused by Grantee. In the event there is no existing access road or lane to the right of way and easement, the Grantor will provide a mutually agreed upon reasonable ingress and egress route over the Grantor’s lands, and any of the adjoining lands of the Grantor, for the purpose of exercising and enjoying the rights granted herein.

**THIS GRANT IS FURTHER SUBJECT TO THE FOLLOWING CONDITIONS:** Grantor reserves the right to cultivate, pasture or otherwise use the lands encumbered by this right of way and easement in any way not inconsistent with the rights herein granted. However, Grantor shall not place, construct, install, erect or permit any temporary or permanent building, structure, advertising device, sign, dumpster, light pole, swimming pool, deep well, storage tank structure or obstruction, or use or store any hazardous/flammable material within the right of way and easement. No shed, road, driveway, mounding, fill, excavation, water impoundment or tree plantings shall be permitted within the right of way and easement without the written

permission of the Grantee. Grantee agrees to repair or pay the Grantor for damage to growing crops, fences, gates, field tile, drainage ways, drives, lawns, or structures caused by the Grantee in the exercise of the rights herein granted.

**TO HAVE AND TO HOLD** the same unto the Grantee, its successors and assigns, forever; subject, however, to all of the provisions and conditions hereinbefore contained.

**[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]**

**SIGNATURE PAGES TO FOLLOW**

**GRANTOR:**

\_\_\_\_\_ )  
**“Husband’s Name”**

\_\_\_\_\_ )  
**“Wife’s Name”**

STATE OF \_\_\_\_\_ )  
  ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, by “Husband’s Name” and “Wife’s Name”, husband and wife.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_ )  
NOTARY PUBLIC

**GRANTEE:**

**ECOPOWER GENERATION, LLC**

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF KENTUCKY                    )  
  ) :SS  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as the \_\_\_\_\_ of ECOPOWER GENERATION, LLC, a Kentucky limited liability company, on behalf of the company.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY:

\_\_\_\_\_  
Name, Company, Company Address and  
Phone Number of Preparer

**EXHIBIT A**

(Description of Property)

**EXHIBIT B**

(Description of Centerline of Easement)

**[INSERT LEGAL DESCRIPTION OF CENTERLINE OF EASEMENT]**

30543957.1  
1/15/2010



**EXHIBIT A4**

**Water Supply Agreement**

## OPTION AGREEMENT

<sup>m</sup>  
9 THIS OPTION AGREEMENT (this "Agreement") is made and entered into as of the 9 day of December, 2009, by and between **ecoPower Generation, LLC**, a Kentucky limited liability company ("**Purchaser**"), and the **City of Hazard, Kentucky** ("**Seller**"). Purchaser and Seller are collectively referred to herein as the "**Parties**."

### WITNESSETH:

**WHEREAS**, Purchaser currently has an option to acquire real property located in Hazard, Perry County, Kentucky, in the area commonly known as the Coal Fields Regional Industrial Park (the "**Industrial Park**"), in order to construct and operate a 50 megawatt biomass-fueled power plant and generating facility;

**WHEREAS**, Purchaser's plans to construct and operate the Facility in the Industrial Park are contingent upon many factors, including, but not limited to, securing approval from the Kentucky Economic Development Finance Authority for all appropriate incentives under the Kentucky Incentives for Energy Independence Act;

**WHEREAS**, Purchaser desires to secure a reliable source of water for portions of the Facility's future water needs;

**WHEREAS**, Seller has adequate sources and supplies of water to sell to Purchaser to meet those needs; and

**WHEREAS**, subject to and in accordance with the terms of this Agreement, Seller desires to grant to Purchaser, and Purchaser desires to accept from Seller, an option to enter into a water supply agreement with Seller.

**NOW, THEREFORE**, in consideration of the sum of one hundred dollars (\$100.00), mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, Purchaser and Seller hereby agree as follows:

1. **Grant of Option**. Seller hereby grants to Purchaser for the period beginning on the date hereof and ending on October 1, 2012 (the "**Expiration Date**"), the right, privilege and option (the "**Option**") to enter into a Water Supply Agreement (the "**Water Supply Agreement**") with Seller substantially in the form attached hereto as **Exhibit A**. Provided, however, this Option shall automatically terminate upon the expiration or termination (without exercise and closing) of that certain Option to Purchase and Grant of Right of Entry by and between Coal Fields Regional Industrial Authority, Inc. and ecoPower Generation, LLC dated October 7, 2009 as contemplated therein.

2. **Notice of Exercise; Closing**. Purchaser may exercise the Option, in its sole discretion, by giving written notice of such election to Seller on or before the Expiration Date (the "**Notice of Exercise**"). The Notice of Exercise shall be deemed sufficient if personally delivered or sent by registered or certified mail, return receipt requested, to the address of Seller

set forth in the Water Supply Agreement. If Purchaser fails to deliver the Notice of Exercise to Seller on or before the Expiration Date, this Agreement shall automatically terminate. Upon exercise of the Option by Purchaser, the parties shall execute and deliver a Water Supply Agreement substantially in the form attached hereto as **Exhibit A** within ten (10) days of the date of Notice of Exercise.

3. **Termination**. Purchaser has no obligation to exercise the Option and may terminate this Agreement at any time by giving written notice to Seller. If Purchaser does not timely elect to exercise the Option and this Agreement lapses, all consideration paid by Purchaser shall be retained by Seller and neither party shall have any further liability to the other.

4. **Miscellaneous Provisions**.

A. **Waiver**. The failure of any party at any time to enforce any provision of this Agreement, to exercise its rights under any provision, or to require a certain performance of any provision, shall in no way be construed as a waiver of such provision, nor in any way affect the validity of this Agreement or the right of a party thereafter to enforce each and every provision.

B. **Assignment**. This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective successors and assigns. This Agreement shall not be assigned by Seller without the written consent of Purchaser.

C. **Authority**. Seller and Purchaser both represent and warrant that each possesses full authority to enter this Agreement and that all necessary approvals have been obtained.

D. **Non-exclusivity**. Nothing contained in this Agreement shall prevent Purchaser from purchasing water from any other supplier.

E. **Choice of Law**. This Agreement shall be governed and interpreted under the laws of the Commonwealth of Kentucky, without regard to its choice of law principles.

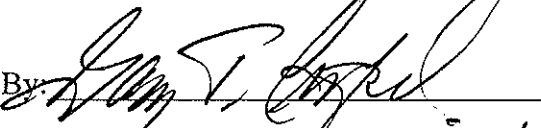
F. **Entire Agreement**. This Agreement constitutes the full and entire understanding and agreement between the Parties with regard to the subject matter hereof. This Agreement may be modified or amended only by a written instrument duly executed by each party hereto.

G. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[END OF TEXT; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first written above.

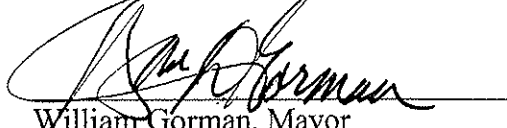
**ECOPOWER GENERATION, LLC**

By: 

Printed Name: Gary T. Crawford

Title: CEO

**CITY OF HAZARD**



William Gorman, Mayor

Exhibit A

**Water Supply Agreement**

## WATER SUPPLY AGREEMENT

This Water Supply Agreement (the “**Agreement**”) is entered into as of \_\_\_\_\_, 20\_\_\_, by and between **ecoPower Generation, LLC**, a Kentucky limited liability company (“**Purchaser**”), and the **City of Hazard, Kentucky** (“**Seller**”). Purchaser and Seller are collectively referred to herein as the “**Parties**.”

### WITNESSETH:

WHEREAS, Purchaser intends to construct and operate a 50 megawatt biomass-fueled power plant and generating facility (the “**Facility**”) located in Perry County, Kentucky, in the area commonly known as the Coal Fields Regional Industrial Park;

WHEREAS, Purchaser’s plans to construct and operate the Facility are contingent upon many factors, including, but not limited to, securing approval from the Kentucky Economic Development Finance Authority for all appropriate incentives under the Kentucky Incentives for Energy Independence Act;

WHEREAS, Purchaser desires to secure a reliable source of water for portions of the Facility’s future water needs; and

WHEREAS, Seller has adequate sources and supplies of water to sell to Purchaser to meet those needs.

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, Purchaser and Seller hereby agree as follows:

### 1. EFFECTIVE DATE AND TERM

1.1 **Effective Date.** The effective date shall be the date of the initial delivery of any water as shown by the first bill submitted by Seller to Purchaser (the “**Effective Date**”).

1.2 **Term.** This contract shall extend for a term of twenty (20) years from the Effective Date.

### 2. QUANTITY AND QUALITY OF WATER

2.1 **Quantity.** During the term of this Agreement and any renewal or extension thereof, Purchaser will purchase from Seller and Seller will supply to Purchaser such quantities of water as Purchaser may require, but not to exceed, however, one hundred thousand (100,000) gallons per day, averaged on a monthly basis, at the Point of Delivery hereinafter specified. There shall be no minimum purchase requirements.

Notwithstanding the foregoing, Seller shall not be required to provide Purchaser water in excess of one hundred fifty thousand (150,000) gallons in any single day.

2.2 **Quality.** Seller shall furnish potable treated water meeting applicable quality standards of the Kentucky Energy and Environment Cabinet, Division of Water, Health Department, and any other applicable governmental agency. The water will be of the same quality as that furnished to Seller's retail and other wholesale customers.

### **3. POINT OF DELIVERY, METERING EQUIPMENT, MAINTENANCE AND PRESSURE**

3.1 **Point of Delivery.** Seller will provide water to Purchaser at the point(s) of delivery agreed to in writing by the Parties (hereinafter a "**Point of Delivery**").

3.2 **Metering Equipment.** Purchaser shall be responsible for the cost of the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to Purchaser (the "**Metering Equipment**"). Seller shall furnish the Metering Equipment and Purchaser shall reimburse Seller within ten (10) days of receipt of an invoice for the same. At its own expense, Seller shall install, operate, and maintain the Metering Equipment and calibrate such Metering Equipment whenever requested by Purchaser but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the twelve (12) months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on the 20<sup>th</sup> day of the month or a mutually agreed-to date. An appropriate official of Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

3.3 **System Maintenance.** Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be reasonably necessary to furnish Purchaser with quantities of water required by Purchaser. Temporary or partial failures to deliver water shall be remedied as soon as reasonably practicable. Seller shall inform Purchaser as soon as reasonable practicable by telephone, email or by facsimile transmission, of the nature and extent of such temporary or partial failure to deliver water. In the event of an extended shortage of water, or the supply of water available to Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser shall be reduced or diminished in the same ratio or proportion as the supply to Seller's other consumers is reduced or diminished; provided that, notwithstanding any provision to the contrary herein, Seller shall retain discretion to implement any planned service interruption that it deems necessary in accordance with City of Hazard Ordinance §54.11 or other applicable law.

3.4 **Pressure.** Seller will use its best reasonable efforts to provide a delivery pressure at the Point of Delivery consistent with industry standards and Kentucky Public Service Commission Regulations, subject to the force majeure events described in this Agreement. If a greater pressure than that normally available at the Point of Delivery is required by Purchaser, the cost of providing such greater pressure shall be borne by Purchaser. Notwithstanding any

provisions to the contrary, Seller does not warrant that it will provide water in sufficient quantities or at sufficient pressures to provide fire protection for the Facility.

**4. WATER RATES**

**4.1** Purchaser shall pay Seller for water at the following rates:

**4.1.1 Rate Calculation.** The rate shall be Seller's published rates for regular customers outside the Hazard city limits at the Point of Delivery per 1,000 gallons of water less \$1.00. As of November 1, 2009, Seller's published rates for regular customers outside the Hazard city limits per 1,000 gallons of water are as follows:

Quantity	Price per 1,000 gallons*
First 2,000 gallons	\$12.29
Next 1,000 gallons	6.52
Next 1,000 gallons	6.17
Next 1,000 gallons	5.95
Next 5,000 gallons	5.84
Next 50,000 gallons	5.72
Next 50,000 gallons	5.61
Next 50,000 gallons	5.51
Next 50,000 gallons	5.39
Next 100,000 gallons	5.28
Above	5.17

\*Does not reflect \$1.00 discount per 1,000 gallons.

**4.1.2 Rate Modification.** In the event Seller's rates increase or decrease, then Seller shall increase or decrease the rate to Purchaser by the same amount. (For example, if Seller's applicable rate increases by ten (10) cents per 1,000 gallons, then Seller shall increase its rate to Purchaser by 10 cents per 1,000 gallons.)

**4.1.3 Notice.** Seller shall provide notice to Purchaser of any rate modification as provided in Section 6.4. The effective date of any rate modification shall be the day Purchaser receives notice of the rate modification.

**5. BILLING, PAYMENT AND DISPUTES**

**5.1 Billing and Payment.** Once each month, Purchaser shall submit to Seller an invoice for the amount due to Seller under the terms of this Agreement for the prior month. All invoices shall be due and payable by Purchaser to Seller within thirty (30) days of receipt. A five percent (5%) penalty shall be added to each invoice that is not paid within thirty (30) days of its receipt by Purchaser.

**5.2 Disputes.** If a portion of any bill is in a bona fide dispute, the undisputed amount shall be paid when due. In the event either party is entitled to all or any portion of the disputed amount, such party shall also be entitled to interest on such amount at ten percent (10%)



per annum. Each party shall bear its own costs of resolving such disputes, including reasonable attorneys' fees and consulting fees. The use of the above procedure shall not be deemed an event of default under this Agreement.

## 6. MISCELLANEOUS PROVISIONS

**6.1 Force Majeure.** Except for the payments required of Purchaser under Section 4 above, either party may suspend its performance under this Agreement if such party's performance is prevented or delayed by a cause or causes beyond the reasonable control of such party which could not have been avoided by the exercise of reasonable diligence by such party.

**6.2 Termination.** Purchaser may terminate this Agreement at any time by giving written notice to Seller.

**6.3 Notices.** Subject to Section 3.3 of this Agreement, any notices allowed or required under this Agreement shall be in writing and shall be hand-delivered or mailed by certified mail, return receipt requested. Notice shall be effective upon receipt. Notices shall be given to the Parties at the following addresses or such other addresses as may be designated by the Parties in writing:

To Purchaser:

ecoPower Generation, LLC  
Attn: Gary Crawford, CEO  
1256 Manchester Street  
Lexington, Kentucky 40504  
(859) 685-1106  
gcrawford@ecopg.com

With a copy to:

Patrick W. Mattingly  
Wyatt, Tarrant & Combs, LLP  
Suite 2800  
500 W. Jefferson Street  
Louisville, Kentucky 40202  
(502) 562-7294  
pmattingly@wyattfirm.com

To Seller:

City of Hazard, Kentucky  
City Manager  
700 Main Street  
Hazard, Kentucky 41701

With a copy to:

Paul R. Collins  
Hollon & Collins  
P.O. Box 779  
486 Main Street  
Hazard, Kentucky 41702  
(606) 439-1302  
pcollins@hollonlaw.com

**6.4 Waiver.** The failure of any party at any time to enforce any provision of this Agreement, to exercise its rights under any provision, or to require a certain performance of any provision, shall in no way be construed as a waiver of such provision, nor in any way affect the validity of this Agreement or the right of a party thereafter to enforce each and every provision.

**6.5 Assignment.** This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective successors and assigns. This Agreement shall not be assigned by Seller without the written consent of Purchaser.

**6.6 Authority.** Seller and Purchaser both represent and warrant that each possesses full authority to enter this Agreement and that all necessary approvals have been obtained.

**6.7 Non-exclusivity.** Nothing contained in this Agreement shall prevent Purchaser from purchasing water from any other supplier. In the event Purchaser should enter into a Water Purchase Agreement with any other entity, Purchaser shall not be relieved of any of the responsibilities and obligations set forth herein.

**6.8 Choice of Law.** This Agreement shall be governed and interpreted under the laws of the Commonwealth of Kentucky, without regard to its choice of law principles.

**6.9 Entire Agreement.** This Agreement constitutes the full and entire understanding and agreement between the Parties with regard to the subject matter hereof. This Agreement may be modified or amended only by a written instrument duly executed by each party hereto.

**6.10 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[END OF TEXT; SIGNATURE PAGE FOLLOWS]

15209852.4

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first written above.

**ECOPOWER GENERATION, LLC**

**CITY OF HAZARD, KENTUCKY**

By: \_\_\_\_\_

\_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A5**

**Hollybush Impoundment Data**

## **2009 Reclamation Permit**

# Surface Coal Mining and Reclamation Operations Permit



Department for Natural Resources

LCC KENTUCKY LLC  
PO BOX 250  
DWALE KY 41649

This permit is issued based on ownership and control information contained in the permit application. The permittee shall notify the Division of Mine Permits in writing of any change in officers, directors, persons performing functions similar to directors, stockholders owning ten per cent (10%) or more of any class of voting stock, or addresses of the permittee or other persons listed above. Written notification shall be made within thirty (30) days of such changes. After notifying the Division of such changes in writing, the permittee shall make all necessary changes in the permit application on forms supplied by the Division. The Department for Natural Resources hereby grants the above-named operator a permit to engage in surface coal mining and reclamation operations. This permit has been issued under the provisions of KRS Chapter 350 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses or approvals required by this Cabinet and/or other state, federal and local agencies. Conformance with all such laws and regulations is the responsibility of the permittee. Further, this permit is subject to any conditions and operating limitations specified below:

## A. PERMIT ACTION

- (1) This is minor revision #12. The permit acreage was 1,708.68 acres and this revision adds zero (0) acres for a total of 1,708.68 acres.
- (2) The amendment permit effective on 10/02/1987 was issued for 1,690.50 surface disturbance acres. Since that date, 18.18 surface disturbance acres have been added leaving 1.82 acres eligible to be added to the surface by revision.
- (3) No further coal removal activities may be conducted since the permit has expired.

(OVER)

No deviation from the plans and specifications submitted with your application or the conditions specified above is permitted, unless previously authorized in writing by the Division of Mine Permits. At any time the terms and conditions contained in this permit are violated, it shall become null and void. All rights of inspection by representatives of the Department for Natural Resources are reserved. Receipt of the permit fee and bond amount specified below is hereby acknowledged.

Major Watershed:	Kentucky River	Effective Date:	02/11/2009
Legal Structure:	Limited Liability Company	Expiration Date:	08/07/1999
Permit Fee:	\$375	Type of Operation:	Surface Contour/Area/ Steep Slope
Bond Type:	LOC	County:	Perry
Bond Amount:	\$36,000	Acres:	1,708.68
Bond Number:	See Condition No. E-1	Issued:	08/07/1984
Permit Number:	897-0459		



*Ronald P. Miller*  
Director, Division of Mine Permits

**B. POST MINING LAND USE**

(1) Approval is granted for the following post mining land uses:

<u>Land Use</u>	<u>Acres</u>
Pastureland	1,130.71
Industrial/Commercial	576.00
Forestland	1.97

**C. GENERAL**

(1) Disposal of hazardous waste and solid waste other than "coal mining solid waste" is prohibited on the permit area unless a permit is obtained from the Division of Waste Management.

(2) The Department acting through its inspection and enforcement process may, at its discretion, modify airblast monitoring location and frequency requirements depending upon specific mining or site conditions.

(3) An alkaline mine classification has been granted by the Division of Water to this permit; therefore, manganese monitoring is not required at the KPDES sampling points.

**D. WAIVERS / VARIANCES**

(1) A variance is granted allowing surface disturbance operations within 100 feet of Wiley Miller Branch and Hollybush Branch.

(2) A variance for the use of alternate topsoil material on 1,708.68 acres of this permit site is granted. The alternate topsoil materials shall be removed, segregated, thoroughly mixed (when more than one strata is being used) and redistributed in a progressive manner.

(3) A tentative waiver is granted approving the retention of sediment basin #5A & 1342 as permanent impoundment(s). Final approval will be contingent on the establishment of the approved post mining land use.

(4) A variance is granted from the approximate original contour requirements for this steep slope operation. The proposed activities shall be conducted in accordance with the plan presented in the permit application and the requirements of 405 KAR 20:060.

(5) The Department approves the construction of hard rock spoil fill(s) #1A, 2A, 4, 5A, 6A, 7, 8A, and 9 by means of dumping spoil in a single lift.

(6) A variance is granted to install culverts beneath roads B & C on the interval spacing proposed in the minor revision #7 permit application.

(7) A variance is granted for the use of small grains or annual grasses, in lieu of mulch, on 1,708.68 acres of the permit area as designated in the revegetation plan. If adequate soil stability has not been provided, appropriate mulches shall be used.

(8) This permit is conditioned that the temporary spoil depression currently located on increment 7 and described in minor revision no. 5 has tentative approval to be retained on a permanent basis. Final approval will depend on the establishment of the post mining land use, stability of the fill area, and any associated hydrological considerations at bond release.

**E. BOND AND ACREAGE DETAIL**

(1) This permit is for a total of 1,708.68 acres divided into 32 increments. The increments currently bonded are listed below:

<u>Increment Number</u>	<u>Surface Disturbance Acreage</u>	<u>Bond Amount</u>	<u>Bond Number</u>
15	2.20	\$ 1,100	S404895
23	21.54	\$ 19,800	S404895
24	23.72	\$ 8,500	S404895
32	5.46	\$ 6,600	CIS404895**

\* Acreage fees were paid as single area.

\*\* Note: Excess acreage fees in the amount of \$75 were used from permit #898-0763 for increment #32.

(2) For all remaining areas identified in the major revision #10 application, the success of revegetation will be determined by KRS 350.095(2).

**F. VIOLATION DETAIL**

N/A



**Annual Report and Certification  
for Hollybush**

**ANNUAL REPORT AND CERTIFICATION  
HOLLYBUSH SEDIMENT DAM  
PERRY COUNTY, KENTUCKY  
MSHA ID No. 1211-KY-07089-01  
KYDSMRE PERMIT NO. 897-0459**

**Prepared for:  
LCC Kentucky, LLC  
P.O. Box 250  
Dwale, Kentucky 41621-0250**

**Prepared by:**



**CBC Engineers & Associates, Ltd.  
110 Sheriff Court, Suite 100A  
Hazard, Kentucky 41719**

**June 1, 2009**

# CBC Engineers & Associates, Ltd.

110 Sheriff Court, Suite 100A  
Hazard, Kentucky 41719  
PHONE (606) 435-0164 FAX (606) 435-1022

June 1, 2009

Mr. Tommy Hooker, District Manager  
District No. 7  
Mine Safety and Health Administration  
3837 South Hwy. 25 E  
Barbourville, Kentucky 40906

**Re: Annual Certification  
LCC Kentucky, LLC  
Hollybush Sediment Dam  
MSHA ID No. 1211-KY-07089-01  
KYDSMRE Permit No. 897-0459  
CBC Report No. 506-016-09-0601**

Dear Mr. Hooker:

As required by Section 77.216-4 of CFR, we are submitting, on behalf of LCC, the following annual certification for the Hollybush Sediment Dam. This certification covers the period from June 1, 2008 to June 1, 2009. There have been no changes to this structure, therefore no drawing is included in this report.

The requirements are as follows:

- 1) Change in Geometry – No changes in Geometry.
- 2) All monitoring device readings, which are currently in place, are tabulated below. There are currently two standpipe piezometers and the maximum, minimum and current reading are listed in Table 1.

TABLE 1  
STANDPIPE PIEZOMETER READINGS

PIEZOMETER NO.	TOP ELEV., (ft.)	MIN. ELEVATION DURING REPORTING PERIOD, (ft.)	CURRENT PHREATIC SURFACE ELEV., (ft.)	ENGINEERS NOTIFICATION LIMIT, (ft.)	MAX. ELEVATION DURING REPORTING PERIOD, (ft.)
P1	944	DRY	DRY	905	DRY
P2	926.49	DRY	DRY	899	DRY

- 3) The minimum and maximum water and sediment elevations and depths, for this reporting period are listed in Table 4.

TABLE 4  
DEPTHS OF IMPOUNDED WATER AND SLURRY

	DEPTH, ft.	ELEV., ft.
Minimum Depth	37.0	916.9
Maximum Depth	40.1	920.0
Current Depth	37.1	917.0

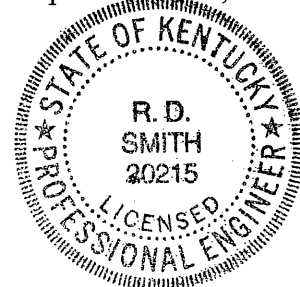
- 4) Storage capacities of the structure are listed in Table 5

TABLE 5  
STORAGE VOLUMES

PARAMETER	ACRE FEET
Design Capacity of the Impoundment	258.9
Current Total Impounded Volume	68.4 <i>Sed/Water</i>
Remaining Storage Capacity of the Structure	190.5

- 5) There have been no changes affecting stability of the structure during the reporting period. Visual inspections have been conducted weekly and no additional problems were observed. There were no changes in the phreatic levels.
- 6) It is expected that during the next annual reporting period that there will be no changes in the geometry of this structure.

I, *[Signature]*, Registration No. 20215, Date 4/1/09  
 Hereby certify that the Hollybush Sediment Dam ID No. 1211-KY-07089-01, unless otherwise stated in this report, has been constructed, maintained and operated in accordance with the plan approved by the Mine Safety and Health Administration, District 7 Manager, for the period June 1, 2008 to June 1, 2009.



**APPENDIX I**

**KY DSMRE Certification of Maintenance**

CERTIFICATION OF MAINTENANCE  
OF IMPOUNDMENTS



I, [Signature], 20215, 6/1/2009,  
(signature) (registration no.) (date)

hereby certify, in accordance with 405 KAR 7:040E, Section 10, that with respect to the following facility,

(check one)

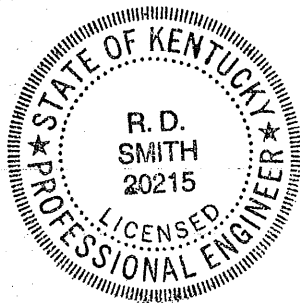
permanent water impoundment       coal processing waste dam  
 temporary water impoundment       coal processing waste impoundment

Hollybush Silt Structure  
facility # 1211-KY7-07089-01 on permit 897-0459  
permittee name LCC Kentucky, LLC

- a) I, or a qualified professional specialist under my supervision, have inspected the structure; and
- b) based on the inspection(s), I have determined that the structure has been maintained as required by KRS Chapter 350 and KAR Title 405.

The certification report required by 405 KAR 16:100, Section 1(9) or 405 KAR 18:100, Section 1(9) is attached.

Engineer's seal



**CERTIFICATION OF MAINTENANCE OF IMPOUNDMENTS  
MAINTENANCE INSPECTION REPORT**

PERMITTEE NAME: LCC Kentucky, LLC PERMIT NO.: 897-0459

Impoundment No. 1211-KY7-07089-01 Date of the Final Certification of Construction N/A

Date of Last Inspection 6/1/2008 Date of This Inspection 6/1/2009

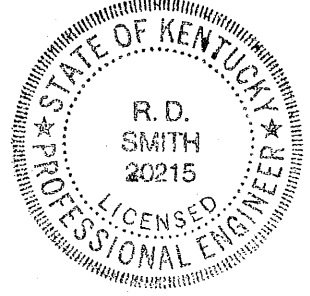
1. Are there signs of instability, structural weakness, excessive settlement, or hazardous conditions?  
If "YES," attach a description of the condition, the remedial measures needed, and any necessary emergency procedures. YES or NO
  
2. What is the approximate present depth of impounded water at the deepest point? 37.1 ft.
  
3. What is the current elevation of the surface water level, in relation to the permanent pool elevation shown on the as-built plan? 917.0 ft.
  
4. Are the capacities of the sediment storage pool, permanent pool, and storm pool, substantially the same as the approved design?  
If "NO," attach description of the differences. YES or NO
  
5. Estimate the percent of the design sediment storage capacity that remains unfilled. N/A %
  
6. Describe the type and condition of the vegetative cover on the embankment, and describe any significant erosion. WELL VEGETATED, NO SIGNIFICANT EROSION
  
7. Are the spillways obstructed?  
If "YES," attach a description of the remedial measures needed. YES or NO
  
8. Is there any evidence of leakage?  
If "YES," attach description of the location and amount of leakage, and discuss implications for stability and safety. YES or NO
  
9. Are there any existing or required monitoring procedures and instrumentation other than KPDES? See Attached Report YES or NO
  
10. State the current hazard classification.  
Has the hazard classification changed? A or B or C  
YES or NO  
If "YES," attach an explanation of the change and the conditions causing the change. \_\_\_\_\_
  
11. Has the structure otherwise been maintained as designed and constructed? YES or NO  
If "NO," attach a description of maintenance measures needed.

*Matthew Thomas*  
Signature of person conducting inspection

*[Signature]* 20215  
Signature of engineer and registration no.

Kentucky Department for Surface Mining Reclamation and Enforcement  
SME-22 7/90 PAGE 2 OF 2

Engineer's Seal



**DMRS**



KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYGO
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: 1 <sup>st</sup> QUARTER 2008
FACILITY:	
LOCATION:	COUNTY: PERRY

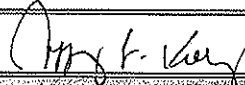
OUTFALL NO. 640	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-15-08	0.144	7.88		<0.1				<0.01	208		

OUTFALL NO. 644	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-15-08	0.072	8.06		<0.1				<0.01	456		

OUTFALL NO. 650	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-15-08	0.043	7.17		<0.1				<0.01	84		

OUTFALL NO. 659	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-15-08	0.029	8.18		<0.1				<0.01	168		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 874-1649	4/8/08
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYG0
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: 2 <sup>nd</sup> QUARTER 2008
FACILITY:	
LOCATION:	COUNTY: PERRY

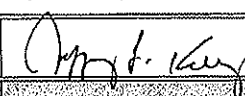
OUTFALL NO. 640	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
5-5-08	0.144	7.88		<0.1				<0.01	208		

OUTFALL NO. 644	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
5-5-08	0.058	8.07		<0.1				<0.01	444		

OUTFALL NO. 650	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
5-5-08	0.029	8.18		<0.1				<0.01	92		

OUTFALL NO. 659	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
5-5-088	0.029	8.20		<0.1				<0.01	184		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	7/15/08
NAME/TITLE, PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYGO
ADDRESS: P.O. BOX 250 DWALE, KENTUCKY 41621	DSMRE NUMBER: 897-0459
FACILITY:	MONITORING PERIOD: 3 <sup>rd</sup> QUARTER 2008
LOCATION:	COUNTY: PERRY

OUTFALL NO. 640	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
7-2-08	0.144	8.00		<0.1				<0.01	240		

OUTFALL NO. 644	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
7-2-08	0.072	7.82		<0.1				<0.01	400		

OUTFALL NO. 650	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
7-2-08	0.043	8.08		<0.1				<0.01	116		

OUTFALL NO. 659	TYPE OF OPERATION: RECLAMATION AREA										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
7-2-08	0.029	8.26		<0.1				<0.01	196		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.59-010 (penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	10/15/08
NAME/TITLE/PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYGO
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: SEPTEMBER 2008
FACILITY:	
LOCATION:	COUNTY: PERRY

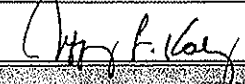
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
9-3-08	0.072	8.32	6		0.19		0.97	<0.01	208	
9-16-08	0.065	8.11	6		0.18		0.76	<0.01	222	

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
9-3-08	0.072	8.12	6		0.17		0.28	<0.01	316	
9-16-08	0.079	8.05	7		0.24		0.30	<0.01	307	

OUTFALL NO. 650	TYPE OF OPERATION: RECLAMATION AREA									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
9-3-08	0.029	7.88	5		0.15		0.39	<0.01	120	
9-16-08	0.022	7.79	7		0.22		0.15	<0.01	133	

OUTFALL NO.	TYPE OF OPERATION:									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:005 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	10/15/08
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

**KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)**

**COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)**

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYGO
ADDRESS: P.O. BOX 250	DSMR NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: OCTOBER 2008
FACILITY:	
LOCATION:	COUNTY: PERRY

OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
10-2-08	0.072	8.12	5		0.10		0.90	<0.01	220	
10-15-08	0.058	8.03	6		0.15		0.78	<0.01	235	

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
10-2-08	0.043	8.21	6		0.16		0.29	<0.01	300	
10-15-08	0.036	8.10	4		0.13		0.36	<0.01	288	

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
10-2-08	0.029	8.18	4		0.15		0.07	<0.01	164	
10-15-08	0.029	8.05	7		0.22		0.10	<0.01	159	

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
10-2-08	0.014	8.26	3		0.16		0.11	<0.01	204	
10-15-08	0.014	8.34	6		0.11		0.09	<0.01	229	

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under those statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION	<i>Jeff Kelly</i>	(606) 285-1630	1/20/09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER:	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here):

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

ECC KENTUCKY, LLC		KPDES NUMBER:	KY60
P.O. BOX 250		DSMRE NUMBER:	897-0459
DOWALE, KENTUCKY 41621		MONITORING PERIOD:	NOVEMBER 2008
COUNTY:		PERRY	

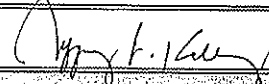
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
11-5-08	0.043	8.11	4		0.11		0.88	<0.01	210		
11-18-08	0.144	8.13	7		0.20		0.81	<0.01	204		

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
11-5-08	0.036	8.05	5		0.11		0.22	<0.01	294		
11-18-08	0.072	8.08	5		0.21		0.43	<0.01	476		

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
11-5-08	0.022	8.00	5		0.18		0.09	<0.01	149		
11-18-08	0.043	8.14	4		0.18		0.10	<0.01	132		

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
11-5-08	0.010	8.19	5		0.18		0.05	<0.01	233		
11-18-08	0.029	8.17	6		0.12		0.23	<0.01	216		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	11/20/09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KY60
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: DECEMBER 2008
FACILITY:	
LOCATION:	COUNTY: PERRY

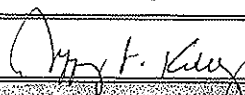
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
12-2-08	0.101	7.92	7		0.18		0.94	<0.01	192	
12-16-08	0.144	8.16	4		0.10		0.12	<0.01	144	

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
12-2-08	0.072	8.08	8		0.16		0.42	<0.01	356	
12-16-08	0.101	8.07	7		0.20		0.25	<0.01	172	

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
12-2-08	0.029	8.00	4		0.12		0.09	<0.01	116	
12-16-08	0.072	8.02	5		0.14		0.33	<0.01	140	

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
12-2-08	0.029	8.18	3		0.11		0.27	<0.01	204	
12-16-08	0.043	8.06	6		0.16		0.53	<0.01	128	

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 3:065 and KRS 224.99-016 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	11/20/09
NAME/TITLE-PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYGO
ADDRESS: P.O. BOX 250	DSMR NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: FEBRUARY 2009
FACILITY:	
LOCATION:	COUNTY: PERRY

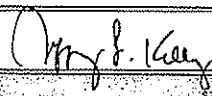
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-3-09	0.144	8.18	3		0.14		0.38	<0.01	244		
2-17-09	0.144	8.14	5		0.09		0.57	<0.01	260		

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-3-09	0.072	8.21	7		0.25		0.66	<0.01	196		
2-17-09	0.072	8.24	8		0.20		0.60	<0.01	312		

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-3-09	0.043	8.22	4		0.16		0.34	<0.01	204		
2-17-09	0.043	8.22	7		0.23		0.30	<0.01	248		

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
2-3-09	0.029	8.06	5		0.18		0.75	<0.01	148		
2-17-09	0.029	8.28	6		0.13		0.42	<0.01	236		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	4/1/09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)



KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KY60
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: MARCH 2009
FACILITY:	
LOCATION:	COUNTY: FERRY

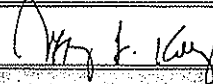
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
3-3-09	0.144	8.00	4		0.16		0.50	<0.01	240		
3-17-09	0.144	8.07	6		0.19		0.47	<0.01	252		

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
3-3-09	0.072	8.22	3		0.13		0.58	<0.01	236		
3-17-09	0.101	8.18	9		0.23		0.47	<0.01	240		

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
3-3-09	0.043	8.12	2		0.15		0.27	<0.01	188		
3-17-09	0.043	8.16	8		0.19		0.33	<0.01	176		

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
3-3-09	0.029	8.28	1		0.11		0.45	<0.01	192		
3-17-09	0.043	8.22	8		0.19		0.38	<0.01	196		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	4/1-09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here):

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KY60
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: APRIL 2009
FACILITY:	
LOCATION:	COUNTY: PERRY

OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
4-1-09	0.144	8.12	4		0.18		0.36	<0.01	260	
4-16-09	0.144	8.18	6		0.15		0.29	<0.01	244	

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
4-1-09	0.101	8.24	7		0.24		0.52	<0.01	252	
4-16-09	0.072	8.22	8		0.27		0.45	<0.01	240	

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
4-1-09	0.043	8.18	8		0.22		0.30	<0.01	180	
4-16-09	0.043	8.17	10		0.37		0.19	<0.01	172	

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
4-1-09	0.043	8.27	6		0.30		0.47	<0.01	204	
4-16-09	0.029	8.26	8		0.25		0.42	<0.01	196	

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 1:005 and RES 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION	<i>Jeff Kelly</i>	(606) 285-1630	7/16/09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)  
 COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

NAME: LCC KENTUCKY, LLC	KPDES NUMBER: KYG0
ADDRESS: P.O. BOX 250	DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621	MONITORING PERIOD: MAY 2009
FACILITY:	COUNTY: PERRY
LOCATION:	

OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
5-5-09	0.144	8.02	6		0.24		0.46	<0.01	120	
5-19-09	0.101	8.18	4		0.18		0.28	<0.01	104	

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
5-5-09	0.101	8.09	8		0.64		0.82	<0.01	140	
5-19-09	0.072	8.12	6		0.48		0.61	<0.01	132	

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
5-5-09	0.043	8.12	4		0.43		0.62	<0.01	108	
5-19-09	0.043	8.09	3		0.31		0.53	<0.01	112	

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS									
EFFLUENT CHARACTERISTICS										
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION
5-5-09	0.029	7.92	3		0.87		0.52	<0.01	104	
5-19-09	0.029	8.20	5		0.56		0.32	<0.01	116	

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under these statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION	<i>Jeff Kelly</i>	(606) 285-1630	7/16/09
NAME/TITLE/PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM (KPDES)

COAL ONLY DISCHARGE MONITORING REPORT (COAL ONLY DMR)

LCC KENTUCKY, LLC		KPDES NUMBER: KYG0
ADDRESS: P.O. BOX 250		DSMRE NUMBER: 897-0459
DWALE, KENTUCKY 41621		MONITORING PERIOD: JUNE 2009
FACILITY:		
LOCATION:		COUNTY: PERRY

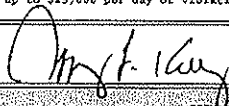
OUTFALL NO. 640	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
6-2-09	0.101	8.12	4		0.16		0.25	<0.01	126		
6-16-09	0.115	8.08	4		0.20		0.29	<0.01	138		

OUTFALL NO. 644	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
6-2-09	0.072	8.18	5		0.45		0.57	<0.01	146		
6-16-09	0.086	8.13	5		0.38		0.65	<0.01	158		

OUTFALL NO. 650	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
6-2-09	0.043	8.14	3		0.28		0.50	<0.01	120		
6-16-09	0.043	8.18	4		0.33		0.54	<0.01	106		

OUTFALL NO. 659	TYPE OF OPERATION: DISCHARGES FROM STEEP SLOPE AND MOUNTAIN TOP REMOVAL AREAS										
EFFLUENT CHARACTERISTICS											
DATE	FLOW	pH	TSS	SS	IRON	IRON (TR)	Mn	ACIDITY	ALKALINITY	PRECIPITATION	
6-2-09	0.029	8.15	4		0.58		0.34	<0.01	102		
6-16-09	0.029	8.08	5		0.64		0.39	<0.01	124		

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein. And based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 401 KAR 5:065 and KRS 224.99-010 (Penalties under those statutes may include fines up to \$25,000 per day of violation or by imprisonment for not less than one year and not more than five years or by both).

JEFF KELLY MANAGER OF RECLAMATION		(606) 285-1630	7/16/09
NAME/TITLE PRINCIPAL EXECUTIVE OFFICER	SIGNATURE	TELEPHONE	DATE

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)

## **Water Quality Data**

September 16, 2009 10:37:09AM

Client: Smith Management Group (5088)  
1405 Mercer Road  
Lexington, KY 40511  
Attn: Ken Kirk

Work Order: NSI0488  
Project Name: SMG  
Project Nbr: [none]  
P/O Nbr: Must have PO#  
Date Received: 09/04/09

SAMPLE IDENTIFICATION	LAB NUMBER	COLLECTION DATE AND TIME
SMG-1	NSI0488-01	09/02/09 11:45
SMG-2	NSI0488-02	09/02/09 12:35

An executed copy of the chain of custody, the project quality control data, and the sample receipt form are also included as an addendum to this report. If you have any questions relating to this analytical report, please contact your Laboratory Project Manager at 1-800-765-0980. Any opinions, if expressed, are outside the scope of the Laboratory's accreditation.

This material is intended only for the use of the individual(s) or entity to whom it is addressed, and may contain information that is privileged and confidential. If you are not the intended recipient, or the employee or agent responsible for delivering this material to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this material is strictly prohibited. If you have received this material in error, please notify us immediately at 615-726-0177.

Kentucky Certification Number: 90038

The Chain(s) of Custody, 2 pages, are included and are an integral part of this report.

These results relate only to the items tested. This report shall not be reproduced except in full and with permission of the laboratory.

All solids results are reported in wet weight unless specifically stated.

Estimated uncertainty is available upon request.

This report has been electronically signed.

Report Approved By:



Jennifer Gambill

Project Manager

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

## ANALYTICAL REPORT

Analyte	Result	Flag	Units	MRL	Dilution Factor	Analysis Date/Time	Method	Batch
<b>Sample ID: NSI0488-01 (SMG-1 - Water) Sampled: 09/02/09 11:45</b>								
General Chemistry Parameters								
Acidity	ND	A-01	mg/L	10.0	1	09/09/09 10:43	SM2310 B	9091182
Alkalinity, Total (CaCO3)	408		mg/L	10.0	1	09/11/09 17:10	SM2320 B	9091664
Total Metals by EPA Method 200.7								
Iron	0.470		mg/L	0.250	5	09/09/09 20:24	EPA 200.7	9091159
Manganese	1.61		mg/L	0.0750	5	09/09/09 20:24	EPA 200.7	9091159
<b>Sample ID: NSI0488-02 (SMG-2 - Water) Sampled: 09/02/09 12:35</b>								
General Chemistry Parameters								
Acidity	ND	A-01	mg/L	10.0	1	09/09/09 10:43	SM2310 B	9091182
Alkalinity, Total (CaCO3)	574		mg/L	10.0	1	09/11/09 17:10	SM2320 B	9091664
Total Metals by EPA Method 200.7								
Iron	ND		mg/L	0.0500	1	09/10/09 10:43	EPA 200.7	9091240
Manganese	1.55		mg/L	0.0150	1	09/10/09 10:43	EPA 200.7	9091240

Client Smith Management Group (5088)  
1405 Mercer Road  
Lexington, KY 40511  
Attn Ken Kirk

Work Order: NSI0488  
Project Name: SMG  
Project Number: [none]  
Received: 09/04/09 08:10

### SAMPLE EXTRACTION DATA

Parameter	Batch	Lab Number	Wt/Vol Extracted	Extracted Vol	Date	Analyst	Extraction Method
Total Metals by EPA Method 200.7							
EPA 200.7	9091159	NSI0488-01	50.00	50.00	09/08/09 18:50	JLS	EPA 200.7
EPA 200.7	9091159	NSI0488-01	50.00	50.00	09/08/09 18:50	JLS	EPA 200.7
EPA 200.7	9091240	NSI0488-02	50.00	50.00	09/09/09 13:35	JLS	EPA 200.7
EPA 200.7	9091240	NSI0488-02	50.00	50.00	09/09/09 13:35	JLS	EPA 200.7



Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**  
**Blank**

Analyte	Blank Value	Q	Units	Q.C. Batch	Lab Number	Analyzed Date/Time
<b>General Chemistry Parameters</b>						
<b>9091182-BLK1</b>						
Acidity	<2.40		mg/L	9091182	9091182-BLK1	09/09/09 10:43
<b>9091664-BLK1</b>						
Alkalinity, Total (CaCO3)	<5.00		mg/L	9091664	9091664-BLK1	09/11/09 17:10
<b>Total Metals by EPA Method 200.7</b>						
<b>9091159-BLK1</b>						
Iron	<0.0490		mg/L	9091159	9091159-BLK1	09/09/09 17:57
Manganese	<0.00100		mg/L	9091159	9091159-BLK1	09/09/09 17:57
<b>9091240-BLK1</b>						
Iron	<0.0490		mg/L	9091240	9091240-BLK1	09/10/09 10:14
Manganese	<0.00100		mg/L	9091240	9091240-BLK1	09/10/09 10:14

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**

**Duplicate**

Analyte	Orig. Val.	Duplicate	Q	Units	RPD	Limit	Batch	Sample Duplicated	Analyzed Date/Time
<b>General Chemistry Parameters</b>									
<b>9091182-DUP1</b>									
Acidity	ND	ND	A-01	mg/L		10	9091182	NSI0488-01	09/09/09 10:43
<b>9091664-DUP1</b>									
Alkalinity, Total (CaCO3)	114	113		mg/L	0.5	20	9091664	NSI0750-01	09/11/09 17:10

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**  
**LCS**

Analyte	Known Val.	Analyzed Val	Q	Units	% Rec.	Target Range	Batch	Analyzed Date/Time
<b>General Chemistry Parameters</b>								
<b>9091182-BS1</b>								
Acidity	100	105		ug/mL	105%	90 - 110	9091182	09/09/09 10:43
<b>9091664-BS1</b>								
Alkalinity, Total (CaCO3)	100	104		mg/L	104%	90 - 110	9091664	09/11/09 17:10
<b>Total Metals by EPA Method 200.7</b>								
<b>9091159-BS1</b>								
Iron	1.00	0.975		mg/L	97%	85 - 115	9091159	09/09/09 18:01
Manganese	0.500	0.504		mg/L	101%	85 - 115	9091159	09/09/09 18:01
<b>9091240-BS1</b>								
Iron	1.00	1.04		mg/L	104%	85 - 115	9091240	09/10/09 10:17
Manganese	0.500	0.496		mg/L	99%	85 - 115	9091240	09/10/09 10:17

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**  
**LCS Dup**

Analyte	Orig. Val.	Duplicate	Q	Units	Spike Conc	% Rec.	Target Range	RPD	Limit	Batch	Sample Duplicated	Analyzed Date/Time
<b>Total Metals by EPA Method 200.7</b>												
<b>9091240-BSD1</b>												
Iron		1.05		mg/L	1.00	105%	85 - 115	1	20	9091240		09/10/09 10:20
Manganese		0.492		mg/L	0.500	98%	85 - 115	1	20	9091240		09/10/09 10:20

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**  
**Matrix Spike**

Analyte	Orig. Val.	MS Val	Q	Units	Spike Conc	% Rec.	Target Range	Batch	Sample Spiked	Analyzed Date/Time
<b>General Chemistry Parameters</b>										
<b>9091664-MS1</b>										
Alkalinity, Total (CaCO3)	87.2	188		mg/L	100	101%	80 - 120	9091664	NSI0847-01	09/11/09 17:10
<b>Total Metals by EPA Method 200.7</b>										
<b>9091159-MS1</b>										
Iron	0.0870	1.16		mg/L	1.00	107%	70 - 130	9091159	NSI0409-01	09/09/09 18:19
Manganese	0.00690	0.510		mg/L	0.500	101%	70 - 130	9091159	NSI0409-01	09/09/09 18:19
<b>9091240-MS1</b>										
Iron	0.270	1.28		mg/L	1.00	101%	70 - 130	9091240	NSI0622-01	09/10/09 11:46
Manganese	0.0185	0.504		mg/L	0.500	97%	70 - 130	9091240	NSI0622-01	09/10/09 11:46

Client Smith Management Group (5088)  
 1405 Mercer Road  
 Lexington, KY 40511  
 Attn Ken Kirk

Work Order: NSI0488  
 Project Name: SMG  
 Project Number: [none]  
 Received: 09/04/09 08:10

**PROJECT QUALITY CONTROL DATA**  
**Matrix Spike Dup**

Analyte	Orig. Val.	Duplicate	Q	Units	Spike Conc	% Rec.	Target Range	RPD	Limit	Batch	Sample Duplicated	Analyzed Date/Time
<b>Total Metals by EPA Method 200.7</b>												
<b>9091159-MSD1</b>												
Iron	0.0870	1.09		mg/L	1.00	100%	70 - 130	6	20	9091159	NSI0409-01	09/09/09 18:23
Manganese	0.00690	0.508		mg/L	0.500	100%	70 - 130	0.4	20	9091159	NSI0409-01	09/09/09 18:23
<b>9091240-MSD1</b>												
Iron	0.270	1.28		mg/L	1.00	101%	70 - 130	0.6	20	9091240	NSI0622-01	09/10/09 11:49
Manganese	0.0185	0.498		mg/L	0.500	96%	70 - 130	1	20	9091240	NSI0622-01	09/10/09 11:49

Client Smith Management Group (5088)  
1405 Mercer Road  
Lexington, KY 40511  
Attn Ken Kirk

Work Order: NSI0488  
Project Name: SMG  
Project Number: [none]  
Received: 09/04/09 08:10

## CERTIFICATION SUMMARY

### TestAmerica Nashville

Method	Matrix	AIHA	Nelac	Kentucky
EPA 200.7	Water	N/A	X	
SM2310 B	Water		X	
SM2320 B	Water		X	

Client Smith Management Group (5088)  
1405 Mercer Road  
Lexington, KY 40511  
Attn Ken Kirk

Work Order: NSI0488  
Project Name: SMG  
Project Number: [none]  
Received: 09/04/09 08:10

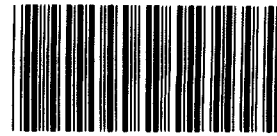
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## DATA QUALIFIERS AND DEFINITIONS

**A-01** PH >8.3  
**ND** Not detected at the reporting limit (or method detection limit if shown)

## METHOD MODIFICATION NOTES





COOLER RE

NSI0488

Cooler Received/Opened On: 9/4/09 @ 8:10

1. Tracking # 0271 (last 4 digits, FedEx)

Courier: Fed-ex IR Gun ID: 94660220

2. Temperature of rep. sample or temp blank when opened: 31 Degrees Celsius

3. If Item #2 temperature is 0°C or less, was the representative sample or temp blank frozen? YES NO...NA  
YES...NO...NA

4. Were custody seals on outside of cooler?

If yes, how many and where: \_\_\_\_\_

5. Were the seals intact, signed, and dated correctly?

6. Were custody papers inside cooler?

I certify that I opened the cooler and answered questions 1-6 (initial) AA

7. Were custody seals on containers: YES NO and Intact YES...NO...NA  
Were these signed and dated correctly? YES...NO...NA

8. Packing mat'l used? Bubblewrap Plastic bag Peanuts Vermiculite Foam Insert Paper Other None  
Ice Ice-pack Ice (direct contact) Dry ice Other None

9. Cooling process:

10. Did all containers arrive in good condition (unbroken)?

11. Were all container labels complete (#, date, signed, pres., etc)?

12. Did all container labels and tags agree with custody papers?

13a. Were VOA vials received?

b. Was there any observable headspace present in any VOA vial?

14. Was there a Trip Blank in this cooler? YES...NO...NA If multiple coolers, sequence # \_\_\_\_\_

I certify that I unloaded the cooler and answered questions 7-14 (initial) \_\_\_\_\_

15a. On pres'd bottles, did pH test strips suggest preservation reached the correct pH level? YES..NO..NA

b. Did the bottle labels indicate that the correct preservatives were used

16. Was residual chlorine present?

I certify that I checked for chlorine and pH as per SOP and answered questions 15-16 (initial) \_\_\_\_\_

17. Were custody papers properly filled out (ink, signed, etc)?

18. Did you sign the custody papers in the appropriate place?

19. Were correct containers used for the analysis requested?

20. Was sufficient amount of sample sent in each container?

I certify that I entered this project into LIMS and answered questions 17-20 (initial) \_\_\_\_\_

I certify that I attached a label with the unique LIMS number to each container (initial) \_\_\_\_\_

21. Were there Non-Conformance issues at login? YES..NO Was a PIPE generated? YES..NO..# \_\_\_\_\_



## **Water Sampling Pictures**



1) Inlet to the discharge pipe of the Hollybush Impoundment



2) Water quality sampling

**EXHIBIT B1**

**Letters to Property Owners**

**Letters**  
**02/10/2010**



Lexington Financial Center  
 250 West Main Street, Suite 1600  
 Lexington, Kentucky 40507-1746  
 859.233.2012  
 Fax: 859.259.0649

George L. Seay, Jr.  
 859.288.7448  
 gseay@wyattfirm.com

February 10, 2010

HAND DELIVERY

A.O.D.D. Transport, Inc.  
 Coalfields Industrial Drive  
 Coal Fields Regional Industrial Park  
 Chavies, Kentucky 41727

RE: ecoPower Generation, LLC

To Whom it May Concern:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

ecoPower is required to file an application for the proposed construction of the electric generation plant and the transmission line, and that application is subject to the approval of the Kentucky State Board on Electric Generation and

LOUISVILLE, KY      LEXINGTON, KY      NEW ALBANY, IN      NASHVILLE, TN      MEMPHIS, TN      FORT COLLINS, CO      JACKSON, MS

WWW.WYATTFIRM.COM

February 10, 2010  
Page 2

Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

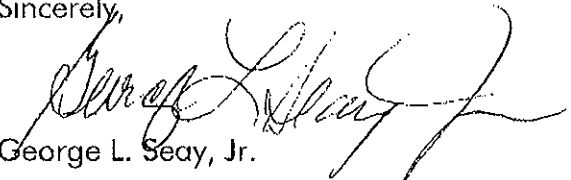
A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, 40601.

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc

30546822.1



KENTUCKY STATE BOARD ON ELECTRIC GENERATION  
AND TRANSMISSION SITING

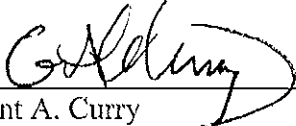
IN RE: Application of  
ecoPower Generation, LLC  
CASE NO. 2009-00530

AFFIDAVIT OF SERVICE  
UPON A.O.D.D. TRANSPORT, INC.

Comes the undersigned Affiant, and after first being duly sworn upon his oath, states as follows:

1. That my name is Grant A. Curry and I am the Vice President of Fuel Procurement for ecoPower Generation, LLC, the Applicant herein;
2. That I am over 18 years of age and am a resident of the Commonwealth of Kentucky, and am otherwise qualified to give this Affidavit;
3. That on February 11, 2010, I hand delivered a letter addressed to A.O.D.D. Transport, Inc. upon CLAY CAMPBELL, a representative of A.O.D.D. Transport, Inc., at A.O.D.D. Transport, Inc.'s business address in the Coal Fields Regional Industrial Park in Perry County, Kentucky. A copy of said letter is attached.

Further affiant sayeth naught, this the 11 day of FEBRUARY, 2010.

  
\_\_\_\_\_  
Grant A. Curry

COMMONWEALTH OF KENTUCKY )  
 ) :SS  
COUNTY OF PERRY )

The foregoing instrument was subscribed and sworn to before me this 11<sup>th</sup> day of February, 2010, by Grant A. Curry.

My commission expires: November 20, 2013.

  
\_\_\_\_\_  
NOTARY PUBLIC

30546804.1

**Letters**  
**01/28/2010**



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

A C I N, LLC  
c/o Capitol Corporate Services, Inc.  
Kentucky Registered Agent  
828 Lane Allen Road  
Suite 219  
Lexington, KY 40504

RE: ecoPower Generation, LLC

To Whom it May Concern:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

January 28, 2010  
Page 2

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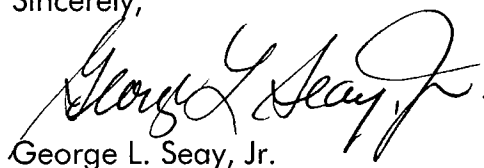
A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, 40601.

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mountain Properties, Inc.  
c/o Greg Wells  
Kentucky Registered Agent  
122 Campbell Drive  
Hazard, KY 41701

RE:           ecoPower Generation, LLC

Dear Mr. Wells:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

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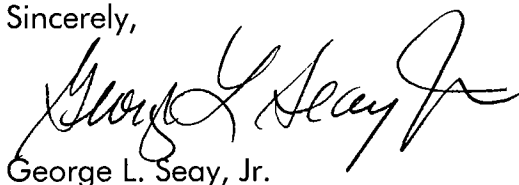
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Ruth New  
2735 Pond School Road  
Kings Mt., KY 40442

RE:           ecoPower Generation, LLC

Dear Ms. New:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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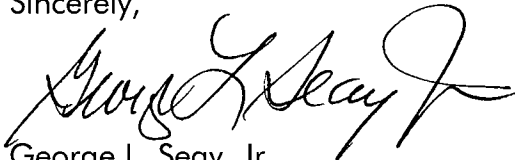
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Lydia Faye Smith  
4181 KY Hwy 28  
Hazard, KY 41701

RE:           ecoPower Generation, LLC

Dear Ms. Smith:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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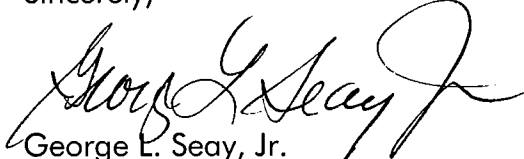
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Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Martha Sowder  
P.O. Box 142  
Brookville, OH 45309

RE: ecoPower Generation, LLC

Dear Ms. Sowder:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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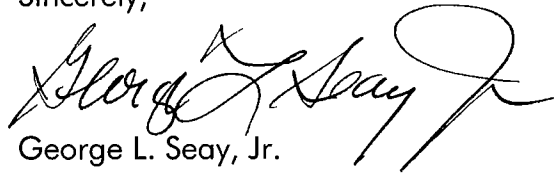
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Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Golden Noble  
3108 KY Hwy 28  
Hazard, KY 41701

RE: ecoPower Generation, LLC

Dear Ms. Noble:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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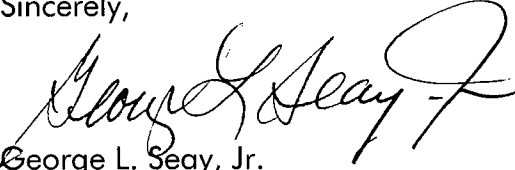
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc

30540855.7

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Sophia Mullins  
4217 KY Hwy 28  
Hazard, KY 41701

RE:           ecoPower Generation, LLC

Dear Ms. Mullins:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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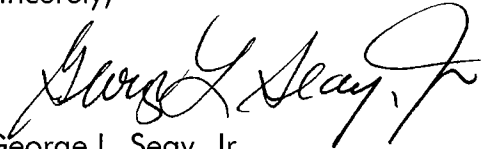
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc

30540855.7



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Coal Fields Regional Industrial Authority, Inc.  
c/o Annett Napier  
Kentucky Registered Agent  
917 Perry Park Road  
Hazard, KY 41701

RE: ecoPower Generation, LLC

Dear Ms. Napier:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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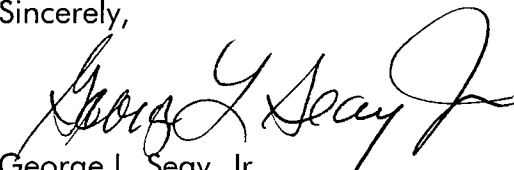
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Sincerely,



George L. Seay, Jr.

GLS/ekc



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Sykes Realty Inc.  
c/o CSC-Lawyers Incorporating Service Company  
Kentucky Registered Agent  
421 West Main Street  
Frankfort, KY 40601

RE: ecoPower Generation, LLC

To Whom it May Concern:

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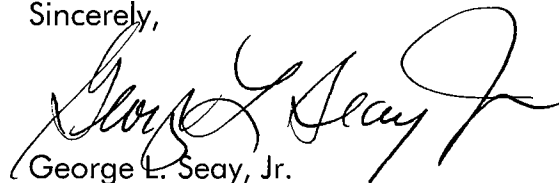
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Sincerely,



George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

A.O.D.D. Transport, Inc.  
c/o Melinda Campbell  
Kentucky Registered Agent  
416 Mahogany Hill Drive  
Hazard, KY 41701

RE:           ecoPower Generation, LLC

Dear Ms. Campbell:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
Page 2

ecoPower is required to file an application for the proposed construction of the electric generation plant and the transmission line, and that application is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

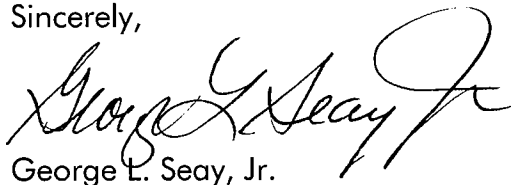
A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, 40601.

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Payne and Connie Napier  
97 Engle Br. Road  
Hazard, KY 41701

RE: ecoPower Generation, LLC

Dear Mr. and Mrs. Napier:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

ecoPower is required to file an application for the proposed construction of the electric generation plant and the transmission line, and that application is subject to the approval of the Kentucky State Board on Electric Generation and



January 28, 2010  
Page 2

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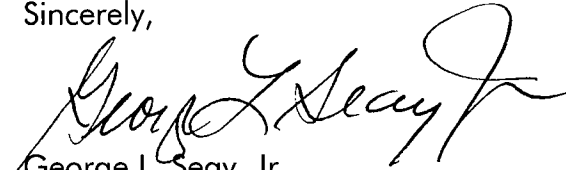
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc



Lexington Financial Center  
250 West Main Street, Suite 1600  
Lexington, Kentucky 40507-1746  
859.233.2012  
Fax: 859.259.0649

George L. Seay, Jr.  
859.288.7448  
gseay@wyattfirm.com

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Roy Mullins  
423 Spice Ridge Road  
Stanford, KY 40484

RE: ecoPower Generation, LLC

Dear Mr. Mullins:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

ecoPower is required to file an application for the proposed construction of the electric generation plant and the transmission line, and that application is subject to the approval of the Kentucky State Board on Electric Generation and

January 28, 2010  
Page 2

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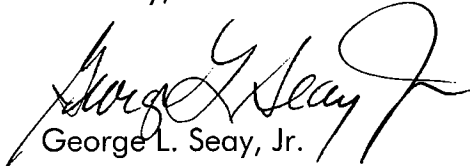
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A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

V G Combs and Jennie Lou Combs  
376 KY Hwy 28  
Hazard, KY 41701

RE: ecoPower Generation, LLC

Dear Mr. and Mrs. Mullins:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to an American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

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January 28, 2010  
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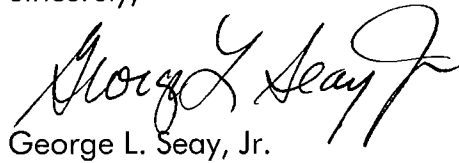
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Any comments or questions may be directed to the above referenced board.

Sincerely,



George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Fred Mullins  
Post Office Box 448  
Lewisburg, OH 45338

RE:           ecoPower Generation, LLC

Dear Mr. Mullins:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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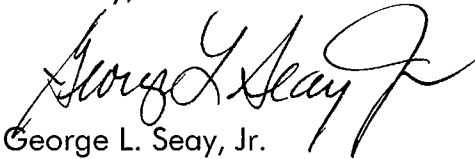
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Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc

January 28, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Wallace Mullins  
4378 Georgetown Verona Road  
Lewisburg, OH 45338

RE:           ecoPower Generation, LLC

Dear Mr. Mullins:

Wyatt, Tarrant & Combs, LLP serves as counsel for ecoPower Generation, LLC. Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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January 28, 2010  
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Any comments or questions may be directed to the above referenced board.

Sincerely,

  
George L. Seay, Jr.

GLS/ekc

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
	B. Received by (Printed Name) V.G. Combs	C. Date of Delivery 1-29-10
1. Article Addressed to:  VG Combs and Jennie Lou Combs 376 KY Hwy 28 Hazard, KY 41701	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label)	7008 3230 0002 3830 7125	
PS Form 3811, February 2004	Domestic Return Receipt	102595-02-M-1540

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
	B. Received by (Printed Name) F.M.	C. Date of Delivery
1. Article Addressed to:  Fred Mullins P.O. Box 448 Lewisburg, OH 45338	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label)	7008 3230 0002 3830 7118	
PS Form 3811, February 2004	Domestic Return Receipt	102595-02-M-1540

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
	B. Received by (Printed Name) Roy Mullins	C. Date of Delivery
1. Article Addressed to:  Roy Mullins 423 Spice Ridge Road Stamford, KY 40484	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label)	7008 3230 0002 3830 7132	
PS Form 3811, February 2004	Domestic Return Receipt	102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sophia Mullins  
4217 KY Hwy 28  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7187

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Sophia Mullins*  Agent  
 Addressee

B. Received by (Printed Name)

*Sophia Mullins* C. Date of Delivery  
1-29-10

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ACIW, LLC  
c/o Capitol Corporate Services,  
Kentucky Registered Agent  
828 Lane Allen Road  
Suite 219  
Lexington, KY 40504

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7248

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Patricia L. Mann*  Agent  
 Addressee

B. Received by (Printed Name)

*Patricia L. Mann* C. Date of Delivery  
1/29/10

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Payne and Connie Napier  
97 Engle Br. Road  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7149

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Connie Napier*  Agent  
 Addressee

B. Received by (Printed Name)

*Connie Napier* C. Date of Delivery  
1-29-10

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Lydia Faye Smith  
4181 Ky Hwy 28  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7217

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X 

- 
- Agent
- 
- 
- Addressee

B. Received by (Printed Name)

Lydia Faye Smith

C. Date of Delivery

2-1-10

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

- 
- Certified Mail
- 
- Express Mail
- 
- 
- Registered
- 
- Return Receipt for Merchandise
- 
- 
- Insured Mail
- 
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mountain Properties, Inc  
% Greg Wells  
Kentucky Registered Agent  
122 Campbell Drive  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7231

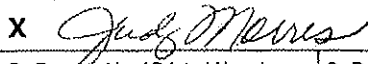
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X 

- 
- Agent
- 
- 
- Addressee

B. Received by (Printed Name)

Greg Wells

C. Date of Delivery

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

- 
- Certified Mail
- 
- Express Mail
- 
- 
- Registered
- 
- Return Receipt for Merchandise
- 
- 
- Insured Mail
- 
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Golden Noble  
3108 Ky Hwy 28  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7194

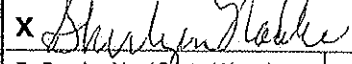
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X 

- 
- Agent
- 
- 
- Addressee

B. Received by (Printed Name)

Shirlynn Noble

C. Date of Delivery

1-29-10

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

- 
- Certified Mail
- 
- Express Mail
- 
- 
- Registered
- 
- Return Receipt for Merchandise
- 
- 
- Insured Mail
- 
- C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Coal Fields Regional Industrial  
Authority  
c/o Annett Napier  
Kentucky Registered Agent  
917 Perry Park Rd  
Hazard, KY 41701

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7170

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Betty C. ...* Agent Addressee

B. Received by (Printed Name)

*Betty C. ...*

C. Date of Delivery

*1-29-10*D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sykes Realty Inc.  
c/o CSC-Lawyers Inc Service Co.  
Kentucky Registered Agent  
421 West Main St.  
Frankfort, KY 40601

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7163

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Laura A. Smith* Agent Addressee

B. Received by (Printed Name)

*Laura A. Smith*

C. Date of Delivery

*1-29-10*D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Martha Sowder  
P.O. Box 142  
Brookville, OH 45309

2. Article Number

(Transfer from service label)

7008 3230 0002 3830 7200

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *Ashley Wilhelm* Agent Addressee

B. Received by (Printed Name)

*Ashley Wilhelm*

C. Date of Delivery

*2-5-10*D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

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## Track & Confirm

### Search Results

Label/Receipt Number: 7008 3230 0002 3830 7224  
Service(s): Certified Mail™  
Status: Delivered

Your item was delivered at 11:56 AM on February 1, 2010 in KINGS MOUNTAIN, KY 40442.

### Track & Confirm

Enter Label/Receipt Number.

[Go >](#)

### Detailed Results:

- Delivered, February 01, 2010, 11:56 am, KINGS MOUNTAIN, KY 40442
- Notice Left, January 29, 2010, 12:22 pm, KINGS MOUNTAIN, KY 40442

### Notification Options

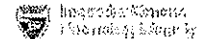
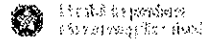
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No FEAR Act EEO Data   FOIA



**Letters**  
**12/29/2009**



## eco Power Generation

December 29, 2009

ACIN, LLC  
C/O Capitol Corporate Services, Inc.  
828 Lane Allen Road  
Suite 219  
Lexington, Kentucky 40504

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

ADDRESS

1244 Coalfields Industrial Drive  
Chavies, KY 41727

PHONE

606-659-6351/106  
606-659-2376/606

WEB

http://www.ecopower.com  
www.kyenergy.com



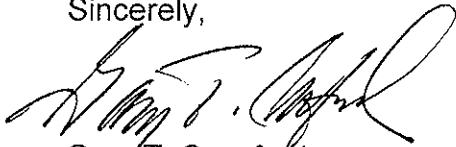
ACIN, LLC  
C/O Capitol Corporate Services, Inc.  
Page 2  
December 29, 2009

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

The proposed construction of the electric generation plant and the transmission line is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Crawford". The signature is fluid and cursive, with a large, sweeping initial "G".

Gary T. Crawford  
Chief Executive Officer



## eco Power Generation

December 29, 2009

AOD Transport, Inc.  
C/O Melinda Campbell  
General Delivery Highway 476  
Rowdy, Kentucky 41367

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

ADDRESS

2500 Whitesburg Street  
Whitesburg, KY 41791  
Perry County, KY 41791

PHONE

606-568-3106  
606-568-2376

WEB

info@ecopower.com  
www.ecopower.com

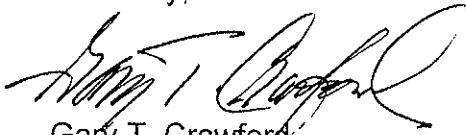
AOD Transport, Inc.  
C/O Melinda Campbell  
Page 2  
December 29, 2009

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Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Crawford". The signature is stylized and cursive.

Gary T. Crawford  
Chief Executive Officer



## eco Power Generation

December 29, 2009

Mountain Properties, Inc.  
C/O Greg Wells  
122 Campbell Drive  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

ADDRESS

PHONE

606-568-8127  
606-568-8127

WEB

www.ecopower.com

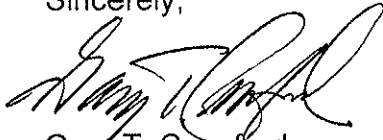
Mountain Properties, Inc.  
C/O Greg Wells  
Page 2  
December 29, 2009

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Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Crawford". The signature is stylized and cursive.

Gary T. Crawford  
Chief Executive Officer



## eco Power Generation

December 29, 2009

Sykes Realty, Inc.  
C/O CSC - Lawyers Incorporating Service Company  
421 West Main Street  
Frankfort, Kentucky 40601

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be acquired for this purpose.

**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

ADDRESS

15 West Main Street  
Frankfort, KY 40601

PHONE

606-568-8100  
606-252-6954

WEB

http://www.ecopower.com

Sykes Realty, Inc.  
C/O CSC - Lawyers Incorporating Service Company  
Page 2  
December 29, 2009

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

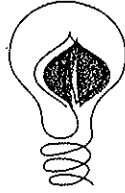
A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

The proposed construction of the electric generation plant and the transmission line is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Crawford". The signature is fluid and cursive, with a large loop at the end.

Gary T. Crawford  
Chief Executive Officer



## eco Power Generation

December 29, 2009

Mr. Keith Miller  
Keith Miller Construction, Inc.  
409 Keith Miller Drive  
Chavies, Kentucky 41727-4512

Dear Mr. Miller:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

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ADDRESS

PHONE

WEB



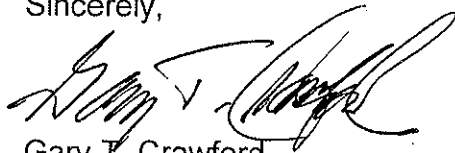
Mr. Keith Miller  
Page 2  
December 29, 2009

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Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Crawford", is written over a faint, illegible typed name.

Gary T. Crawford  
Chief Executive Officer

**Letters**  
**12/15/2009**



## eco Power Generation

December 15, 2009

VG Combs  
376 Kentucky Highway 28  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**Grant Curry with ecoPower will contact you to discuss the project. If you have questions, please call Mr. Curry at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopg.com  
www.ecopg.com

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

The proposed construction of the electric generation plant and the transmission line is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

Sincerely,

*Gary Crawford*

Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 3340

**U.S. Postal Service**  
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Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
<b>Total Postage &amp; Fees</b>		<b>\$5.54</b>

Sent To  
 VG COMBS  
 Street, Apt. No.,  
 or PO Box No. 376 KY HIGHWAY 28  
 City, State, ZIP+4  
 HAZARD KY 41701

PS Form 3800, August 2006 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
 VG COMBS  
 376 KENTUCKY HIGHWAY 28  
 HAZARD KY 41701

2. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.  
 Print your name and address on the reverse so that we can return the card to you.  
 Attach this card to the back of the mailpiece, or on the front if space permits.

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature *V.G. Combs* Agent  Addressee   
 B. Received by (Printed Name) *V.G. Combs* C. Date of Delivery *12-16-09*  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

7009 1680 0002 1435 3340  
 Domestic Return Receipt  
 PS Form 3811, February 2004 102595-02-M-1540



## eco Power Generation

December 15, 2009

Floyd Mullins Estate  
C/O Golden Mullins  
3108 Kentucky Highway 28  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**Grant Curry with ecoPower will contact you to discuss the project. If you have questions, please call Mr. Curry at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

ADDRESS

1256 Manchester Street  
Lexington KY 40504  
United States of America

PHONE/FAX

ph: 859-685-1106  
fx: 859-252-6964

WEB

info@ecopg.com  
www.ecopg.com

Floyd Mullins Estate  
 Page 2  
 December 15, 2009

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

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Sincerely,

*Gary Crawford*  
 Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 3357

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**CERTIFIED MAIL RECEIPT**  
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**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.54	

Sent To  
 FLOYD MULLINS ESTATE C/O GOLDEN  
 Street, Apt. No.,  
 or PO Box No. 3108 KY HIGHWAY 28 MULLINS  
 City, State, ZIP+4  
 HAZARD KY 41701  
 PS Form 3800, August 2006 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

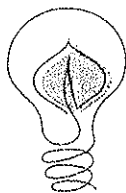
FLOYD MULLINS ESTATE  
 C/O GOLDEN MULLINS  
 3108 KY HIGHWAY 28  
 HAZARD KY 41701

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
*Gary Crawford*  Addresssee  
 B. Received by (Printed Name)  Addressee  
*Gary Crawford* C. Date of Delivery  
*12-16-09*  
 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.  
 4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number  
 (Transfer from service label)  
 7009 1680 0002 1435 3357



## eco Power Generation

December 15, 2009

Mountain Properties  
122 Roy Campbell Drive  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**Grant Curry with ecoPower will contact you to discuss the project. If you have questions, please call Mr. Curry at 606-568-8127.**

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1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopp.com  
www.ecopp.com

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

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Sincerely,

*Gary Crawford*

Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 3364

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only. No Insurance Coverage Provided)  
 For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.54	

Sent To  
**MOUNTAIN PROPERTIES**  
 Street, Apt. No.,  
 or PO Box No. **122 ROY CAMPBELL DRIVE**  
 City, State, ZIP+4  
**HAZARD KY 41701**

PS Form 3811, August 2006 See Reverse for Instructions

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent   
*Gary Crawford*  Addressee

B. Received by (Printed Name)  Date of Delivery  
*Gary Crawford*  12-16-09

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
**MOUNTAIN PROPERTIES**  
**122 ROY CAMPBELL DRIVE**  
**HAZARD KY 41701**

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

2. Article Number  
 (Transfer from service label) **7009 1680 0002 1435 3364**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540





## eco Power Generation

December 15, 2009

Perry, Harlan, Leslie, Breathitt  
Regional Industrial Authority, Inc.  
Perry County Courthouse  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be

**Grant Curry with ecoPower will contact you to discuss the project. If you have questions, please call Mr. Curry at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopg.com  
www.ecopg.com

Perry, Harlan, Leslie, Breathitt  
 Regional Industrial Authority, Inc.  
 Page 2  
 December 15, 2009

A party may, upon written motion filed no later than thirty (30) days after an application has been filed, request the board to schedule an evidentiary hearing at the offices of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.

A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located. The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

The proposed construction of the electric generation plant and the transmission line is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

Sincerely,

*Gary Crawford*

Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 3371

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54

Postmark Here

Sent to **PERRY HARLAN LESLIE BREATHITT**  
**REGIONAL INDUSTRIAL AUTHORITY INC.**  
**PERRY COUNTY COURTHOUSE**  
**HAZARD KY 41701**

PS Form 3800, August 2006 See Reverse for Instructions

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  *Gary Crawford*

B. Received by (Printed Name) *Gary Crawford* C. Date of Delivery *12-16-09*

D. Is delivery address different from item 1?  Yes  No  
 if YES, enter delivery address below:

3. Service Type  Express Mail  Return Receipt for Merchandise  
 Certified Mail  Registered  C.O.D.  
 Insured Mail

4. Restricted Delivery? (Extra Fee)  Yes  No

**7009 1680 0002 1435 3371**

2. Article Numbered (Transfer from service label) **7009 1680 0002 1435 3371**

PS Form 3811, February 2004 Domestic Return Receipt

102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
**PERRY HARLAN LESLIE BREATHITT**  
**REGIONAL INDUSTRIAL AUTHORITY**  
**INC**  
**PERRY COUNTY COURTHOUSE**  
**HAZARD KY 41701**

2. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.  
 3. Print your name and address on the reverse so that we can return the card to you.  
 4. Attach this card to the back of the mailpiece, or on the front if space permits.



## eco Power Generation

December 15, 2009

ACIN, LLC  
P. O. Box 1267  
Hazard, Kentucky 41702

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

ecoPower also proposes to construct a 69 KV transmission line sufficient to transmit the electric power generated to the American Electric Power Engle substation. The substation is located at the entrance to the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky, a distance of approximately one mile. The transmission line will exit the ecoPower property at its southeast corner and will traverse south-southeast on or over currently-existing easements or easements to be

**Grant Curry with ecoPower will contact you to discuss the project. If you have questions, please call Mr. Curry at 606-568-8127.**

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1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopg.com  
www.ecopg.com





## eco Power Generation

December 15, 2009

Sykes Realty, Inc.  
Attention: Escrow Account  
400 North Ashley Drive, Suite 2800  
Tampa, Florida 33602

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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ADDRESSES

1256 Manchester Street  
Lexington KY 40504  
United States of America

PHONE

ph: 859-685-1106  
fx: 859-252-6964

WWW

info@ecopg.com  
www.ecopg.com

Sykes Realty, Inc.  
 Page 2  
 December 15, 2009

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Sincerely,

*Gary Crawford*

Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 3388

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only, No Insurance Coverage Provided)

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.54	

Sent To **SYKES REALTY INC**  
**ATTENTION ESCROW ACCOUNT**  
 Street, Apt. No.,  
 or PO Box No. **400 N ASHLEY DR SUITE 2800**  
 City, State, ZIP+4  
**TAMPA FL 33602**

PS Form 3800, August 2006 See Reverse for Instructions

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent   
*Gary Crawford*  Addressee

B. Received by (Printed Name)  Date of Delivery **12-11-09**

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
**SYKES REALTY INC**  
**ATTN ESCROW ACCOUNT**  
**400 NORTH ASHLEY DR SUITE 2800**  
**TAMPA FL 33602**

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

2. Article Number  
 (Transfer from service label) **7009 1680 0002 1435 3388**

Domestic Return Receipt  
 PS Form 3811, February 2004

102595-02-M-1540



## eco Power Generation

December 15, 2009

Payne and Connie Napier  
97 Engle Branch Road  
Hazard, Kentucky 41701

Dear Mr. and Ms. Napier:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

A person who wishes to become a party to a proceeding before the board may, by written motion filed no later than thirty (30) days after the application has been submitted, request leave to intervene.

1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopg.com  
www.ecopg.com

Payne and Connie Napier  
 Page 2  
 December 15, 2009

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Sincerely,

*Gary Crawford/se*  
 Gary Crawford  
 Chief Executive Officer

7009 1680 0002 1435 4354

**U.S. Postal Service**  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.54	

Sent To  
 PAYNE & CONNIE NAPIER  
 Street, Apt. No.,  
 or PO Box No. 97 ENGLE BRANCH ROAD  
 City, State, ZIP+4  
 HAZARD KY 41701

PS Form 3800, August 2006 See Reverse for Instructions

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
*Gary Crawford*  Addressee

B. Received by (Printed Name) C. Date of Delivery  
 12-22-09

D. Is delivery address different from item 1?  Yes  No  
 IF YES, enter delivery address below:

3. Service Type  Express Mail  
 Certified Mail  Return Receipt for Merchandise  
 Registered  C.O.D.  
 Insured Mail

4. Restricted Delivery? (Extra Fee)  Yes  No

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
 PAYNE & CONNIE NAPIER  
 97 ENGLE BRANCH ROAD  
 HAZARD KY 41701

2. Article Number  
 (Transfer from service label)  
 7009 1680 0002 1435 4354

Domestic Return Receipt

102595-02-M-1540

PS Form 3811, February 2004





## eco Power Generation

December 15, 2009

Mr. John Napier  
45 Grist Mill Loop  
Chavies, Kentucky 41727

Dear Mr. Napier:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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**For questions about the project contact Grant Curry with ecoPower at 606-568-8127.**

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1256 Manchester Street  
Lexington KY 40504  
United States of America

ph: 859-685-1106  
fx: 859-252-6964

info@ecopg.com  
www.ecopg.com

Mr. John Napier  
 Page 2  
 December 15, 2009

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Sincerely,

*Gary Crawford/pe*

**U.S. Postal Service**  
**CERTIFIED MAIL™ RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*  
 For delivery information, visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

7009 1680 0002 1435 3395

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54

Sent To  
**MR JOHN NAPIER**  
 Street, Apt. No.,  
 or PO Box No. **45 GRIST MILL LOOP**  
 City, State, ZIP+4  
**CHAVIES KY 41727**  
 PS Form 3811, August 2006 See

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
**MR JOHN NAPIER**  
**45 GRIST MILL LOOP**  
**CHAVIES KY 41727**

2. Article Number  
 (Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
*John Napier*  Agent  Addressee  
 B. Received by (Printed Name),  
**John Napier** C. Date of Delivery  
**12-21-09**  
 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

7009 1680 0002 1435 3395



## eco Power Generation

December 15, 2009

AOD Transport, Inc.  
416 Mahogany Hill Drive  
Hazard, Kentucky 41701

To Whom it May Concern:

Subject: ecoPower Generation, LLC

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass adjacent to your property. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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ADDRESS

1256 Manchester Street  
Lexington KY 40504  
United States of America

PHONE

ph: 859-685-1106  
fx: 859-252-6964

WEBSITE

info@ecopg.com  
www.ecopg.com

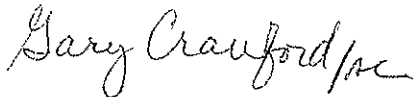
AOD Transport, Inc.  
Page 2  
December 15, 2009

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Sincerely,



Gary Crawford  
Chief Executive Officer

7009 6002 1435 3401  
TO THE SEHT 2000 0921 6002

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL™ RECEIPT</b>	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.54
Postmark Here	
Sent To	
AOD TRANSPORT INC	
Street, Apt. No., or PO Box No. 416 MAHOGANY HILL DRIVE	
City, State, ZIP+4 HAZARD KY 41701	
PS Form 3800, August 2006 See Reverse for Instructions	

**EXHIBIT B2**

**Affidavit of Publication - Public Notice**

# The Hazard HERALD

P.O. Box 869 • HAZARD, KY 41702 • 606-436-5771 • FAX: 606-436-3140

## AFFIDAVIT

I, Cris Ritchie, of The Hazard Herald Newspaper, Published at Hazard, Kentucky, and having the Largest Circulation of Any Newspaper in Perry County, Kentucky Do Hereby Certify that the Advertisement of Public Notice

Was Published on the Following Dates:

Date: 12-16-09 Page: 9B Column: 5  
Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_  
Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_  
Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_

Signature Cris Ritchie

Subscribed and Sworn To Before Me By Cris Ritchie

This 16 Day of December, 2009.

Notary Public

Virginia Jones  
My Commission Expires The 25th Day of October, 2013



**890 Legals****Public Notice**

Please take notice that ecoPower Generation, LLC proposes to construct, install and operate a 50 megawatt electric generation power plant fueled with renewable biomass. The plant will be located on approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park in northern Perry County, Kentucky. The address of the proposed plant is 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727. The facility will be fueled with wood waste products such as sawdust, woodchips, bark and sawmill tailings from nearby industrial facilities and operations and waste materials generated by logging operations. The facility will employ a fluidized bed boiler combustion technology in a Rankine thermodynamic cycle to generate approximately 50 megawatts of electricity. ecoPower plans to contract its power output to electric utilities.

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For questions about the project contact Grant Curry with ecoPower at 606-438-4203.

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1x-12/16-p-smg-74

# The Hazard HERALD

P.O. BOX 869 • HAZARD, KY 41702 • 606-436-5771 • FAX: 606-436-3140

## AFFIDAVIT

I, Cris Ritchie, of The Hazard Herald Newspaper, Published at Hazard, Kentucky, and having the Largest Circulation of Any Newspaper in Perry County, Kentucky Do Hereby Certify that the Advertisement of Public Notice

Was Published on the Following Dates:

Date: 1-13-2010 Page: 80 Column: 5

Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_

Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_

Date: \_\_\_\_\_ Page: \_\_\_\_\_ Column: \_\_\_\_\_

Signature Cris Ritchie

Subscribed and Sworn To Before Me By Cris Ritchie

This 13 Day of January, <sup>2010</sup> 2009.

Notary Public

Virginia Jones

My Commission Expires The 25th Day of October, 2013





## 890 Legals

## Public Notice

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A request for a local public hearing shall be made by at least three (3) interested persons who reside in the county or municipal corporation in which the plant or transmission line is proposed to be located.

The request shall be made in writing and shall be filed within thirty (30) days following the filing of a completed application.

The proposed construction of the electric generation plant and the transmission line is subject to the approval of the Kentucky State Board on Electric Generation and Transmission Siting which can be reached through the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, telephone number (502) 564-3940.

1x-1/13-p-smg-1

**EXHIBIT B3**

**Proof of Service of Application to County Judge Executive**

**KENTUCKY STATE BOARD ON ELECTRIC GENERATION  
AND TRANSMISSION SITING**

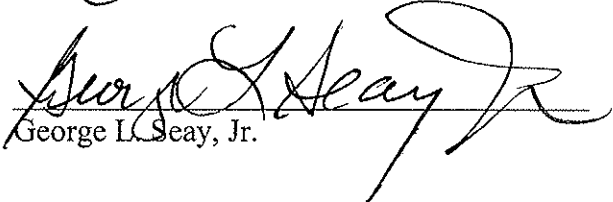
**IN RE:      Application of  
              ecoPower Generation, LLC  
              CASE NO. 2009-00530**

**AFFIDAVIT OF SERVICE  
UPON COUNTY JUDGE EXECUTIVE**

Comes the undersigned Affiant, and after first being duly sworn upon his oath states as follows:

1.      That my name is George L. Seay, Jr.;
  
2.      That I am an attorney duly licensed to practice law within the Commonwealth of Kentucky;
  
3.      That I represent ecoPower Generation, LLC, in its Application to the Kentucky State Board on Electric Generation and Transmission Siting. In compliance with the requirements of KRS 278.706(2)(h), I hereby certify that a copy of the Application in this proceeding has been served upon Judge Denny Ray Noble, County Judge Executive, Perry County, Kentucky, by placing a copy with Federal Express Corporation for delivery to his office at the Perry County Courthouse, 481 Main Street, Hazard, Kentucky 41701, on this the 11th day of February, 2010.
  
4.      That there are no other municipal corporations or public agencies with land use planning jurisdiction over the proposed facility.

Further, Affiant sayeth naught, this the 11<sup>th</sup> day of Feb, 2010.

  
George L. Seay, Jr.

COMMONWEALTH OF KENTUCKY )  
 ) :S  
COUNTY OF FAYETTE )

The foregoing instrument was subscribed and sworn to before me this 11<sup>th</sup> day of February, 2010, by George L. Seay, Jr.

My commission expires: 7/20/10

Laurel J. Unsel  
NOTARY PUBLIC

From: Origin ID: LEXA (859) 233-2012  
 George L. Seay, Jr.  
 WYATT TARRANT  
 250 W. Main St., Ste. 1600  
 Lexington, KY 40507



J101002050224

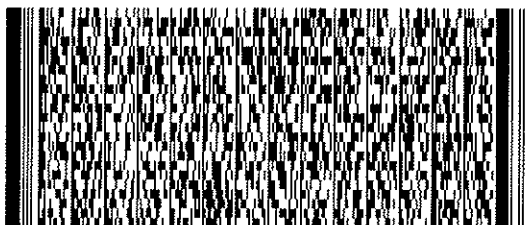
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Delivery Address Bar Code



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 Invoice #  
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 Dept #

SHIP TO: (606) 439-1816 BILL SENDER  
**Judge Denny Ray Noble**  
**County Judge Executive**  
 481 MAIN ST  
 PERRY COUNTY COURTHOUSE  
 HAZARD, KY 41701



TRK# 7932 6306 7154  
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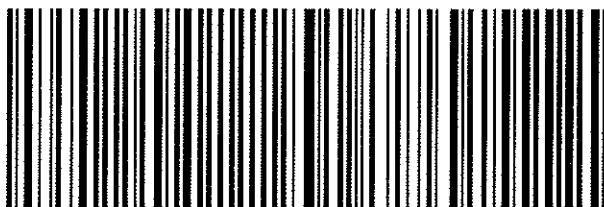
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**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
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Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

**EXHIBIT C1**

**Confirmation of No Ordinances  
For Zoning or Noise**

**Coal Fields Regional  
Industrial Authority, Inc.**

*917 Perry Park Road Hazard, Kentucky 41701  
Phone: 606-436-3158 Fax: 606-436-2144  
Email: Annette@kradd.org*

*January 6, 2010*

*Gary Crawford, CEO  
ecoPower Generation LLC  
1256 Manchester Street  
Lexington, KY 40504*

*Dear Mr. Crawford,*

*The Coal Field Regional Industrial Authority Board of Directors hereby acknowledges that we are aware of the proposed ecoPower project. The project fits with the intended use of the Coal Fields Regional Business Park and there are no local planning and zoning, or noise ordinances that apply to the affected property.*

*If you have questions, or need additional information, please feel free to contact me.*

*Sincerely,*



*Charles Colwell  
Chairman*

**EXHIBIT C2**

**Applicant Certification**



**KENTUCKY STATE BOARD ON ELECTRIC GENERATION  
AND TRANSMISSION SITING  
CASE NO. 2009-00530**

**AFFIDAVIT RE CERTIFICATIONS REQUIRED BY KRS 278.700 ET SEQ.**

Comes the undersigned Affiant and after first being duly sworn upon his oath states as follows:

1. That my name is Gary T. Crawford and I am the CEO of ecoPower Generation, LLC, the Applicant herein;
2. That I am over 18 years of age and am a resident of the Commonwealth of Kentucky, and am otherwise qualified to give this Affidavit;
2. That I have conducted an inquiry into the facts contained in this Affidavit and believe them to be true to the best of my knowledge;
3. That the proposed facility will be in compliance with any and all local ordinances and regulations concerning noise control, and will also be in compliance with any and all applicable local planning and zoning ordinances as provided in KRS 278.704(3).
4. That based upon my inquiry, KRS 278.706(e) is not applicable to this Application.
5. That there is no independent planning and/or zoning commission in Perry County, Kentucky with jurisdiction over the site of the proposed facility.
6. That I have inquired with each person holding an ownership interest in the Applicant and, to the best of my knowledge, neither the Applicant nor any owner has been cited with any violation of federal or state environmental laws, rules or administrative regulations, whether judicial or administrative, in which those violations have resulted in criminal convictions or civil or administrative fines exceeding \$5,000.00. I further have inquired into the



**EXHIBIT D**

**Setback Deviation Letters**

December 31<sup>st</sup> 2009

Kentucky State Board on Electric Generation and Transmission Siting  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

RE: ecoPower Generation, LLC

To Whom It May Concern:

I represent Mountain Properties which owns property adjacent to the approximately 125 acres of previously mined land within the Coal Fields Regional Industrial Park, Chavies, Perry County, Kentucky where ecoPower Generation, LLC ("ecoPower") proposes to construct its merchant electric generation facility. Our properties will share a common boundary.

I am in receipt of a letter from ecoPower which describes the facility to be constructed at 1244 Coalfields Industrial Drive, Chavies, Kentucky 41727, and further gives a description of the proposed operations and the rights which may be exercised to petition the Board regarding local and evidentiary hearings.

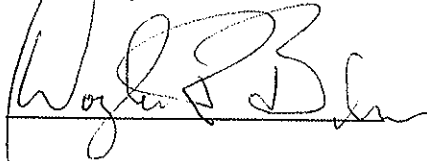
It is my understanding that the site and/or the exhaust stack of the proposed merchant electric generating facility will be within 1,000 feet of the Mountain Properties boundary which adjoins the ecoPower property.

I have reviewed the materials provided to me and have been given an opportunity to seek additional information from representatives of ecoPower regarding the construction and operation of the proposed 50 megawatt merchant electric generating facility.

I understand that for this facility the law requires the site and/or the exhaust stack of such a facility to be at least 1,000 feet from the property boundaries of any adjoining property, unless a waiver or deviation of this requirement is granted by the Kentucky State Board on Electric Generation and Transmission Siting.

After reviewing the materials provided to me, the responses to my inquiries, and as an owner of property adjacent to the ecoPower facility, Mountain Properties has no objection to the facility, the site, or the operation's exhaust stack being located within 1,000 feet of the property boundary which adjoins the ecoPower property.

Sincerely,



title

Director of Engineering

address

122 Roy Campbell Drive  
Hazard, Ky 41701

**Coal Fields Regional  
Industrial Authority, Inc.**

917 Perry Park Road Hazard, Kentucky 41701  
Phone: 606-436-3158 Fax: 606-436-2144  
Email: Annette@kradd.org

January 6, 2010

*Kentucky State Board on Electric Generation and Transmission Siting  
211 Sower Boulevard  
PO Box 615  
Frankfort, KY 40602*

*RE: ecoPower Generation, LLC*

*To Whom it May Concern:*

*I represent the Coal Fields Regional Industrial Authority, Inc. which owns property adjacent to the approximately 125 acres of previously mined lined within the Coal Fields Regional Business Park, Chavies, Perry County, Kentucky where ecoPower Generation LLC proposes to construct its merchant electric generation facility. Our properties will share a common boundary.*

*I am in receipt of a letter from ecoPower which describes the facility to be constructed at 1244 Coalfields Industrial Drive, Chavies, KY 41727, and further gives a description of the proposed operations and rights which may be exercised to petition the Board regarding local and evidentiary hearings.*

*It is my understanding that the site and/or the exhaust stack of the proposed merchant electric generating facility will be within 1,000 feet of the Authority's property boundary which adjoins the ecoPower property.*

*I have reviewed the materials provided to me and have been given an opportunity to seek additional information from representatives of ecoPower regarding the construction and operation of the proposed 50 megawatt merchant electric generation facility.*

Page 2

*I understand that for this facility the law requires the site and/or the exhaust stack of such a facility be at least 1,000 feet from the property boundaries of any adjoining property, unless a waiver or deviation of this requirement is granted by the Kentucky State Board on Electric Generation and Transmission Siting.*

*After reviewing the materials provided to me, the responses to my inquiries, and as an owner of property adjacent to the ecoPower facility, the Authority has no objection to the facility, the site, or the operation's exhaust stack being located within 1,000 feet of the property boundary which adjoins the ecoPower property.*

*If you have questions, or need additional information, please feel free to contact me.*

*Sincerely,*

A handwritten signature in cursive script that reads "Charles Colwell". The signature is fluid and matches the typed name below it.

*Charles Colwell  
Chairman*

**EXHIBIT E1**

**Industrial Park Board Letter of Support**



Coal Fields Regional  
Industrial Authority, Inc.

917 Perry Park Road Hazard, Kentucky 41701

Phone: 606-436-3158 Fax: 606-436-2144

Email: Annette@kradd.org

August 28, 2009

Richard Sturgill  
EcoPower Generation, LLC  
1256 Manchester Street  
Lexington, KY 40504

Dear Mr. Sturgill:

During today's meeting of the Coal Fields Regional industrial Authority Board of Directors, the board voted to provide this letter of support for the concept of a biomass-fueled power plant to be constructed at the Coal Fields Regional Business Park.

The board further agreed to enter into negotiations for an option for the sale of property to your company. Negotiations are subject to agreement between our engineers and legal council, as well as authorization from the Department for Local Government to proceed with the project.

This is a letter of support only, and in no way implies a commitment on behalf of the Authority to the project, without further legal and environmental investigation.

If you have questions, or need additional information, please feel free to contact me.

Sincerely,



Charles Colwell  
Chairman

CC: Commissioner Tony Wilder, DLG

**EXHIBIT E2**

**Industrial Park Board Presentation**

# COAL FIELDS REGIONAL INDUSTRIAL AUTHORITY MEETING

OCTOBER 6, 2009

ECOPOWER GENERATION, LLC

REQUEST FOR APPROVAL OF OPTION OF LAND

INTRODUCTIONS – GARY CRAWFORD, ECOPOWER GENERATION CEO

## PROJECT DESCRIPTION

ecoPower Generation, LLC, a Kentucky company formed for the purpose of developing and building renewable power generation facilities, proposes to locate a 50 Megawatt wood waste fueled electric generating plant at the Coal Fields Industrial Park near Hazard, Kentucky. (Fifty megawatts is enough power to provide energy to approximately 5,000 homes.)

The plant will complement increasing economic development in the region associated with forest related industries. It will utilize approximately 400,000 tons per year of wood waste products on a sustainable basis. The plant is anticipated to meet a growing demand for renewable energy when it comes on line in 2013.

## ECONOMIC BENEFITS

### Jobs –

During construction, up to 400 workers are needed to build the plant. When operational, the plant will employ 40 direct employees with an annual estimated payroll of over \$2.2 million. An additional 400 jobs will necessarily be created in forestry, logging, and transportation sectors of the local economy.

### Taxes

Local taxes from the project are estimated to be more than \$165,000 per year, including school taxes of more than \$90,000.

## Community Investment

The total annual investment in the community is expected to exceed over \$11 million per year. This amount includes the revenue from the purchase of fuel, payroll, and local purchases.

## FUEL

The plant will be fueled by a combination of sawdust, wood chips and bark derived from locally available wood waste sources using sustainable forest management practices to assure the plant of a reliable supply of approximately 400,000 tons per year. Fuel studies to optimize the onsite inventory of fuel are planned but not completed as yet.

## ENVIRONMENTAL ATTRIBUTES

The plant will meet or exceed all environmental requirements applicable to a modern biomass power generating facility. State and federal permit requirements for meeting all air, water, and waste regulations will be applicable to the plant. In addition, the Kentucky Siting Board must approve the construction of the plant.

## POWER OUTPUT

The power generated by the plant will be interconnected to the local transmission system. A complete study of the proposed electrical interconnection plan is required before a final determination of the adequacy of the local electrical grid is approved. The local interconnection owner is Kentucky Power Company, an AEP subsidiary, at the industrial park's Engle Substation.

## GOOD NEIGHBOR POLICY

ecoPower is committed to the prosperity and betterment of the Eastern Kentucky region. This project is dedicated to being a good neighbor to the community and to all other tenants at the Coal Fields Industrial Park. It is our belief that locating this plant at the park will prove to be an asset to the park and to the region at large.



**ecoPower will provide a closer market for bark, sawdust and wood chips from eastern Kentucky sawmills which are the core of Kentucky's wood industry which averages 6 billion dollars in annual sales.**



**Previously unprofitable wood waste, low quality logs and other sources of wood that before were either open-burned or buried will more than meet the fuel needs of ecoPower Generation's renewable energy plant in eastern Kentucky.**

**EXHIBIT E3**

**Hazard Herald News Articles**

# The Hazard Herald

Perry County's leading newspaper since 1911

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Law Firm  
PLLC  
www.roperslawfirm.com  
Criminal Law Family Law  
Personal Injury Auto Accidents  
(606) 487-0651

75¢ SECTION A

www.hazard-herald.com

## New power plant in Perry?

by CRIS RITCHIE - Editor  
12.16.09 - 09:15 am



HAZARD - Officials with one Lexington based company are continuing with plans to construct a renewable energy plant in Perry County.

The Kentucky Economic Development Finance Authority recently approved \$15 million in tax incentives for ecoPower Generation's effort to build the power plant in the Coalfields Industrial Park just outside of Hazard.

The project is currently still in the early development stage, said ecoPower CEO Gary Crawford, but the company has optioned property at the park and plans to apply for the necessary permits to get the project off the ground. Crawford said it could be several months before the company is able to begin construction as they await approval on several fronts, including from the Public Service Commission.

"By and large there are a number of different future approvals that have to happen," he said.

If this project is approved for construction, this plant will represent the first of its kind in Kentucky. Crawford said instead of burning fossil fuels to create energy, this new plant will use waste wood products from nearby logging operations to produce steam, which will in turn generate enough energy for 30,000 residential homes.

A primary provider of fuel for the plant will be Pine Mountain Lumber, ecoPower's sister company located in Letcher County. And that fuel source will be supplemented by the harvesting of other low quality sources left over from logging operations.

This technology used to generate electricity is not new, and has been around since the 1930s, said Crawford, but currently there is not a plant like this operating in Kentucky. He noted that there are a few in operation in states like California and Vermont.

But the source of the fuel used to generate the electricity gives a plant like this an advantage as it uses renewable sources of biomass that are not normally used for other purposes, Crawford added, and in turn produces clean energy.

"The major advantage is that it does provide what we refer to as a carbon neutral power cycle," he said, adding that by utilizing a renewable resource such as wood, the plant can be sustained over a long period of time.

And as some members of Congress continue to press measures to stem the tide of global climate change, which is widely seen as the result of manmade greenhouse gas emissions, Crawford says this project could play well with future plans for energy production in the U.S.

ecoPower could invest up to \$150 million for the project in the coming months, depending on future approval. Crawford estimated that up to 400 people could be employed for the construction of the plant, and around 40 long term jobs could be created once the plant goes online.

And more jobs could be added to existing industries as well, according to a company press release: "By purchasing tons of wood by-product materials each year from Eastern Kentucky to fuel the plant, ecoPower would also provide additional, sustainable jobs for Kentucky's timber and transportation industries. The project could give an economic boost to existing industries experiencing economic strain, and would not replace or diminish the demand for existing energy resources, including coal."

Company officials hope to be able to begin construction as early as late 2010, and Crawford noted that if the plant is approved it could be operational by early 2013.

ecoPower is currently planning to hold a community meeting in early January at Chavies Elementary.

"We look forward to having a lot of conversation with the community," added Crawford. "We want to be a good neighbor in Perry County."



# ecoPower to host open house

## COMPANY CONTINUES PLANS WITH NEW BIOMASS POWER PLANT

by **CRIS FITCHIE**  
EDITOR

The Lexington-based company planning to bring a new biopower plant to Perry County will hold a community meeting to discuss the project next week.

Company officials with ecoPower Generation, LLC announced plans earlier this month to bring the plant to the Coalfields In-

dustrial Park in Chavies following the approval of \$15 million in tax incentives by the Kentucky Economic Development Finance Authority. They say the project will initially create 400 new jobs during construction and more than 40 long term jobs once the plant is operational.

ecoPower CEO Gary Crawford told the *Herald* that the plant – which will utilize wood products exclusively, such as low qual-

ity logs, wood chips, and bark left over from sawmills to generate electricity – is still in the early stages of development, but he expects once the permitting process is complete that construction could begin as early as late 2010.

In the meantime, company officials plan to meet with members of the community during an open house at Chavies Elementary on January 5 from 6:30 to 8 p.m. in order to discuss the project and “obtain community input on its plans in Perry County,” according to a company press release.

See **OPEN** page 3A

## OPEN

cont. from  
page 1A

While at the open house, local residents can gain a better understanding of the wood materials to be used at the plant as the company plans to have samples on hand.

“This is a wood power project which will be powered solely by low quality wood. It will not be permitted to burn garbage or anything other than wood,” explained Crawford. “I invite people to come and see samples of the wood materials – low quality logs, sawdust and such – that we’ll be using to fuel the power project at our Open House.”

“People can ask questions and offer their ideas on how we can work together to make this project a success for everyone and the community as a whole,” said Crawford.

And as company officials continue with their plans, some say energy generated from biomass such as wood will play an important role in meeting the nation’s continuing energy needs. According to ecoPower, bioenergy already accounts for half of America’s renewable energy portfolio, which in turn helps reduce the nation’s dependency on foreign oil.

“There is no doubt that bioenergy is becoming an in-

creasingly important part of America’s energy future. As one of the most heavily forested states in the country, Kentucky is well positioned to capitalize on the growing demand for bioenergy products and make forests healthier in the process,” said Bob Cleaves, president of the Biomass Power Association.

If approved, ecoPower’s biomass plant will be the first of its kind in Kentucky, and one that the company’s founder and chairman says he hopes will be a prototype for more to come. The plant will generate up to 50 megawatts of electricity, or enough to power about 30,000 homes.

“As a life-long Kentuckian, I very much look forward to working with Perry County and the State to create Kentucky’s first renewable energy power plant,” said ecoPower Chairman Richard Sturgill. “At the same time, we recognize the substantial amount of work that lies ahead and how critical the support of the local community will be if we are to make this new renewable power project a reality.”

ecoPower plans to invest \$200 million in the project.

**EXHIBIT E4**

**Perry County Fiscal Court Minutes  
for December 15, 2009**

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DECEMBER TERM

DECEMBER 15, 2009

## REGULAR MEETING OF PERRY COUNTY FISCAL COURT

A regular meeting of the Perry County Fiscal Court was held on Tuesday, December 15, 2009 at 10:00 A.M. Present and presiding the Honorable Denny Ray Noble, Judge. Magistrates present were Frank Hurley, Bubby Combs, and Earl Brashear.

## ORDER: APPROVE MINUTES OF LAST MEETING

Motion by Bubby Combs seconded by Earl Brashear to approve minutes of last meeting. All for.

## ORDER: APPROVE PAYING BILLS AND INTER-FUND TRANSFERS

Motion by Frank Hurley seconded by Bubby Combs to approve paying bills and inter-fund transfers. All for. (F.C. Bk. 58, page 203).

## ORDER: APPROVE MONTHLY TREASURER'S REPORT

Motion by Earl Brashear seconded by Bubby Combs to approve monthly Treasurer's report. All for. (F.C. Bk. 58, Page 215).

## ORDER: APPROVE SENIOR CITIZENS REPORT

Motion by Bubby Combs seconded by Frank Hurley to approve Senior Citizens Report. All for. (F.C. Book 58, Page 217).

## DISCUSSION BY GRANT CURRY-VICE PRESIDENT OF FUEL PROCUREMENT FOR ECOPOWER GENERATION LLC

Grant Curry, Vice President for Fuel Procurement, and Gary Crawford, President and CEO for Ecopower Generation, LLC attend the Fiscal Court meeting today to give the Court members a project status update and status report. Mr. Curry addresses the Court to inform them that Ecopower Generation, LLC was formed in 2009 for the purpose of developing and building renewable power generation facilities, and they propose to locate a 50 Megawatt wood waste fueled electric generating plant at the Coal Fields Industrial Park near Hazard, Kentucky. The plant will utilize approximately 400,000-500,000 tons per year of wood waste products on a sustainable basis. During the construction, up to 400 workers are needed to build the plant. When operational, the plant will employ 40 to 50 skilled workers. Local taxes from the project are estimated to be more than \$165,000 per year, including school taxes of more than \$90,000. According to Mr. Curry, the City of Hazard has indicated the ability to supply and the willingness to negotiate for the supply of water for the project. The Kentucky Economic Development Finance Authority has approved incentives for the project totaling an estimated \$15 million, with the total capital cost of the project to be estimated to exceed \$150 million. Mr. Curry advises the Court that they will be having a public information open house at the Chavles Elementary School on January 5, 2010 at 6:30 P.M. They are hoping to start construction by the end of

DEC 21 2009

DECEMBER 15, 2009

DISCUSSION FOR ECOPOWER GENERATION, LLC CONTINUED

2010 and have the project completed by Christmas Day of 2012, but it may be 2013 before it is operational. The local interconnection owner is Kentucky Power Company, an AEP subsidiary, at the industrial park's Engle Substation. Judge Noble advises that the Fiscal Court is appreciative of any jobs and also for them choosing Perry County and informs Mr. Curry that the Perry County Fiscal Court will help in any way they can. Mr. Curry advises that the web site is [ecopp.com](http://ecopp.com) and his e-mail address is [gcurry@ecopp.com](mailto:gcurry@ecopp.com). No vote necessary today. (F.C.Bk. 58, page 225).

DISCUSSION OF PERRY COUNTY SHERIFF LES BURGETT MONTHLY REPORT

Deputy Tony Eversole was not present in the Court meeting today to present the monthly report for the Perry County Sheriff's Office. Sheriff Les Burgett stated that they had been busy and were unable to present report today.

ORDER: APPROVE AMENDING THE 2009 SALARY CAP FOR THE SHERIFF'S DEPARTMENT, APPROVE THE SALARY CAP FOR 2010 FOR DEPUTIES AND ASSISTANTS, APPROVE 2010 BUDGET FOR SHERIFF'S DEPARTMENT AND REVIEW PROJECTION OF STATE ADVANCEMENT PRESENTED BY DEPUTY JACK DUFF

Motion by Bubby Combs seconded by Frank Hurley to approve amendment for the 2009 salary cap for the Sheriff's Department. Deputy Jack Duff advises that the Sheriff's Department had to ask for this amendment due to extra security details, which pushed them over the budget on their projected salary cap for the Sheriff's Deputies. Deputy Duff advises that their department will still be taking money from state advancement, as before, and will pay off throughout the year and this has not changed from last year. Deputy Duff requests the Court's approval on the annual order setting maximum amount for deputies and assistants for the Sheriff Department's salary cap for 2010. Deputy Duff also presents the Perry County Sheriff Department's 2010 Budget for approval by the Fiscal Court. All for. Judge Noble advises that the Fiscal Court has reviewed the Perry County Sheriff's Budget for 2010 and the only issue that Judge Noble would like to address is line 17 under Part Two (Receipts) projecting the Fiscal Court as giving the Sheriff's Department \$152,000 in the 2010 Budget. Judge Noble advises that it depends on what the County has left that will determine the amount the Fiscal Court is able to contribute, and this has been discussed with Sheriff Les Burgett. According to Judge Noble, last year the Fiscal Court gave the Sheriff's Department \$150,000 ovetop excess fees. Judge Noble advises that he cannot be sure of the amount the Fiscal Court will be able to contribute, if they can give all they will, if not, they will give what they can. The Judge points out that this is just an estimated budget and the Fiscal Court can only estimate their contribution also. Deputy Duff advises that he has calculated this contribution into their 2010 budget and Sheriff Burgett advises the Court that his office needs as much of this money as they can get by the first of the year. Judge Noble advises that until he can see where the Fiscal Court stands, they cannot commit to an exact amount. The County has some problems of their own at the County Garage with some equipment being down. Judge Noble calls for a vote on all issues presented by Deputy Duff. All for. (F.C. Bk. 58, page 218).

ORDER: APPROVE FOR FISCAL COURT TO RE-ADDRESS REQUEST BY BILL HALL TO BE PAID THE FULL AMOUNT FOR HIS WORK ON THE BOARD OF ASSESSMENT APPEALS PER ATTACHED REQUEST (FISCAL COURT APPROVED \$50.00 ON 10/30 PER COUNTY CLERK SUBMITTED REQUEST FOR PAYMENT) ADDITIONAL PAYMENT REQUESTED \$50.00

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DECEMBER TERM

DECEMBER 15, 2009

RE-ADDRESS REQUEST BY BILL HALL TO BE PAID FULL AMOUNT FOR SERVING ON BOARD OF ASSESSMENT APPEALS CONTINUED:

Motion by Bubby Combs seconded by Denny Ray Noble to approve additional \$50.00 requested by Bill Hall for his work on the Board of Assessment Appeals. The Fiscal Court approved for Mr. Hall to be paid \$50.00 for one half day, because there was some question about Mr. Hall appealing some of his own property in the afternoon session. At the November 17, 2009 meeting, the County Attorney advised the Court to talk with other board members and inquire into the matter further before making their final decision. Bill Hall attends the Court meeting today to clear up any confusion about what he should be paid for serving on this Board of Assessment Appeals. Mr. Hall advises that he talked with the PVA, John Frank Gross, and he advised Mr. Hall that whether he worked 5 minutes or all day, he should still be paid the \$100.00 and Mr. Hall states that he was there all day. Mr. Hall advises the Court that he did listen to one case that he is part owner, but he did not put the case on for appeal, one of the other owner's did, and he did not vote on the case. Mr. Hall advises that he is not here today for the money, because he plans to donate the \$50.00 to the Senior Citizens, but he wanted to make clear that he did not vote on the appeal of the property in which he was partial owner. Mr. Hall states that he has been doing this for 25 years and this is the first foul up he has had, but if he had been told that he should leave, then he would have left. The County Attorney, John Carl Shackelford, advises the Court that just so there is no misunderstanding in the future, that even though there are certain forms that are filled out, the PVA should certify to the Court, in writing, a request to pay the people who served on the Board and how much they should be paid. Mr. Shackelford advises that it is not the Court's decision to determine who was present and who was not. Judge Noble states that Mr. Hall was there all day and feels he should be paid for the entire day, so he seconds the motion to approve the additional \$50.00. All for. (F.C. Bk. 58, page 227).

ORDER: APPROVE TO GIVE JUDGE NOBLE PERMISSION TO WRITE CHECK TO HINKLE CONTRACTING AFTER REVIEWING THE ITEMIZED BILLS AND INSPECTING THE SITES TO MAKE SURE THE WORK IS COMPLETE

Motion by Bubby Combs seconded by Earl Brashear to approve to give Judge Noble permission to pay Hinkle Contracting after reviewing itemized bills and inspecting sites. All for. The request for Resolution to approve paying Hinkle Contracting for road repairs \$193,517.50 (FEMA contract for flood disaster work) County has been reimbursed \$296,062.54 and amend budget to accept these unanticipated funds. Judge Noble advises that he has not had time to review the itemized bills that County Treasurer, Lee Hillman, advises that he received by fax this morning. Judge Noble advises that someone needs to actually look at the sites and make sure the work has been done, so Judge Noble asks the Court to give him permission to write the check after those sites have been inspected because they have had problems with this before. Upon review of the itemized bills, Judge Noble will write the check for the amount he determines they owe. Judge Noble advises the Court that the reason he is pointing this out is that Hinkle Contracting is ready to sell to someone else and requested this payment up front, but Judge Noble wants to check further because he feels this is quite a bit of money for the work that has been done. (F.C. Book 58, page 228). Judge Noble, along with John Epperson, will inspect sites before he makes the final determination on the check amount, so that is the reason he asks for the Court to grant him permission to write check after this has been reviewed.

**ORDER: APPROVE RESOLUTION APPROVING PAYMENT OF MONTHLY EXPENSES FOR SOUTH PERRY WATER-PHASE III**

Motion by Earl Brashear seconded by Frank Hurley to approve Resolution approving the payment of monthly expenses for South Perry Water-Phase III (two bills for payment approval presented=\$9,030.00 and \$460,305.39) county has been reimbursed into the Coal Severance account. All for. (F.C. Bk. 58, page 244). Bryan Kirby attends the Fiscal Court meeting today to give the court members an update concerning submitted invoices. Mr. Kirby advises that they gave gone up Big Branch and are almost ready to start up Route 7. Akins Excavating Inc. is the largest amount submitted for payment and, according to Mr. Kirby, they are about 2/3 complete at this stage and well ahead on their deadline. Judge Noble questions the invoice to Ky Glass Lined Tank System for \$9,030.00 and asks Mr. Kirby if this was not included in the original bid. Mr. Kirby advises that the tank was a separate bid because it is a specialized tank system, and not part of Akins Excavating, who is doing the pump station. Magistrate Frank Hurley asks Mr. Kirby if this tank was anticipated in the original bid, and Mr. Kirby advises him that the tank was definitely anticipated, and is incorporated in the bid, so financially they are in good shape. If the County were to pay all obligations, Ky. Glass Tank System, Spalding Engineers, Akins Excavating Inc. and CEDA (his company), they would still have around \$165,000 in unobligated funds, but it is too early to start planning on any type of extensions, according to Mr. Kirby.

**ORDER: APPROVE REPORT ON COUNTY ROAD PAVING PROGRESS**

Motion by Bubby Combs seconded by Frank Hurley to approve report on County road paving progress: \$2,095,692.93 spent to date of \$2,000,000.00 from KACo (copies of roads done to date attached) Ky. Transportation Cabinet resurfacing of Sam Campbell Branch, Dykes Branch completed \$209,616.25 (County will be reimbursed from State). Balance of Road Lease funds after state reimbursement=\$113,923.32 not including any outstanding bills from Mountain Enterprise beyond 12/7 billing date. All for. (F.C. Bk. 58, page 246).

**ORDER: APPROVE RESOLUTION FOR PAYMENT OF EXPENSES NORTH PERRY WATERLINE EXTENSION TO RONNIE MULLINS AND SONS PER THE ATTACHED INVOICE**

Motion by Frank Hurley seconded by Bubby Combs to approve Resolution for payment of expenses North Perry Waterline Extension to Ronnie Mullins and Sons per attached Invoice. All for. (F.C. Bk. 58, page 256). Bryan Kirby advises the Fiscal Court that this invoice is just for stored materials and all the materials listed have been confirmed by Spalding Engineering to be on site, and Mr. Kirby advises that they are trying to get the material reimbursement to the contractor to keep them from having to pay interest charges on the materials purchased. Mr. Kirby advises the Fiscal Court that the end of the contract is March 21, 2010 so they must keep rolling on this project. Mr. Kirby advises court members that next month they will be presented with a bill for actual construction. Magistrate Frank Hurley asks Mr. Kirby what will happen if this company does not have the project completed by the March 21, 2010 deadline. Mr. Kirby advises that this company has an excellent reputation for finishing on time. If, however, for some reason they did not finish on time, there is a liquidated damages clause in the contract, which imposes a penalty of \$300.00 to \$500.00 per day for every day they run over the deadline date, so contractors usually make sure they have project complete to avoid these penalties. Mr. Kirby advises the Court that if the contractor got hung up because of extremely severe weather

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DECEMBER 15, 2009

APPROVAL OF RESOLUTION FOR PAYMENT OF EXPENSES NORTH PERRY WATERLINE EXTENSION TO RONNIE MULLINS AND SONS CONTINUED:

that would prevent them from being able to work, such as extreme rain or snow conditions, and then he would inform the Fiscal Court to request the deadline date to be moved up; but so far so good. Magistrate Hurley states that personally he would rather give them extra time, if needed, and get the job done right. Mr. Kirby advises that if there is a problem with the cleanup, then they would need to contact the engineer, Spalding, and go through the chain of command to make sure the cleanup process is acceptable. Judge Noble advises that this company has always done a great job and Mr. Kirby states that they usually cleanup as they go.

ORDER: APPROVE RESOLUTION TO AMEND BUDGET FOR KREDA CHANGE TO PUBLIC PROPERTIES TO REFLECT LINE ITEM CHANGES FOR LEASE PRINCIPAL AND LEASE INTEREST. AMOUNT OF MONEY APPROPRIATED WILL REMAIN THE SAME TO REFLECT LEASE CHANGE FROM CINTAS TO LKLP LEASE THROUGH JUNE 2018

Motion by Frank Hurley seconded by Bubby Combs to approve Resolution to amend budget for KREDA change to Public Properties to reflect line item changes for lease principal and lease interest. Amount of money appropriated will remain the same to reflect lease change from Cintas to LKLP Lease through June 2018. All for. According to the County Treasurer, Lee Hillman, this is just a line item change, since KREDA went away, to recognize the money in the proper account. Judge Noble confirms with Mr. Hillman that the KREDA account will be closed. (No documentation).

ORDER: APPROVE LINE ITEM CHANGES TO AMEND THE 2009 BUDGET FOR COUNTY COURT CLERK

Motion by Bubby Combs seconded by Frank Hurley to approve the line item changes to amend the 2009 Budget for the County Clerk's Office, presented by County Clerk, Haven King. All for. (F.C. Bk. 58, page 260). The County Clerk goes over a list of line item changes to amend his 2009 Budget. (Changes on page 259). The first change discussed was \$22,500 off usage tax and added to legal process line. Mr. King advises that due to legislation being passed, Affordable Housing of Kentucky receives a \$6.00 fee on items filed in the deed room, so that required an adjustment. Some of the other changes were discussed, but Mr. King explained in detail about the change of \$2200.00 from office expense to travel. Mr. King advises that this change was necessary because he has deputies that have to travel to Frankfort for training on the new KAVIS System that is going to be implemented in the near future. Mr. King agreed for his office to be a part of the training group that is designing this new system. Mr. King advises that the current system, AVIS, could crash at any time and they are trying to have a new system ready before this happens. The County Attorney, John Carl Shackelford, advises the Court that the AVIS System discussed is the Vehicle Registration Program that is used State wide to license vehicles, boats, etc. Mr. King advises that they have about 30 clerks throughout the State helping design this system so that Frankfort would hear some voice as to what the clerk's needed in this new system. Also Mr. King requests from the Court a change for line 18, under receipts, to change from \$50,000 to \$70,000 which will be used for updates in the deed room on the virtual courthouse. Mr. King notes that his office has \$100,000 in coal severance funds to spend, so this will leave him \$30,000 from these funds. The Court has no problem with the Clerk's request to change the amount on this line item.

DECEMBER 15, 2009

**ORDER: APPROVE 2010 BUDGET FOR COUNTY CLERK HAVEN KING AND APPROVE ANNUAL ORDER SETTING MAXIMUM SALARIES FOR DEPUTIES AND ASSISTANTS FOR 2010**

Motion by Bubby Combs seconded by Frank Hurley to approve the 2010 Budget for the County Clerk's Office presented by County Clerk, Haven King. All for. (F.C. Bk. 58, page 265). Mr. King advises that the revenues are down ½ million, but the receipts are down, so that balances out ½ million on disbursements also. Mr. King notes the excess fee amount listed for 2010 is projected to be \$89,149.53. The Court members have already discussed this budget with Mr. King in a private meeting, so it passes without further questions. Included in this budget packet is the annual order setting maximum salaries for deputies and assistants. (Page 270).

**ORDER: APPROVE FOR FISCAL COURT TO ACCEPT M AND M LANE INTO THE COUNTY ROAD SYSTEM**

Motion by Frank Hurley seconded by Bubby Combs to approve Fiscal Court accepting M and M Lane into the County road system as a pre-maintained road. It has been in the road plan for some time, but not defined under the previous KRADD surveys. All for (F.C. Bk. 58, page 272). Per Don Howard, 911 representative, they cannot find any existing paperwork on this road, but Judge Noble advises that he can remember adopting this road when Charles Colwell was here and they have repaired a slip on this road before. Mr. Howard advises the Court that they just need to vote today to create a paper trail on this road and get it officially listed in the system.

**ORDER: APPROVE RESOLUTION TO ACCEPT THE FOLLOWING ROADS INTO THE COUNTY ROAD PLAN: JOHN LANE, JONES LANE, GRINDSTAFF LANE, JEFFERSON HEIGHTS, PAP CAMPBELL DRIVE, RAYMOND RIDGE, BINGHAM DRIVE, MEL STREET HUNTERS HILL, TUSCANY EST. (FIRST READING)**

**JOHN LANE:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Per Judge Noble, this road has not been pre-maintained so the county must have a deed of easement. All for. (Page 273).

**JONES LANE:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into road plan. Don Howard advises the Court that this road is off Hwy 476 about 7 miles, near Duane Mountain/District I. Per the County Attorney, the gate that is showing in the picture Don Howard presents will need to be removed. All for. (Page 274).

**GRINDSTAFF LANE:** Motion by Earl Brashear seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises this road is off Wells Fork Road in District 3, and it does serve a cemetery. Landowner wants the county to maintain up to a certain point. All for. (Page 275).

**JEFFERSON HEIGHTS:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises this road is on N Ky Hwy 15 and that the blacktop is breaking apart, but it was not put on by the county at any time. Judge Noble advises that the county will need a deed of easement. All for. (Page 276).

**PAP CAMPBELL DRIVE:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises that this road is off 16 Mile Trace Branch. All for. (Page 277).

**RAYMOND RIDGE:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises that it does have a gate and the blacktop is breaking apart. This road has not been pre-maintained so the county will need a deed of easement per Judge Noble. All for. (Page 278).

**BINGHAM DRIVE:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises that this is off Briar Fork Circle Road, it does serve a cemetery, and the road goes around a barn. All for. (Page 279).

**MEL STREET:** Motion by Bubby Combs seconded by Frank Hurley to approve to accept into county road plan. Per Don Howard this is in Combs area. Road requested is behind houses. Deed of Easement needed. All three houses are addressed off Bailey Street. All for. (Page 280).



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DECEMBER 15, 2009

APPROVAL OF RESOLUTION TO ACCEPT THE FOLLOWING ROADS INTO THE COUNTY ROAD PLAN CONTINUED:

**HUNTERS HILL:** Motion by Bubby Combs seconded by Frank Hurley to approve to accept into county road plan. Don Howard advises that this road is off Walker Branch Road. All for. (Page 281).

**TUSCANY EST.:** Motion by Frank Hurley seconded by Bubby Combs to approve to accept into county road plan. Don Howard advises that the road is located off East Ky Hwy 80. One of the houses is just under roof. Per Judge Noble, this road will need a deed of easement where it has not been pre-maintained. All for. (Page 282).

DISCUSSION OF PETITION TO ADOPT WILLIAMS BEND ROAD INTO PERRY COUNTY ROAD SYSTEM PRESENTED BY FAYE NEACE FOR RESIDENT LONNIE ALLEN

Faye Neace presents a petition for resident of Williams Bend Road, Lonnie Allen, to request all of this road to be adopted into the county road system. It is Mr. Allen's understanding that a portion of Williams Bend Road may have been adopted or at least maintained by the county. However, some of the residents live on blacktop and some on gravel, like himself. There is also a business located on this road. The resident is requesting that it be maintained to the very end of the road. Ms. Neace advises the Court that this is an access for two cemeteries also. Judge Noble advises Ms. Neace and Lonnie Allen that they must go through the KRADD process so that the viewing committee can advise the Fiscal Court before any action can be taken. Ms. Neace will meet with Don Howard, 911 representative, after the court meeting today to get the process started. No vote is taken today. (F.C. Bk. 58, page 283).

DISCUSSION BY MAGISTRATE EARL BRASHEAR CONCERNING ACCESS TO A PUBLIC CEMETERY ROAD BEING BLOCKED BY BLUE DIAMOND

Magistrate Earl Brashear brings before the Court his concerns about a public cemetery road being blocked by Blue Diamond. Mr. Brashear advises that there are about 7 old graves in the cemetery. This road is not currently a county road, but they have worked this cemetery road in the past according to Judge Noble. According to the County Attorney, the public traveling this road in the past does not make it a county road. Mr. Shackelford, County Attorney, advises that if this road is not in the county road plan, then it would need to be added to the system. To adopt into the County road system, they would need a history of maintenance by county and if not available, then they would need an easement from the property owner, which Magistrate Brashear advises is Kentucky River. Judge Noble will look into the matter, but this may be an issue for Circuit Court. No vote taken.

ORDER: APPROVE TO ADJOURN

Motion by Bubby Combs seconded by Frank Hurley to approve to adjourn. All for.

\_\_\_\_\_ PCJE  
 \_\_\_\_\_ MAG DIST 1  
 \_\_\_\_\_ MAG DIST 2  
 \_\_\_\_\_ MAG DIST 3

**EXHIBIT E5**

**Web-Posted Article WYMT  
December 15, 2009**

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Posted: 11:08 PM Dec 15, 2009

## Bio-energy plant could bring hundreds of jobs

A new bio-energy power plant could be coming to Eastern Kentucky, and with it, hundreds of jobs.

**Reporter:** Angela Beavin

**Email Address:** [angela.beavin@wvmtnews.com](mailto:angela.beavin@wvmtnews.com)

A new bio-energy power plant could be coming to Eastern Kentucky, and with it, hundreds of jobs.

Officials with a new company called ecoPower Generation want to build a plant in Perry County at the Coal Fields Industrial Park, and plan to use wood for energy.

Executives with ecoPower Generation say the materials they need, like wood by-products, are abundant in the mountains. □

"One of the best resources for this type of fuel product, in the whole United States, is right here in Eastern Kentucky," says C.E.O. Gary Crawford.

So much of the the wood left over from logging and sawmills can go to waste. Project planners say the plant will use it for energy.

Grant Curry, Vice President of Fuel Procurement, says, "Loggers and landowners can only harvest the best quality trees, and a lot of times there are some poor quality logs left on top of that tree that don't really, or haven't had, a good market. We're going to change that. We're going to provide a better market for the low-quality part of the tree."

Company officials want to break ground in 2010, and say they're in the developmental stages, but, are getting a good response from the community.

Crawford says, "We've made presentations, obviously to the development authority here at the park, and just today we met with the Perry County Fiscal Court to give them a status report on the status of our project."

Curry says, "This is a wonderful opportunity for Eastern Kentucky land owners and loggers, and it's going to help the existing wood industry, which is a \$6 billion industry in the state."

Officials say construction of the plant would employ up to 400 people, and the plant itself would provide around 50 full-time positions. Crawford says they hope to grow from there.

"This is not a one-and-done opportunity for us," Crawford says, "We intend to look for other sources

of wood in this concept of where the wood resources are and locate other plants that would have similar characteristics to what we find here in Hazard."

If completed, Crawford says this will be the only plant of its kind in Kentucky, and could provide power to 30,000 homes.

Company officials say they still have a lot of approvals and permits to obtain before any construction begins. The total cost of the project is estimated at more than \$150 million.

**Find this article at:**

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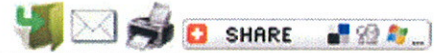
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**Posted by: jeff** Location: perry on Dec 23, 2009 at 09:29 PM

i think this is very much worth looking into, we are/ like myself/ rooted in the coal industry, but we also have many loggers who work very hard and we need to support them as we support our community, we need the jobs, opportunity, and cheap electricity to build our region and and make us competitive with the rest of the nation. i support coal, but i also support east ky. and i still believe in God and the good ole' USA.

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**Posted by: Albert** Location: Georgia on Dec 21, 2009 at 06:49 PM

I though my local town was bad getting carried away with out reading the whole story then I read these post. You all would be well off to re-read the story. I don't see where it says any thing about most of the fears posted here. Yes the Democrats are trying to choke all of American's industries.

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**Posted by: Anon** on Dec 17, 2009 at 11:22 PM

There Using wood waste for energy. Not cutting down there own trees. I wonder if any of you guys have ever thought about how much wood is wasted? Think about it. Pallets, wood crates and shipping containers not to mention the tons upon tons of saw dust and waste wood from mills.

[\[ Report Abuse \]](#)

**Posted by: Coal Miner's Wife** Location: Manchester, KY on Dec 17, 2009 at 09:52 PM

Number 1: The democractic party is already trying its best to put my husband out of a job. He is a proud UNDERGROUND coal miner. Coal cannot be replaced. What is Washington thinking? Number 2: How is this great plan going to affect the landowners of Perry County? Sounds like the government is just going to step in and take trees from innocent land owners. Number 3: Once the trees are gone, then what? I know trees will be replanted, but how long does that take? Number 4: Isn't there a cabinet factory in the industrial park? That's funny. Watch out American Woodmark, if you have some lumber stolen I might know where it is at, lol. Number 5: Lastly, how is this waste of money going to affect the electricity bills of Perry County? Do you honestly think rates will lower? This plant will triple the electric bills. Any thoughts on my thoughts?

[ Report Abuse ]

**Posted by: Anonymous** on Dec 17, 2009 at 02:14 PM

In case you haven't noticed Ann, statistics say that your area ranks number one in pill heads per capita.

[ Report Abuse ]

**Posted by: ann** Location: hazard on Dec 17, 2009 at 08:51 AM

There are plenty of us so called hillbillies that can pass a drug test...thank you!!!! I don't think that eastern ky is the only place where that is an issue!!!

[ Report Abuse ]

**Posted by: Iceman** Location: KY on Dec 16, 2009 at 06:42 PM

Well another one of our natural resources will be exhausted by outsider's and as always the people will get nothing out of it. I hope no one actually believes all the BS that this person is spewing out of his pie hole. These type of lie so much that they believe their self. They are like a cancer and the residents and the mountains are the ones that are going to pay the price. They won't even think of you as they fatten their bank accounts as always.

[ Report Abuse ]

**Posted by: Anonymous** Location: perry county on Dec 16, 2009 at 05:44 PM

What a bunch of negative crap. They are going to use wood waste, The idea is not to cut trees down solely for fuel . Logging can be done in a sustainable way, unlike mining.

[ Report Abuse ]

**Posted by: Anonymous** on Dec 16, 2009 at 03:46 PM

Good luck finding hundreds of hillbillies to fill those jobs that can pass a drug screen. Your chances are probably better playing the lottery.

[ Report Abuse ]

**Posted by: James** on Dec 16, 2009 at 01:58 PM

This is all about big industry, they could care less what happens when the trees are all gone and the next big flood washes us upon the banks of the KY river somewhere in central KY.

[ Report Abuse ]

**Posted by: ann** Location: hazard on Dec 16, 2009 at 12:54 PM

Without the Earth there will be no humans!! it is our home.....lets take care of it for our children and grandchildren!!

[ Report Abuse ]

**Posted by: Bruce** Location: Lexington on Dec 16, 2009 at 12:46 PM

This project makes TOO MUCH sense for government or the tree huggers to let it fly. By the time Communists for the Commonwealth pick it apart, another ice age will have happened. When we are all setting around freezing in the dark, you can thank a tree-hugger. Which will hopefully put them sucking down cold lattes and trying to figure out why they have no internet access.

[ Report Abuse ]

**Posted by: Diane** Location: Mt.Sterling on Dec 16, 2009 at 09:32 AM

I have to laugh at this because environmentalist are gonna block this with everything they've got. The amount of jobs will be inconsequential to them. They are against logging and coal because of environmental impact. What makes these people believe this is different. It will be killed before it's even up and running. The whole green movement is about the earth over anything else including people.

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**Posted by: Quikie Mart** Location: Somewhere, KY on Dec 16, 2009 at 09:30 AM

Thats great. Create 100 jobs and put other wood waste users out of business. That makes sense, create 100 jobs and loose 1,000's of jobs.

[ Report Abuse ]

**Posted by: Anonymous** Location: Breathitt co. on Dec 16, 2009 at 08:31 AM

maybe the tree-huggers will leave are coal miners alone and they could go back to work.. talk about the coal miners destroying the land look at what this place will do to the trees.. this is what you people get for not supporting you local coal miners..

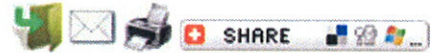
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Posted: 11:08 PM Dec 15, 2009

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**Reporter:** Angela Beavin

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**Posted by:** terri on Dec 16, 2009 at 08:09 AM

and at what cost to all?

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**Posted by:** Anonymous on Dec 16, 2009 at 07:01 AM

Fools- the land scape will look like that of the moon."Why" when we have abundant coal.People you are being lead down a path to total socialism and government control of our lives.Its a lie climate change does not exist.Its a fools game.

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**Posted by:** j Location: floyd on Dec 15, 2009 at 11:04 PM

You know, the tree-huggers will have a time with this one.. Maybe the coal miners will be hired there when they stop the coal from being mined here.

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**Posted by:** tony Location: jackson on Dec 15, 2009 at 10:43 PM

That sounds great, but with all of this cap and trade junk going around who knows. Well I know MR. Curry and I would say he has thought about that already. I say good deal.

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**Posted by:** Anonymous Location: Perry on Dec 15, 2009 at 09:53 PM

I think this is great...Kentucky power needs to have some competition..As of now they raise their rates and charge what they want when they want..Last winter (January)we received a bill for almost \$650.00..Thats for a single level home..When we called them they said we actually used less electric then the year before and this was due to the rate change...A \$300.00 dollar difference? That was one large rate increase...But whats more pathetic then that is my husband was laid off from work money was tight.We had never been late on a payment in 6 years. We called to see about making a payment arrangement.Kentucky Power refused..They said if the done it for one person they would have to do it with everyone and they couldn't do that..As good of customers as we were they cut our electric off in the middle of winter and us with 2 small children in the home and refused to turn it own until it was completely paid.We need another choice in where our electric comes from..

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**EXHIBIT E6**

**December 10, 2009 ecoPower Press Release**

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## Newsroom

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### **ecoPower Generation Passes First Step for Tax Incentives to Generate Jobs and Renewable Energy**

(Lexington, KY)—ecoPower Generation, LLC today confirmed it has received Kentucky Economic Development Finance Authority (KEDFA) approval for up to \$15 million in tax incentives. These incentives support the investment by ecoPower Generation to build a renewable bioenergy project in Eastern Kentucky. ecoPower could invest approximately \$150 million in the project, which would create more than 400 new jobs for the construction of the facility with long-term employment of approximately 40 full-time employees. The project would employ wood-fueled fluidized bed technology to produce steam to be used for electricity production.

“The company thanks Governor Beshear and the legislature for implementing a state program that provides real economic benefits, and enables us and others to make investments in renewable energy projects that otherwise might not be possible,” said Richard Sturgill, Chairman and Founder of ecoPower Generation. “This is one of the first steps of a long process toward making this project a reality.”

“As a native of Perry County and a life-long Kentuckian, I look forward to working with the Perry County community and the State to develop its home-grown, renewable energy resources while making Eastern Kentucky’s forests healthier and more productive,” Sturgill added.

“The project would give economic value to an existing renewable, sustainable fuel product and diversify the state’s energy mix,” said Gary Crawford, President and Chief Executive Officer. “ecoPower is turning sawmill by-products and low quality logs into electricity.”

By purchasing tons of wood by-product materials each year from Eastern Kentucky to fuel the plant, ecoPower would also provide additional, sustainable jobs for Kentucky’s timber and transportation industries. The project could give an economic boost to existing industries experiencing economic strain, and would not replace or diminish the demand for existing energy resources, including coal.

The project will generate up to 50 megawatts of renewable bioenergy, with commercial operation scheduled for 2013, pending various permitting approvals. The power output from the energy facility is equivalent to that needed to power 30,000 homes. ecoPower will offer the energy produced to a number of potential customers. An added benefit is that there will be an improved reliability of the local electric grid in Eastern Kentucky.

A primary provider of materials for the Perry County project will be Pine Mountain Lumber, LLC, a sister company of ecoPower.

### **About ecoPower**

ecoPower, headquartered in Lexington, Kentucky, is a limited liability corporation formed to build and operate renewable bioenergy projects in Eastern Kentucky. The company’s vision is to own the nation’s largest network of bioenergy facilities in partnership with local communities to create new jobs for American workers, enhance the sustainability of our forests, and build a reliable domestic energy infrastructure for future generations.

### **About Pine Mountain Lumber**

Pine Mountain Lumber, is also headquartered in Lexington and is a sister company of ecoPower. Pine Mountain Lumber has been in operation for more than 20 years and produces Forest Stewardship Council (FSC) certified hardwood lumber and is active in promoting forest management. FSC promotes responsible forest management worldwide through a stringent certification system and is a non-governmental, independent, not-for-profit organization.

###

### **Media Contact:**

Preston-Osborne

[Phil Osborne](#)

859.231.7711 x227 / 859.227.3663 cell

Tags: [bioenergy](#), [Energy Independence](#)

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[Biomass Power Generates Traction](#) »

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This entry was posted on Thursday, December 10th, 2009 at 8:00 am and is filed under [Creating Jobs](#), [Promoting Energy Independence](#). You can follow any responses to this entry through the [RSS 2.0](#) feed. Responses are currently closed, but you can [trackback](#) from your own site.

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- Hazard, KY:
- Grant Curry
- ph: 606-568-8127
- [gcurry@ecopg.com](mailto:gcurry@ecopg.com)

**EXHIBIT E7**

**Brochure**

# Energizing America with Clean Power.



ecoPower Generation



# hello, we're ecoPower

ecoPower is creating a new, clean and renewable source of electricity known as "bioenergy." Using natural wood by-products, bioenergy is environmentally friendly, increases America's energy independence and creates jobs for Kentucky's workers. Forest health will be improved in the process.





Kentucky is at the heart of a new energy future for America. Developing homegrown renewable energy is the key. Vast forest resources make Kentucky one of the most fertile states for producing bioenergy.

Recognizing this potential, ecoPower Generation, LLC was formed in 2009 to build and operate a wood powered bioenergy plant in eastern Kentucky. Located in Perry County, ecoPower's 50 megawatt power plant—producing enough energy to power 30,000 homes—will be the first of its kind in Kentucky.

Bioenergy is also called “biomass power”; using organic matter to make energy. Low quality logs, wood chips, sawdust and bark left over from sawmills will be converted into electricity at the ecoPower plant. By purchasing thousands of tons of these materials each year, ecoPower will provide an economic boost to our State's logging, timber and transportation industries.



The conversion of wood by-products to energy is clean, safe and environmentally friendly.

“ecoPower is turning sawmill by-products and low quality logs into electricity. No marketable hardwood logs will be used to fuel this plant.” Gary Crawford, Chief Executive Officer



## Creating Jobs

During construction of the Perry County project, an estimated 400 workers will be employed. Once operational, the plant will employ 40 to 50 skilled workers. By purchasing tons of wood by-product materials from eastern Kentucky to fuel the plant, ecoPower will also create additional, sustainable jobs for Kentucky's timber harvesting and transportation industries. ecoPower plans to develop additional plants throughout eastern Kentucky and Appalachia in the next five years with the potential to create thousands of additional jobs.

## Promoting Energy Independence

To help our nation break its dependence on foreign oil, America must develop domestic resources and diversify its energy portfolio. The U.S. Department of Energy (DOE) estimates that bioenergy currently provides nearly 45 billion kilowatt hours of electricity, or almost 2 percent of the nation's electricity. DOE projects that by 2020, biomass could supply as much as 15 percent of the nation's power needs. As one of the most heavily forested states in the country, Kentucky will play an increasingly important role in meeting this growing demand.

It is important to note that Kentucky lacks sustainable access to the other leading sources of commercial scale renewable energy such as wind and solar. Given our State's extensive forest resources, our strength is wood fueled bioenergy—an abundant, reliable, renewable source of clean energy.



**Grant Curry**, Vice President for Fuel Procurement  
Grant's work at ecoPower will provide better markets for the low quality logs and wood manufacturing by-products that will be used to generate electricity at the Perry County site. After earning a MS in Forestry from the University of Kentucky and a BS in Botany from Miami University, Grant has dedicated more than 20 years to promoting the health and sustainability of eastern Kentucky's forests. He has worked for the Kentucky Division of Forestry as a Stewardship Forester, and in the private sector as a Landowner Assistance and Procurement Forester.

## Improving Forest Health

ecoPower will help eastern Kentucky landowners grow healthier and more productive forests. For far too long, eastern Kentucky landowners have been unable to market the low quality, fire-damaged logs that prevent the regrowth of vigorous stands of high quality trees whose hardwood lumber products will be prized by future generations.

A primary provider of materials for the Perry County plant will be Pine Mountain Lumber, LLC, a sister company of ecoPower. Pine Mountain Lumber produces Forest Stewardship Council (FSC) certified hardwood lumber and is active in promoting responsible forest management.



FSC Supplier  
SCS-COC-002673

FSC is an independent, non-governmental, not-for-profit organization established to promote responsible management of the world's forests. It is widely regarded as one of the most important initiatives of the last decade to promote responsible forest management worldwide through a stringent certification system.



## Environmentally Friendly

ecoPower's conversion of wood by-products to create electricity is clean, safe and environmentally friendly. Bioenergy comes from converting recently grown organic materials into useful energy. When trees grow, they use the sun's energy to convert carbon dioxide into wood. When wood is used to make bioenergy, it is converted back into carbon dioxide. After a tree is harvested, new trees come up naturally or are replanted.

Recycling of wood and carbon dioxide through this process is considered carbon neutral—meaning it takes an equal amount of carbon dioxide out of the atmosphere as is released into it. Carbon neutral processes are environmentally friendly.

An added benefit is that ecoPower will help eastern Kentucky forest landowners remove low quality logs from their forests which will help make way for the regrowth of vigorous new forests for future generations. Vigorous, healthy forests turn carbon dioxide into wood at a high rate.

### Forest Bioenergy:

**Reduces U.S. dependence on foreign oil and nonrenewable energy.**

**Reduces wild fire risk.**

**Offsets greenhouse gas emissions.**

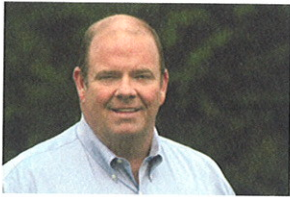
**Creates a market to sell underutilized low-quality logs and other wood by-products.**

**Creates new jobs.**

**Enhances rural economies.**

**Improves forest health and sustainability.**

## Our People



**Richard A. Sturgill**, ecoPower's Chairman and Founder, is creating the next generation of fuels to be developed by Kentucky to meet new and increasing domestic demand for renewable energy. Sturgill sees bioenergy as a key component of Kentucky's renewable energy supply. A life-long Kentuckian, he believes in making investments in the people and the

region of the country. Sturgill is a member of the Boards of Trustees of Pikeville College, Appalachian Regional Healthcare and Cardinal Hill Hospital; serves on the Advisory Board of the University of Kentucky's Center for Applied Energy Research and the Board of Fifth Third Bank Corporation, and is a former member of the Kentucky Forest Industries Board. He attended both the University of Mississippi and the University of Kentucky with a major in Business Administration and Economics.

---

"We've been in the lumber business for 20 years and know well the process of harvesting and processing commercial grade hardwood. We also know there is a tremendous amount of wood debris from logging and sawmill operations that should never go to waste. Healthy, resilient forests have a far greater carbon-storage capacity than overgrown, unhealthy forests."

Richard A. Sturgill, Chairman, ecoPower Generation, LLC

---



**Gary T. Crawford**, ecoPower's Chief Executive Officer, is a professional engineer with over 32 years experience in the electric utility industry and was Vice President of East Kentucky Power Cooperative, a generation and transmission utility with over 2800 megawatts of generating capacity. Plant design, construction management, project management, utility

---

"With the growing number of states mandating renewable energy, we saw an opportunity to meet this demand with Kentucky home-grown resources. By using improved combustion technology and wood waste as a feedstock, electricity can be generated. Jobs will be created in the process, giving an economic boost to rural communities in Eastern Kentucky."

Gary T. Crawford, President and CEO, ecoPower Generation, LLC

---

operations and management are his strengths. He holds a Master's Degree in Business Administration from Morehead State University and a Bachelor's Degree in engineering from the University of Kentucky. He was involved in local community development as a former Mayor of Sharpsburg, Kentucky.

## Our Mission

To be the leading generator of clean, sustainable, renewable bioenergy in the United States.

## Our Vision

To operate the nation's largest network of bioenergy powered electric generation facilities, while working in partnership with local communities to create new jobs for American workers, enhance the sustainability of our forests, and build a reliable domestic energy infrastructure for future generations.



This brochure printed on FSC certified content paper.



ecoPower Generation

1256 Manchester Street Lexington KY 40504 United States of America  
ph: 859-629-6001 fx: 859-252-6964 info@ecopg.com www.ecopg.com

**EXHIBIT E8**

**January 30, 2009  
Hazard Herald Ad for Public Meeting**

ecoPower Generation  
Invites You to Attend an

## Informational Open House

Tuesday, January 5, 2010

6:30 pm – 8:00 pm

Chavies Elementary School

250 Chavies School Rd, Chavies, KY 41727

ecoPower Generation is planning to build and operate a renewable energy project at the Coal Fields Industrial Park. ecoPower will turn sawmill by-products and low quality logs into electricity—enough to power 30,000 homes. We're interested in meeting you to tell you more about this exciting new project. We'd also like to hear your ideas and thoughts on how we can work together to make this project a success for you and the community as a whole.

**The proposed project is expected to stimulate the economy in eastern Kentucky by creating:**

- 400 new construction jobs to build the project
- 40 full-time jobs at the facility
- Hundreds of additional jobs for Kentucky's logging and trucking industries, and other local businesses

Please attend to learn about this exciting proposed energy project in your area. Refreshments provided by the Chavies Elementary PTO.

Questions: Contact Grant Curry at  
(606) 568-8127 or gcurry@ecopg.com



**ecoPower Generation**

Energizing America with clean power.  
www.ecopg.com

**EXHIBIT E9**

**Flyer for Public Meeting**



ecoPower Generation  
Invites You to Attend an

## Informational Open House

Tuesday, January 5, 2010

6:30 pm – 8:00 pm

Chavies Elementary School

250 Chavies School Rd, Chavies, KY 41727

ecoPower Generation is planning to build and operate a renewable energy project at the Coal Fields Industrial Park. ecoPower will turn sawmill by-products and low quality logs into electricity—enough to power 30,000 homes. We're interested in meeting you to tell you more about this exciting new project. We'd also like to hear your ideas and thoughts on how we can work together to make this project a success for you and the community as a whole.

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Please attend to learn about this exciting proposed energy project in your area. Refreshments provided by the Chavies Elementary PTO.

■ **Questions: Contact Grant Curry at (606) 568-8127 or [gcurry@ecopg.com](mailto:gcurry@ecopg.com)**



**ecoPower Generation**

Energizing America with Clean Power

[www.ecopg.com](http://www.ecopg.com)



FSC Supplier SCS-COC-002673

**EXHIBIT E10**

**Sign-in Sheets from Open House January 5, 2010**

ecoPower Generation, LLC  
 Informational Open House  
 Chavies Elementary School, Perry County  
 January 5, 2010

Please Print

Name	Address	Phone Number
Shane Burton	7753 Hwy 7 Viper Ky 41774	606-270-0301 436 606-233-8307 1026
Robert Dinger	P.O. Box 43 Chavies Ky 41727	606 436-5223
Clark Beyer	P.O. Box 707 Whitesburg, Ky 41858	276-219-5646
Starr Collins	P.O. Box 99 Chavies Ky 41727	606-438-2654
Don E. Duff	P.O. Box 263 Chavies Ky 41727	606-439-7070
Sherrie Stedman	14600 KY HWY 451 Hazard, KY 41701	606-435-2101
Shedra Wiseman	309 Laurel St Hazard Ky 41701	606-439-1485
James Wiseman	304 Laurel St Hazard Ky 41701	606-438-9741
James Longworth	P.O. Box 194 Happy, KY 41746	606-476-9830

ecoPower Generation, LLC  
 Informational Open House  
 Chavies Elementary School, Perry County  
 January 5, 2010

Please Print

Name	Address	Phone Number
Brandy Colwell	860 Meadow Br. Rd. Kypton, Ky 41764	435-2753
W. Alfred Smith	847 KY. Hwy 78, Hazard, KY	476-6765
Michael Corns	PO Box 383 VICCO KY	438-9239
Michael W. Jugata	PO Box 499 Bonnyman, Ky 41719	233-6177
Charlene Soan	De Leon Lane Courtland, Ky 41831	476-2048
Tina D. Ford	Box 717 Hazard Ky 41702	435-0893
Don Heard	566 Wendell Ford Terminal Rd.	
Fanny Mullins	P.O. 374 Chavies Ky 41737	216-7936
Shane Sizemore	P.O. 14670 Hwy 451 Hazard Ky 41701	487-0557
Joe Maggard	P.O. Box 56 Chavies Ky Hazard Ky 41737	398-7034
John Spivey	Perry Co Fiscal Court	439-3699

ecoPower Generation, LLC  
 Informational Open House  
 Chavies Elementary School, Perry County  
 January 5, 2010

Please Print

Name	Address	Phone Number
Shelby Hicks	Po Box 253 Hazard Ky 41702	233-36124
Henry Stidham	9131 ADATH Ky 15	438-1016
Don Grew	338 Ivy Hwy 28 Hazard Ky 41701	436-5726
Khanda Hughes	460 Clearfork br Hazard Ky 41701	436-6608
Robert Hughes	460 Clearfork br Hazard Ky 41701	436-6608
Roxter Hayward	1248 Ky. Hwy. 28 Hazard, Ky. 41701	436-2504
Marty Cornett		
Justin Co. Sandlin	P.O. Box 89 Chavies 41727	398-5130
William Stidham	P.O. Box 23 Lost Creek 41348	
Tom Stidham	530 Carnegie Bo Loop Hazard 41701	439-0151
James Charles	14600 Ky Hwy 451 Hazard Ky 41701	216-66655
JOE McIntosh	368 First St Chavies Ky	438-3682
George E. Moore	14670 Hwy 451 Hazard Ky 41701	216-3225
	Po Box 34 Chavies Ky 41727	398-5690
	Po Box 155 Chavies Ky 41727	436-3677

**EXHIBIT E11**

**Comments from January 5, 2010 Open House**

**ecoPower Open House  
January 5, 2010  
Comments from Attendees**

Following is a compilation of comments received from attendees at the ecoPower Open House held at the Chavies Elementary School on January 5, 2010. ecoPower set up stations where attendees could receive information about Engineering/Process, Fuel, Employment and Environmental matters. An ecoPower representative with particular knowledge about the station subject matter was available to answer questions. The questions below were asked of ecoPower representatives and were answered at the Open House. These comments and questions are believed to be representative of the general community. One ecoPower representative stated "*Folks leaving the gym were not jumping up and down with enthusiasm but gave the impression that they were satisfied with the information that they had received.*"

Most of the attention was focused on the Process station where folks had a genuine interest in learning about how a power generating plant works, and at the Employment station where folks were interested in the opportunity for employment. The comments and questions listed below have been generally grouped by subject and include direct questions and the reports of ecoPower representatives on the subjects they discussed with attendees during the Open House.

Comments and Questions:

***Employment Opportunities and Issues***

*A number of inquiries were about jobs and whether we were going to import individuals to run the plant or hire locally.*

*One gentleman wanted to know more about the secondary jobs this plant would create in logging, transportation, and other supporting services.*

*There were also questions about when construction would actually begin and whether we had signed contracts for the construction or not.*

*There were a couple of comments about whether this plant would replace coal fired generation and the impact on coal mining jobs.*

*Finally, there were a number of folks who generally expressed good will with a hope that this will actually come about. They indicated that the economy in the area certainly could use a boost. An expanded timber industry would help diversify the local economy.*

*Biggest staffing challenge will be the drug problem.*

*Key interest is employment.*

*We need this because it will provide more jobs for the area.*

*I need this because it will provide a market for the slabs that I produce at my Perry County sawmill. Will you be able to take pine slabs and sawdust?*

*How much will the jobs at the plant pay?*

*When will you start hiring?*

*What kind of training would I need to work at the power plant?*

### **Likelihood of Success**

*One gentleman voiced skepticism that we would be able to follow through since a couple of proposed coal plants in the area were promised in the past and did not materialize.*

*How is the project going? (Several people asked this type of question. They were trying to get a sense of how likely it is that the ecoPower plant will actually be built).*

*Do you think that the plant would ever expand?*

### **Fuel Supply**

*There were a number of individuals who just wanted to know how much wood it would take to fuel the plant.*

*Are you going to buy wood from anyone who brings it to you?*

*What types of wood will you buy?*

*When will the plant start needing wood?*

*Where are you going to get all the logs that you'll need?*

*What are the specifications for the logs that you will take?*

### **Water Supply**

*A number of questions were asked about the amount and sources of water for operation. No one had any confidence that the City of Hazard could provide a reliable supply of water. Therefore, there were a number of questions about the Holly Bush impoundment.*

*Do you need a lot of water for this plant? Where is it coming from? We have water outages every year - unreliable.*

*Where are you going to get the large amount of water that it takes to run a power plant?*



## **Environmental**

*There were a few questions about the level of "pollution" and "smoke" from the stack.*

*One person asked about burning household garbage, medical waste, (based on his definition of the term biomass) and asked whether shouldn't local residents who have to "put up with the plant" receive some free electricity (based on the gas well model where the landowner receives some % of gas for personal uses).*

*One gentleman was very concerned about how we intended to fight fires at the plant. He was the captain of the local volunteer fire department. He requested we provide more information and detail at a later date that would address his general concern about impact on the fire department.*

## **Process/Technology**

*One young man was very excited to learn about how the plant would actually operate. He wanted to understand how everything worked from the fuel to steam to emissions control.*

*A number of folks expressed genuine support for the idea of generating renewable electricity.*

*How will the logs get burned?*

*Another questioned how much more property would be required over the life of the plant. He could not believe that we could operate the plant on 125 acres over the next 20 years or more.*

## **Electricity Rates**

*There were a couple of comments on whether local rates would have to increase because of the plant. A general lack of understanding was apparent that this plant would be selling its output to the wholesale market.*

*Some questions regarding how this plant is related to the 35% rate hike announced by AEP.*

*Some confusion (but not allot) as to why if the power is going into the AEP transmission system it may, or not, be used by the electricity consumers in the area.*

*Will I be able to buy the electricity?*

*Will the electricity be cheaper?*

## **General Comments**

*By far, good support for the project.*

*Good realization of both the primary, secondary and tertiary economic benefits from the project.*

*I feel it's a great idea.*

*This project would help my business (Jim Wiseman who owns a crane company in Hazard)*

*How much are you guys going to hurt (competition for logs) the Weyerhaeuser plant if they try to reopen?*

*Some comments regarding will our project be an incentive for Truss Joist to reopen.*

**EXHIBIT E12**

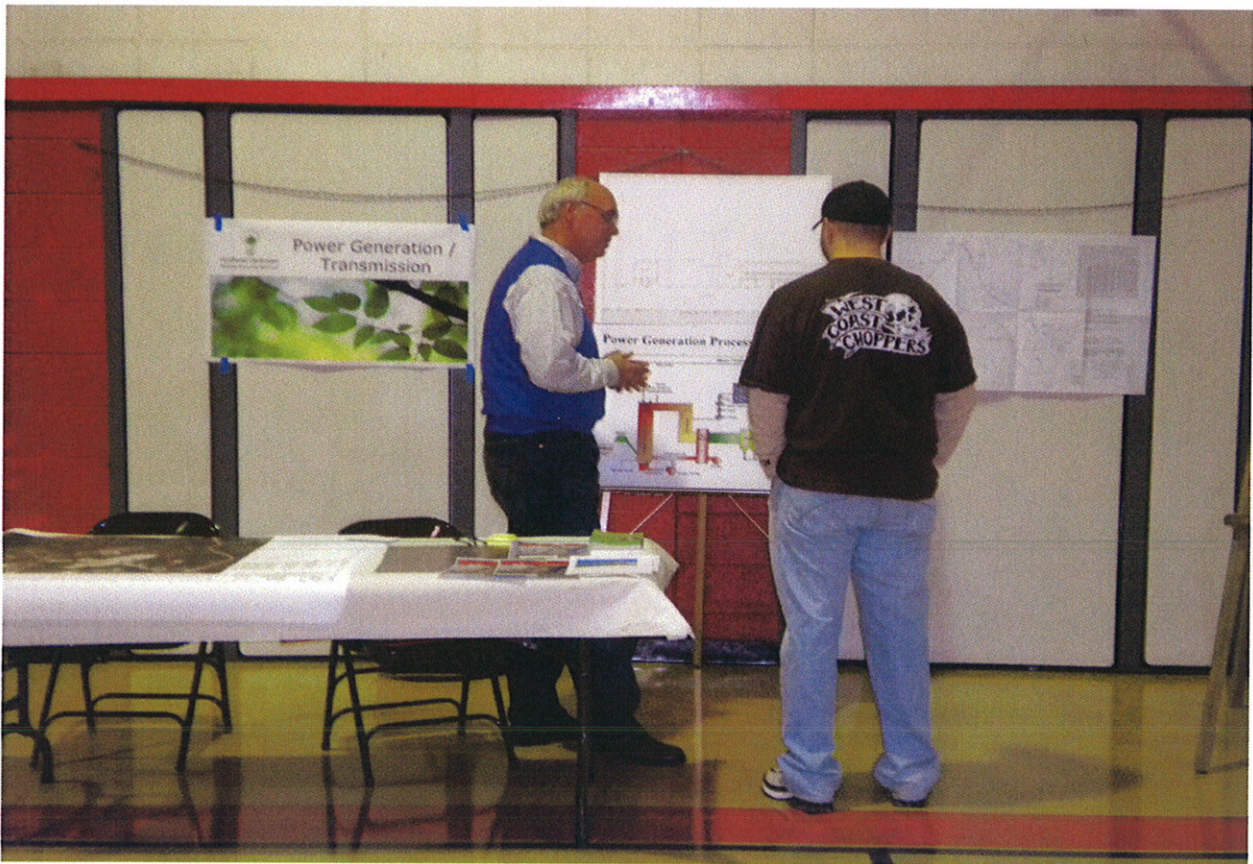
**Photographs of ecoPower Open House  
January 5, 2010  
Chavies Elementary School**



Welcome to Open House



Samples of fuel



Explaining the process



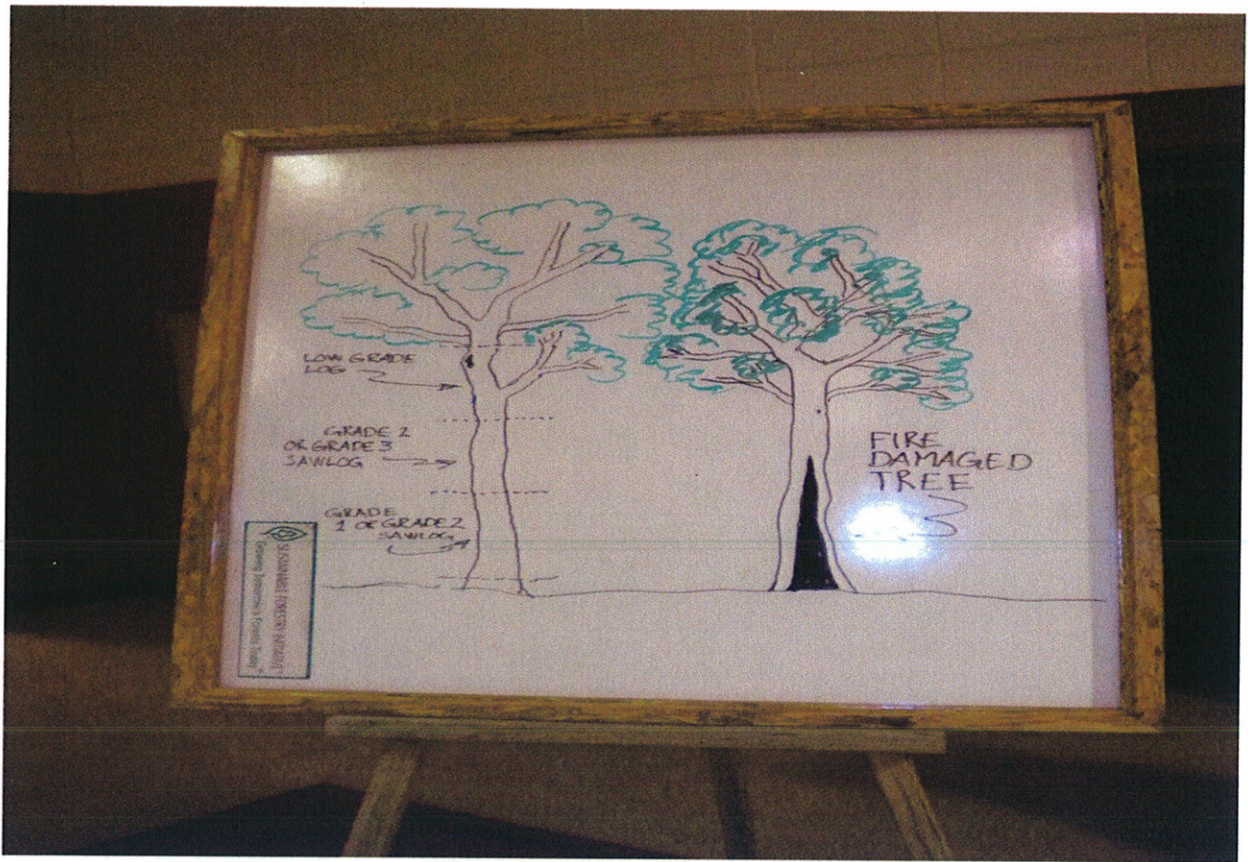
Learning about jobs



Explaining the process



Answering questions



Where does the fuel come from?



More questions

## **EXHIBIT F**

### **Electric Generating Facilities Located in Eastern Kentucky**



For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Exhibit F, Generating Facilities Located in Eastern Kentucky, letter page size*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

Maps will be available for viewing at the Public Service Commission and at any public hearing.

**EXHIBIT G1**

**PJM Acknowledgement of Interconnection Request**



995.000000 Avenue  
United Energy Corporate Center  
Norristown, PA 19381-2007

**VIA FEDEX**

October 29, 2009

Mr. Gary Crawford  
ecoPower Generation LLC  
1256 Manchester Street  
Lexington, KY 40504

Dear Gary:

**FEASIBILITY STUDY REQUEST**

Please be advised that PJM is in receipt of your Interconnection Request for the following project: **Hazard 138kV** as per your transmittal received October 23, 2009. Your project has been assigned queue position **V3-055**. A copy of the executed Feasibility Study Agreement (Attachment N) accompanies this transmittal.

Since this request was received in the 3<sup>rd</sup> month of the V3 queue, we are obligated to have a scoping meeting to discuss this project with you within 20 days, by **November 12, 2009**, of receiving your interconnection request. The meeting can be face to face or by teleconference. John Fedorko will be your PJM single point of contact for all matters related to your interconnection request and will be contacting you with three available dates for the kick-off meeting. You can reach him by phone at (610) 666-4775 or email [fedorkj@pjm.com](mailto:fedorkj@pjm.com).

Sincerely,

A handwritten signature in black ink that reads "Jeannette Mittan".

Jeannette Mittan  
Interconnection Planning  
PJM Interconnection

Enclosure  
/jcm

cc: File  
John Fedorko

**EXHIBIT G2**

**S&L Transmission Feasibility Study for Engle Substation**

# **ECO POWER BIOMASS PROJECT**

**Prepared for  
Eco Power Generation, LLC**

## **TRANSMISSION FEASIBILITY STUDY FOR ENGLE SUBSTATION**

**January 20, 2010  
S&L Project No. 12616-002**

**Prepared by**

**Sargent & Lundy<sup>LLC</sup>**

The logo for Sargent & Lundy LLC features a stylized, grey, curved shape that resembles a large letter 'S' or a swoosh, positioned behind the company name.



## CONTRIBUTORS

### PREPARED BY:

Trevor G. Curry  
Transmission Engineer

01/20/2010  
Date

### REVIEWED BY:

Robert E. O'Hara  
Project Manager

1/20/2010  
Date

### APPROVED BY:

Robert E. O'Hara  
Project Manager

1/20/2010  
Date



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<b>Attachment B – Oneline (Summer Peak New Generation Case, 2012)</b>	
<b>Attachment C – Contingency List</b>	
<b>Attachment D – Transmission Overload List</b>	

## 1. INTRODUCTION

This transmission evaluation analyzed the feasibility of injecting 50 MW of generation at American Electric Power's Engle 69 kV substation. A power flow study was conducted to identify transmission facilities that would overload based on their thermal rating when injecting generation.

This study was conducted using a 2012 summer base case. The base case 2012 model was evaluated by identifying overloaded transmission facilities during normal operation and under contingency conditions. Once these were identified, the new generation results were compared against the base case.

The results of the power flow study for the new generation case shows no overloads requiring mitigation.

## 2. STUDY METHODOLOGY

This analysis was conducted using PowerWorld Simulator (Version 13) software on computer ZL5659.

A new generation case was created by adding 50 MW of generation at the Engle 69 kV substation. The 50 MW block was transferred evenly in four directions to neighboring control areas. The loading on transmission lines near the new generation busses before and after the new generation addition is displayed visually on the attached onelines in Attachments A and B, respectively.

Upon completion of the base case and the new generation case, contingency analyses were run on all cases. The results of these cases were compared to the base case to determine the impact of injecting the additional generation at the Engle 69 kV substation. The transmission facility rating is based on the steady-state limit (A Limit) under normal operating conditions and the short-term emergency rating (B Limit) for contingency conditions. Overloaded transmission facilities that have a distribution factor greater than 3% shall require mitigation. The distribution factor indicates the percentage of the new generation that flows on a transmission facility. For example, if a 100-MW generator is modeled and the transmission line loading increases by 10 MW, then the distribution factor is 10%.

The single contingency analysis reviewed 250 independent outages which included all lines within eleven busses of the Hazard 69 kV substation with a nominal voltage of 69 kV or greater. This set of contingencies was run for the base case and the new generation case. A complete list of all contingencies reviewed is included in Attachment C.

## 3. RESULTS

### 3.1 ADDITION OF GENERATION AT ENGLE 69 KV

The 2012 base case was compared to the 2012 New Generation case to determine the impact of adding 50 MW at Engle 69 kV substation. This evaluation identified overloaded transmission facilities under normal operating and contingency conditions.

#### *Normal Operating Conditions*

The impact of injecting 50 MW at the Engle 69 kV substation was determined by comparing the base case and new generation case. No overloads were observed under normal operating conditions.

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### *Contingency Conditions*

The single contingency analysis reviewed 250 independent outages which included all lines within eleven busses of the Hazard 69 kV substation with a nominal voltage of 69 kV or greater. This set of contingencies was run for the base case and the new generation case. A complete list of all contingencies reviewed is included in Attachment C.

No overloads were observed under contingency conditions and no mitigation is required.

## **4. CONCLUSION**

The analysis of injecting 50 MW of biomass generation at Engle 69 kV substation revealed no overloads under normal or contingency conditions; therefore, no mitigation is required.

## **5. ATTACHMENTS**

- Attachment A – Onelines (Summer Peak Base Case, 2012)
- Attachment B – Onelines (Summer Peak New Generation Case, 2012)
- Attachment C – Contingency List
- Attachment D – Transmission Overload List

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Exhibit G2, Attachment A, Hazard Substation  
Summer Peak Base Case 2012, letter page size*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602  
Attn: GIS Coordinator  
Phone (502) 564-3940

Written requests must include a signature, name, title of organization (if applicable), mailing address, phone number and optional e-mail address and the following statement: *I understand that since September 11, 2001, location data of critical utility structures is considered sensitive information for security reasons. I will not publish this map or any part of it on the World Wide Web. I will not redistribute this map to others, but shall refer requests by others for such information to the Kentucky Public Service Commission.*

Maps will be sent as pdf files by e-mail or on CD at no cost to the party. If printed "oversized" maps are requested, there will be a charge of \$8 per sheet.

Maps will be available for viewing at the Public Service Commission and at any public hearing.

For reasons of Homeland Security, this document is not available on-line:

*Case Number: 2009-00530*

*Description of Document: Exhibit G2, Attachment B, Hazard Substation  
Summer Peak New Generation Case 2012, letter page size*

Persons requiring access to this document may contact the Public Service Commission in person or in writing at:

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Attachment C  
Contingency List

Number	Contingency Name	Number	Contingency Name	Number	Contingency Name
1	001028PHIPSBNP500-3240738POCKETN500C1	51	2306205DORTON138-2308505BEEFH138C1	101	2407405SLEMP69-2407505SLEMP69C1
2	004525PINEVILLKY161-0063355SWEETGUM161C1	52	2306305FLEMIN138-2308505BEEFH138C1	102	2407605WHITSG69-2408105GOLDEK69C1
3	004525PINEVILLKY161-23072065STINNE161C1	53	2306405HARBER138-2307105SPEICEW138C1	103	2407705WHITSG69-2408205MAYK69C1
4	004525PINEVILLKY161-3241555PINEVIL161C1	54	2306405HARBER138-2308305YELLM138C1	104	2407705INDEK69-2409805MORHE69C1
5	004535LAFOLLETN161-004555NORRISHP161C1	55	2306505HAZRD1138-2307605VICCO138C1	105	2407805SHAMRK69-2408005ENGL69C1
6	004535LAFOLLETN161-0063355SWEETGUM161C1	56	2306505HAZRD1138-2308705HAZRD2138C1	106	2409005OLIVEL69-2409505HAYWAR69C1
7	004555NORRISHP161-0045655ANDERSONV161C1	57	2306605HAZRD161-2308605WOOTEN161C1	107	2409005OLIVEL69-2409705PELFR69C1
8	004555NORRISHP161-011155RIVERTNP161C1	58	2306705JOHNSC138-2307305STONET138C1	108	2409205GRAHN69-2409705PELFR69C1
9	004555NORRISHP161-0113305JACKSBROTP161C1	59	2306905LESUE161-2308605WOOTEN161C1	109	2409505HAYWAR69-2409805MORHE69C1
10	004555NORRISHP161-2277105CLNCHRT161C1	60	2306905LESUE161-2309805LESUX161CSR	110	2409705PELFR69-342302PELFR69C1
11	2275105ABINGD138-2285205SPRING138C1	61	2306905LESUE161-2309805LESUX161CSR	111	2409805MORHE69-3247072RODBRN69C1
12	2275105ABINGD138-2285205SPRING138C1	62	2307055STINNE161-2309805LESUX161CSR	112	3240728PINEVIL500-3240738POCKETN500C1
13	2277105CLNCHRT138-2277205CLNCLNFD138C1	63	2307055STINNE161-2309805LESUX161CSR	113	3241007ALCALDE345-3241027BROWN345C1
14	2277105CLNCHRT138-2277205CLNCLNFD138C1	64	2307055STINNE161-2309805LESUX161CSR	114	3241007ALCALDE345-3241127PINEVIL345C1
15	2277105CLNCHRT138-2279405FREMOT138C1	65	2307055STINNE161-2309805LESUX161CSR	115	3241027BROWN345-3241177W.GARRD345C1
16	2277105CLNCHRT138-2281105LEBANOT138C1	66	2308005INEZ138-2309105HATFLD138C1	116	3241127PINEVIL345-3241177W.GARRD345C1
17	2277105CLNCHRT138-2284705SEXTON138C1	67	2308005INEZ138-2309405EXCEL138C1	117	3241177W.GARRD345-3418337JKSMIT2349C1
18	2277105CLNCHRT138-2306205DORTON138C1	68	2308105CONSOL138-2308005INEZ138C1	118	3241315ARNOLD161-3241395DORCHST161C1
19	2277105CLNCHRT138-2452005HANSON138C1	69	2308205CONSOL138-2308005INEZ138C1	119	3241315ARNOLD161-3241465HARLAN161C1
20	2277105CLNCHRT138-2279005FLETC138C1	70	2308205CONSOL138-2308005INEZ138C1	120	3241315ARNOLD161-3241485HYDEN161C1
21	227705COPPER138-2280305HILL138C1	71	2309005MOOTEN161-3241485HYDEN161C1	121	3241325ARTEM161-3241335ARTEMUS161C1
22	227705COPPER138-2280305HILL138C1	72	2309005MOOTEN161-3241485HYDEN161C1	122	3241325ARTEM161-3241435FARLEY161C1
23	2277905DICKEN138-2284705SEXTON138C1	73	2402905CLNCHD69-2403005FREMOT69C99	123	3241325ARTEM161-3241485HYDEN161C1
24	2278505ELKGAR138-2281105LEBANOT138C1	74	2403005FREMOT69-2403005FREMOT69C99	124	3241385DELVINT161-3241485HYDEN161C1
25	2279405FREMOT138-2450205FREMOT2138C1	75	2403005FREMOT69-2403005FREMOT69C99	125	3241385DELVINT161-3241655WITAP161C1
26	2279605GARDEC138-2286405LOONEY138C99	76	2403005FREMOT69-2403005FREMOT69C99	126	3241385DELVINT161-3410975BEATYY161C1
27	2280005HALES138-2286405LOONEY138C99	77	2403005FREMOT69-2403005FREMOT69C99	127	3241385DELVINT161-3416575GRNHLJ161C1
28	2282005MORLAN138-2284705SEXTON138C1	78	2404055BEVEYER69-2405105WEEKS769C1	128	3241395DORCHST161-3241495IMBODEN161C1
29	2286405LOONEY138-2403005FREMOT69C99	79	2404055BEVEYER69-2405105WEEKS769C1	129	3241465HARLAN161-3241475HOWRD161C1
30	2286405LOONEY138-2452105LEFTFK138C1	80	2405105BUEGS69-2406305COMBS69C1	130	3241465HARLAN161-3241555PINEVIL161C1
31	2287205MEADWV138-2452005HANSON138C1	81	2405705BUEGS69-2406805HAZAR289C1	132	3241475HOWRD161-3241555PINEVIL161C1
32	2298505SPRIG1138-2307305STONE138C1	82	2405805BONNYN69-2406005HAVI69C1	133	3241495IMBODEN161-3241575POCKN161C1
33	2298505SPRIG1138-2307305STONE138C99	83	2405805BONNYN69-2406305COMBS69C1	134	3241525LRTAP161-3241655WITAP161C1
34	2305205BSAND138-2308005INEZ138C1	84	2405805BONNYN69-2407805SHAMRK69C1	135	3241555PINEVIL161-3241565PINEVSW161C1
35	2305205BSAND138-2308005INEZ138C2	85	2405905BULAN69-2407805SHAMRK69C1	136	3241575POCKN161-3241585POCKET161C1
36	2305305BEAVRC138-2305705BETS138C1	86	2405905BULAN69-2407905HAZAR-69C1	137	3241635WIRVIN161-3241655WITAP161C1
37	2305305BEAVRC138-2305905CEDARC138C1	87	2406005CHAVI69-2406705HADD169C1	138	3242454FARMT138-3243074SHARKEY138C1
38	2305305BEAVRC138-2306205DORTON138C1	88	2406105CLOVEK69-2407205LESLI69C1	139	3242474FAWK138-3242764KRTAP138C1
39	2305305BEAVRC138-2307505TOPMOS138C1	89	2406205COLL169-2406505TALENR89C1	140	3242514FLEMIN138-3242544GODDRD138C1
40	2305305BEAVRC138-2308205CONSTIP138C1	90	2406205COLL169-2406505TALENR89C1	141	3242544GODDRD138-3243024RODBURN138C1
41	2305305BEAVRC138-2309005MORGFK138C1	91	2406205COLL169-2407605WHITSG69C1	142	3242734LKREBA138-3242764LKRAP138C1
42	2305305BEAVRC138-2450205FREMOT2138C1	92	2406205COLL169-2406505TALENR89C1	143	3242764LKRAP138-3426674UNIONCY138C1
43	2305405BECKHA138-2307505TOPMOS138C1	93	2406405DAISY69-2407105JEFF69C1	144	3243024RODBURN138-3243074SHARKEY138C1
44	2305405BECKHA138-2307605VICCO138C1	94	2406405DAISY69-2407105JEFF69C1	145	3243024RODBURN138-3423604ROWANCO138C1
45	2305705BETS138-2306105DEWEY138C1	95	2406605FLEMIN69-2407005JACKS69C1	146	3244112ANDOT169-3245832IMBODE69C1
46	2305705BETS138-2309005MORGFK138C1	96	2406705HADD169-2407005JACKS69C1	147	3244152ZAPPOL69-3245932KUPK69C1
47	2305805BUSSVY138-2307405THELMA138C1	97	2406805HAZAR289-2407105JEFF69C1	148	3244162ARNOLD69-3244432BENHAM69C1
48	2305905CEDARC138-2306705JOHNSC138C1	98	2406905HELECH69-2407005JACKS69C1	149	3244162ARNOLD69-32444902CUMBER69C1
49	2306105DEWEY138-2307405THELMA138C1	99	2406905HELECH69-2407005JACKS69C1	150	3244302BEATYY69-3248032BEARTRA69C1
50	2306105DEWEY138-2308005INEZ138C99	100	2407205LESUE169-2407905HAZAR-69C1		

Attachment C  
Contingency List

Number	Contingency Name	Number	Contingency Name
151	L 3244302BEATTY69-3411002BEATTYV69C1	201	L 3421572OAKDALJ69-3421592OAKDLEK69C1
152	L 3244332BENHAM69-3246212LYNCH69C1	202	L 3422575PITTSBG161-3426605TYNER161C1
153	L 3244402BLCKMT69-3246212LYNCH69C1	203	L 3423604ROWANCO138-3424874SKAGGS138C1
154	L 32444412BLCKWDB9-3245032DORCHE69C1	204	L 3424002S.FORK69-3426622TYNER69C1
155	L 32444412BLCKWDB9-3248022BEARBR69C1	205	L 3424432SANDLCK69-3428112ZACHAR169C1
156	L 3244422BLED169-3244972DAYHO169C1	206	T 22715105ABINGD138-2402805ABINGN69C1
157	L 3244562BRUSH69-3245932KUPK69C1	207	T 2277105CLNCHR138-2430505CRG1EQ999C1
158	L 3244602CALLOW69-3246862PINEV169C1	208	T 2277105CLNCHR138-2430805CRG2EQ999C2
159	L 3244602CALLOW69-3247062ROCKY69C1	209	T 2277105CLNCHR138-2431105CRG3EQ999C3
160	L 3244902CUMBER69-3248272CLVRLCK69C1	210	T 2277205CLNFD138-2402905CLNCHD69C1
161	L 3244962DARKHO69-3247672WIRV169C1	211	T 2279400FREM01138-2403005FREM0-69C1
162	L 3244972DAYHO169-3245642HARLAN69C1	212	T 2305305BEAVRVC138-2403805BEC1EQ999C1
163	L 3244972DAYHO169-3245882KENTEN69C1	213	T 2305305BEAVRVC138-2403905BEC2EQ999C1
164	L 3244982DAYS69-3246212LYNCH69C1	214	T 2305705BETS138-2404105BEYLEQ999C1
165	L 3245032DORCHE69-3245172ESSERV69C1	215	T 2305905CEDARC138-2404205CERCEQ999C1
166	L 3245032DORCHE69-3246632NORTNKU69C1	216	T 2306305FLEMIN138-2406605FLEMI69C1
167	L 3245172ESSERV69-3250052WISETAP69C1	217	T 2306505HAZR138-2407905HAZAR-69C1
168	L 3245432FOURM69-3246862PINEV169C1	218	T 2306605HAZARD161-2308705HAZARD2138C1
169	L 3245432FOURM69-3248132CARY69C1	219	T 2306705JOHNSC138-2404405JOCREQ999C1
170	L 3245492GORGE69-3245832IMBODE69C1	220	T 2306905LESUE161-2407205LESUE169C1
171	L 3245622HAR56769-3245642HARLAN69C1	221	T 2306905LESUE161-2408305BRIDG115C1
172	L 3245822HAR56769-3248832KITTKN69C1	222	T 2307405THELMA138-2405005THMAEQ999C1
173	L 3245642HARLAN69-3249562SHAWNEE69C1	223	T 2308705HAZR138-2406805HAZAR269C1
174	L 3245832IMBODE69-3245912KEOKEE69C1	224	T 2403805BEC1EQ999-2404005BEAVER69C1
175	L 3245932KUPK69-3246862PINEV169C1	225	T 2403905BEC2EQ999-2404005BEAVER69C1
176	L 3245932KUPK69-3247412STINK69C1	226	T 2408305BRIDG115-2407205LESUE169C1
177	L 3246332MELDRU69-3246842PIN72269C1	227	T 2450205FREM02138-2403005FREM0-69C2
178	L 3246462MORHE69-3247072RODRBN69C1	228	T 3240728PINEV1500-3241127PINEV1345C1
179	L 3246462MORHE69-3249102MORHEAD69C1	229	T 3240728POCKETN500-3241575POCKNT161C1
180	L 3246472MORHW69-3249102MORHEAD69C1	230	T 3241007ALCALDE345-3241305ALCALDE161C1
181	L 3246632NORTNKU69-3248262CLNCHSW69C1	231	T 3241127PINEV1345-3241155PINEV161C1
182	L 3246842PIN72269-3246862PINEV169C1	232	T 3241315ARNOLD161-3244162ARNOLD69C1
183	L 3246892RICE169-3247672WIRV169C1	233	T 3241395DORCHS1161-3245032DORCHE69C1
184	L 3248142CATRINTP69-3249562SHAWNEE69C1	234	T 3241465HARLAN161-3245642HARLAN69C1
185	L 3248182CHADTAP69-3248272CLVRLCK69C1	235	T 3241495IMBODEN161-3245832IMBODE69C1
186	L 3410172ANNVILJ69-3426622TYNER69C1	236	T 3241525LRTAP161-3242764LKRTP138C1
187	L 3410975BEATTYV161-3422785POWELCO161C1	237	T 3241555PINEV161-3246862PINEV169C1
188	L 3411002BEATTYV69-3411022BEATTYD69C1	238	T 3241555PINEV161-3246862PINEV169C2
189	L 3411002BEATTYV69-3421572OAKDALJ69C1	239	T 3241585POCKET161-3246892POCKET69C1
190	L 3411002BEATTYV69-3428112ZACHAR169C1	240	T 3241635WIRVIN161-3247672WIRV169C1
191	L 3411672BOONEVJ69-3421572OAKDALJ69C1	241	T 3243024RODRBN138-3247072RODRBN69C1
192	L 3412402CAMPTON69-3428112ZACHAR169C1	242	T 3243164VACITY138-3247592VACITY69C1
193	L 3413634CRANSTN138-3423604ROWANCO138C1	243	T 3245032DORCHE69-3241395DORCHS1161C2
194	L 3415035FALLRCK161-3426605TYNER161C1	244	T 3410975BEATTYV161-3411002BEATTYV69C1
195	L 3415052FALLRCK69-3426622TYNER69C1	245	T 3410975FALLRCK161-3415052FALLRCK69C1
196	L 3416575GRNHL161-3416595GRNHALL161C1	246	T 3422575PITTSBG161-3246882PITTSKU69C1
197	L 3416575GRNHL161-3426605TYNER161C1	247	T 3422785POWELCO161-3422794POWELCO138C1
198	L 3418374JKSMITH138-3422794POWELCO138C1	248	T 3422794POWELCO138-3422802POWELCO69C1
199	L 3418785LAURCO161-3422575PITTSBG161C1	249	T 3423604ROWANCO138-3423642ROWANCO69C1
200	L 3420272MCKEE69-3426622TYNER69C1	250	T 3426605TYNER161-3426622TYNER69C1

Attachment D  
Transmission Overload List

Transmission Violations: 50 MW at Engle 69 kV Substation

Contingency	Overloaded Transmission Facility				Thermal Loading			
	Nom. Voltage (kV)	Type	Description	Area	Base Case	50 MW Added	Rating	Distribution Factor (%)
None	138	Line	MONTG:BT (37006) -> OSWEG: B (37088) CKT 1	CE-CE	101.0	101.1	874 Amps	0.05
None	69	Line	LUCAS 8 (630044) -> CHARITN8 (630421) CKT 1	ALTW-ALTW	122.4	122.5	318 Amps	0.02
None	138	Line	KEWAN: 3 (36215) -> KEWAN: 2 (36891) CKT 1	CE-CE	118.2	118.2	791 Amps	0.00
None	345/138	Transformer	WOLFS: B (36416) -> WOLFSSTR (36417) CKT 1	CE-CE	109.4	109.4	420 MVA	0.00
None	138/138	Transformer	WOLFS: B (37372) -> WOLFSSTR (36417) CKT 1	CE-CE	106.3	106.3	420 MVA	0.00
None	115	Line	FALCONER (135277) -> WARREN (200579) CKT 1	NPCC-RFC	129.0	129.0	412 Amps	0.00
None	138/11.5	Transformer	02HL Q-1 (238800) -> 02HL STR (239204) CKT 3	FE-FE	104.5	104.5	30 MVA	0.00
None	138/11.5	Transformer	02HL Q-1 (238800) -> 02HL STR (239205) CKT 1	FE-FE	104.0	104.0	30 MVA	0.00
None	138/11.5	Transformer	02HL Q-2 (238801) -> 02HL STR (239207) CKT 2	FE-FE	102.0	102.1	30 MVA	0.00
None	138/36	Transformer	02LD-3 (238930) -> 02LYO-13 (238935) CKT 3	FE-FE	103.3	103.3	58 MVA	0.00
None	138/36	Transformer	02LD-2 (238931) -> 02LYO-13 (238933) CKT 4	FE-FE	113.4	113.4	58 MVA	0.00
None	138/36	Transformer	02LYD-1 (239026) -> 02NURS-B (239228) CKT 2	FE-FE	122.2	122.3	46 MVA	0.00
None	138/36	Transformer	02LYD-1 (239258) -> 02LYO-12 (238934) CKT 2	FE-FE	112.9	112.8	58 MVA	0.00
None	69/12.5	Transformer	08SPEED (250828) -> 08SPESTR (249899) CKT 1	DEM-DEM	100.2	100.2	491 MVA	0.00
None	69/69	Transformer	08SPEED (250828) -> 08SPESTR (249900) CKT 1	DEM-DEM	106.9	106.8	52 MVA	0.00
None	69	Line	08OAKBRK (251423) -> 08TP6763 (251527) CKT 1	DEM-DEM	101.8	101.8	385 Amps	0.00
None	69/34.5	Transformer	08SEYMOU (251723) -> 08SEYSTR (249897) CKT 1	DEM-DEM	110.0	109.6	8 MVA	0.00
None	69/34.5	Transformer	08SEYMOU (251723) -> 08SEYSTR (249898) CKT 2	DEM-DEM	112.9	112.7	21 MVA	0.00
None	69/13.8	Transformer	08NEWALB (252000) -> 08NALSTR (249892) CKT 1	DEM-DEM	112.4	112.2	21 MVA	0.00
None	69/13.8	Transformer	08NEWALB (252000) -> 08NALSTR (249893) CKT 2	DEM-DEM	103.2	103.2	371 MVA	0.00
None	138/12.5	Transformer	08PORTU2 (252045) -> 08P_UN2 (250083) CKT 5	DEM-DEM	113.2	113.2	96 MVA	0.00
None	138/46	Transformer	18BROAR1 (256042) -> 18BROA (261522) CKT 1	METC-METC	103.4	103.3	21 MVA	0.00
None	138/46	Transformer	18RIGG W (262822) -> 18RIGG G (262198) CKT 1	METC-METC	109.4	109.4	220 Amps	0.00
None	69	Line	18WAYLND (263336) -> 18WAYLDD (263444) CKT 1	METC-METC	102.4	102.4	194 Amps	0.00
None	69	Line	18SHELBY (263343) -> 18NEW RA (263346) CKT 1	METC-METC	422.3	422.6	50 Amps	0.00
None	69	Line	WRT TP 8 (618926) -> WRT ET98 (618928) CKT 1	ALTW-ALTW	122.7	122.2	176 Amps	0.00
None	69	Line	GR MND 8 (630018) -> OLIVE TA (630634) CKT 1	ALTW-ALTW	187.5	187.8	311 MVA	0.00
None	115/69	Transformer	IAFINDP8 (630341) -> IAFINDP7 (631029) CKT 1	ALTW-ALTW	101.3	101.2	471 MVA	0.00
None	138/69	Transformer	WAU 69 (698286) -> WAU 138 (699235) CKT 1	HE-HE	107.0	106.9	209 Amps	-0.02
None	69	Line	07DOGWOD (248807) -> 07MAUKPT (248808) CKT 1	ALTW-ALTW	110.1	110.1	603 Amps	-0.02
None	345	Line	SLAKEN 8 (630381) -> SLAKES 8 (630385) CKT 1	NPCC-RFC	105.3	105.3	937 Amps	-0.12
None	69	Line	FARRGUT12 (126279) -> HUDSON2 (905039) CKT 1	TVA-TVA	109.7	109.5	489 Amps	-0.31
None	69	Line	2LOVELLTN (2124) -> 2WATTTROAD TN (2496) CKT 1	LGEE-LGEE	100.4	100.3	735 Amps	-0.39
None	161	Line	5GRAHML (324145) -> 5KMPA COLTAP (326520) CKT 1	LGEE-LGEE	126.8	126.1	561 Amps	-0.91
L_3242734LKREBA138-3242764LKRTAP138C1	69	Line	2RICH S (324700) -> 2RICHMD3 (324938) CKT 1 at 2RICHMD3	TVA-TVA	107.3	106.7	601 Amps	-1.94
L_004555NORRISHIP161-013305JACKSBROTIP161C1	161	Line	5ELZA TN ( 442) -> 5WINDROCK ( 1542) CKT 1 at 5WINDROCK	AEP-AEP	108.8	106.0	73 MVA	-4.08
L_2279405FREMO1138-2450205FREMO2138C1	138	Transformer	05FREMO1 (22794) -> 05FREMO- (24030) CKT 1 at 05FREMO1					

Elements Requiring Upgrades			
kV	Type	Description	MW Overload Threshold
None	None	None	None

**EXHIBIT HI**

**KY Cabinet for Economic Development  
Economic Impact of  
Gaining or Losing 100 Jobs: 2006**

## Economic Impact of Gaining or Losing 100 Jobs: 2006

The value of a job to Kentucky's economy varies meaningfully by industry within the state. Jobs, which are based on significant capital investment, have a tendency to create the greatest values for the state's economy. These capital-intensive jobs (*i.e.*, utilities, coal mining, steel production, and motor vehicle production) also command above average salaries and significant benefits for those employed in these industries. Jobs requiring less human capital and physical capital have a tendency to create less economic value for the state's economy. These jobs have a propensity to occur in employment areas located in retail sales, agriculture, and some of the lower skilled manufacturing and construction areas. Lower salary levels generally correspond with these categories of employment.

### Estimated Value Added: 2006 Economic Impact of Adding 100 New Jobs in Kentucky

Industrial Sector	Direct	Indirect	Induced	Total
Accommodation and Food Services	\$2,369,000	\$922,000	\$1,299,000	<b>\$4,589,000</b>
Agriculture, Forestry, Fishing, and Hunting	\$1,507,000	\$1,130,000	\$1,377,000	<b>\$4,015,000</b>
Arts, Entertainment, and Recreation	\$2,371,000	\$611,000	\$1,279,000	<b>\$4,261,000</b>
Construction	\$4,393,000	\$2,309,000	\$3,177,000	<b>\$9,879,000</b>
Finance and Insurance	\$9,636,000	\$2,855,000	\$4,162,000	<b>\$16,653,000</b>
Health Care and Social Assistance Information	\$4,996,000	\$1,239,000	\$3,060,000	<b>\$9,294,000</b>
Information	\$8,735,000	\$3,983,000	\$4,364,000	<b>\$17,082,000</b>
Manufacturing	\$10,231,000	\$11,132,000	\$7,983,000	<b>\$29,346,000</b>
Mining	\$16,228,000	\$6,326,000	\$7,027,000	<b>\$29,580,000</b>
Professional, Scientific, and Technical Services	\$6,397,000	\$2,262,000	\$3,935,000	<b>\$12,594,000</b>
Retail Trade	\$3,861,000	\$824,000	\$1,773,000	<b>\$6,459,000</b>
Transportation and Warehousing	\$6,494,000	\$1,956,000	\$3,708,000	<b>\$12,158,000</b>
Utilities	\$29,258,000	\$4,464,000	\$6,502,000	<b>\$40,225,000</b>
Wholesale Trade	\$10,616,000	\$2,002,000	\$4,340,000	<b>\$16,957,000</b>

Note: Not comparable with previous years.



## Economic Impact of Gaining or Losing 100 Jobs: 2006

### Estimated Jobs Created: 2006 Economic Impact of Adding 100 New Jobs in Kentucky

Industrial Sector	Direct	Indirect	Induced	Total
Accommodation and Food Services	100	16	25	<b>140</b>
Agriculture, Forestry, Fishing, and Hunting	100	36	26	<b>162</b>
Arts, Entertainment, and Recreation	100	14	24	<b>138</b>
Construction	100	39	60	<b>199</b>
Finance and Insurance	100	41	78	<b>219</b>
Health Care and Social Assistance Information	100	22	58	<b>180</b>
Information	100	67	82	<b>249</b>
Manufacturing	100	165	150	<b>416</b>
Mining	100	76	132	<b>308</b>
Professional, Scientific, and Technical Services	100	45	74	<b>219</b>
Retail Trade	100	14	33	<b>147</b>
Transportation and Warehousing	100	32	70	<b>202</b>
Utilities	100	47	122	<b>269</b>
Wholesale Trade	100	35	82	<b>216</b>

Note: Not comparable with previous years.

### Estimated State and Local Taxes: 2006 Created Economic Impact of Adding 100 New Jobs in Kentucky

Industrial Sector	Direct & Indirect	Induced	Total
Accommodation, Food Services	\$417,000	\$145,000	<b>\$562,000</b>
Agriculture, Forestry, Fishing, and Hunting	\$254,000	\$154,000	<b>\$408,000</b>
Arts, Entertainment, Recreation	\$365,000	\$143,000	<b>\$508,000</b>
Construction	\$365,000	\$513,000	<b>\$878,000</b>
Finance and Insurance	\$981,000	\$465,000	<b>\$1,445,000</b>
Health Care and Social Assistance Information	\$381,000	\$342,000	<b>\$722,000</b>
Information	\$1,369,000	\$487,000	<b>\$1,856,000</b>
Manufacturing	\$2,541,000	\$891,000	<b>\$3,432,000</b>
Mining	\$3,522,000	\$784,000	<b>\$4,307,000</b>
Professional, Scientific, and Technical Services	\$564,000	\$439,000	<b>\$1,003,000</b>
Retail Trade	\$897,000	\$198,000	<b>\$1,095,000</b>
Transportation and Warehousing	\$666,000	\$414,000	<b>\$1,080,000</b>
Utilities	\$5,268,000	\$726,000	<b>\$5,994,000</b>
Wholesale Trade	\$2,496,000	\$484,000	<b>\$2,980,000</b>

Notes: Estimates are statewide. Estimates exclude education taxes.

The maximum value of gaining or losing 100 jobs within the Commonwealth of Kentucky can be estimated by the direct, indirect, and induced economic impacts of that gain or loss on the state's economy.

## **Economic Impacts**

Economic impacts are a mathematical method of specifying the economic relationships among all businesses/industries and between businesses/industries and consumers. Input-output (I/O) modeling is one of the most commonly utilized methods to assess the economic outcomes of job creation or reduction. Economic impact modeling captures the direct impact of an employment expenditure (jobs with wages, salaries, and benefits) on the economy. Additionally, the secondary effect (indirect) on the economy is captured and the consumer based (induced) effects are calculated by the model.

Economic impact analysis typically utilizes an economic model input-output (I/O) which traces the flow of goods and services, income, and employment among related sectors of the economy. The I/O model generates a mathematical depiction of the flow of economic activity. *Id Est*: Final demand changes on the industrial sector producing the good/service (output) purchases inputs from other industrial sectors, which in turn purchase inputs from other sectors. These industrial sectors purchase additional labor inputs. Employees of these industries use their compensation to purchase goods and services from the economy. Linkages between industries in a region create an economic ripple effect as a result of changes in demand for products. Strong linkages can lead to a healthier economy, as capital flows through the economy rather than out of it.

**Direct Effects:** Direct effects are the changes in economic activity during the first round of spending. These represent the impacts (e.g. change in employment) for the expenditures and /or production values specified as direct final demand changes.

**Indirect Effects:** Indirect effects are the changes in sales, income, or employment within the region in backward-linked industries supplying goods and services. These represent the impacts (e.g. change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes. New jobs will be created outside of the primary industry/direct impact industry. Example: Motor vehicle assembly plants purchase goods from automotive parts manufactures.

**Induced Effects:** These represent impacts (e.g. change in employment) on all local industries caused by the expenditures of new household income generated by the direct and indirect effects resulting from direct final demand changes. Induced effects may also reflect government or investment gains. New jobs created in the areas of food services, plumbing, medical/dental care, barbershops, clothing sales, police & fire protection, lawn care, legal services, financial services, real estate, merchandize stores, automobile dealers, & service stations, *et cetera*, are due to the direct and indirect effects of the initial creation of jobs.



## Economic Impact of Gaining or Losing 100 Jobs: 2006

**Value Added:** Indicates the total economic value (impact) attributable to Kentucky's workers and industries. Note: Data consistent with Kentucky's Gross State Product (GSP), not identical.

Source: MIG, Inc. 2006 databases and IMPLAN 1997-2006, 2.0.1025 matrices are utilized in the computation of economic impact estimates. All values and estimates are based on 2006 data and dollars. All estimates are NAICS based.

The information provided herein by the Division of Research and Site Evaluation --Cabinet for Economic Development is believed to be accurate but is not warranted and is for informational purposes only. Any estimates, projections, or information provided to make estimates or projections are provided without assurances or warranties and should not be relied upon as fact. Users of the information should perform their own due diligence in drawing conclusions from the information provided.

July, 2008

**EXHIBIT H2**

**Perry County 2009 Tax Rates**

# 2009 TAX RATES

## COMMON DISTRICTS ( 01 - 04 - 05 - 06 )

<u>REAL</u>	
COUNTY	9.2
SCHOOL	36.8
LIBRARY	13.9
HEALTH	3.1
AGRI.	2.4
STATE	12.2
SOIL	0.7
TOTAL	\$7.83

<u>TANGIBLE</u>	
COUNTY	9.2
SCHOOL	36.8
LIBRARY	18.45
HEALTH	3.1
AGRI.	2.96
STATE	45.0
TOTAL	\$11.55

## GRADED DISTRICTS ( 02 - 03 )

<u>REAL</u>	
COUNTY	9.2
SCHOOL	46.4
LIBRARY	13.9
HEALTH	3.1
AGRI.	2.4
STATE	12.2
SOIL	0.7
TOTAL	\$8.79

<u>TANGIBLE</u>	
COUNTY	9.2
SCHOOL	46.4
LIBRARY	18.45
HEALTH	3.1
AGRI.	2.96
STATE	45.0
TOTAL	\$12.51

CITY OF BUCKHORN \$0.25 PER \$100 ASSESSMENT  
( Tax District 05 )

applied to county tax bill

CITY OF HAZARD \$2.91 PER \$1,000 ASSESSMENT ( phone 436-3171 )  
( Tax Districts 03 - 04 )

Billed from Hazard City Hall

CITY OF VICCO AMOUNT UNKNOWN ( phone 476-2414 )  
( Tax District 06 )

Billed from Vicco City Hall

TIMBERLAND FIRE PROTECTION \$0.03 PER ACRE

HOMESTEAD / DISABILITY EXEMPTION AMOUNT \$33,700

**EXHIBIT I**

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