



525 HIGH STREET
PARIS, KENTUCKY 40361

The City of Paris
"THOROUGHBRED CAPITAL OF THE WORLD"

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June 3, 2005

RECEIVED

Mr. Mark David Gross, Chairman
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

JUN 6 2005

PUBLIC SERVICE
COMMISSION

Dear Mr. Gross:

Reference is made to your recent correspondence concerning An Assessment of Kentucky's Electric Generation, Transmission and Distribution Needs - Executive Order 2005-121, Administrative Case Number 2005-00090. The following is offered for you information:

1. The City of Paris purchases the vast majority of its power from KU/LG&E, but we peak for KU as necessary throughout the year per our Interchange Agreement. We are obligated to generate no more than 1,000 hours over a five year period. Our generating capacity is 12MW. We operate 7 diesel-fired generators. The City and KU/LG&E have a three year notice provision in our Interchange Agreement.
2. We project our annual peak demand on an annual basis. The projected peak demand for 2006 is 9,578KW. We plan to meet the load by purchasing more power from KU/LG&E. We have very little area left to expand so load growth should be relatively small.
3. The City currently has 2,640 residential customers, 385 commercial customers and 43 industrial customers.
4. The City of Paris uses historical growth patterns and advice from consulting engineers in resource planning.
5. The City owns a very small amount of 69kV transmission lines. We do not plan any new transmission facilities, but we may upgrade the lines within the next five years.

6. The City uses in-house personnel and contractors to clear right-of-way. The entire City distribution systems is cleared every two years.

I trust the above provides you with sufficient information about the City of Paris' system. Please feel free to contact me if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Casher". The signature is fluid and cursive, with the first name being the most prominent.

Robert E. Casher
City Manager