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Mark David Goss
Chairman

John W. Clay
Commissioner

April 23, 2007

PARTIES OF RECORD

Re: Case No. 2005-00207

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Rick Bertelson at 502/564-3940, Extension 260.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: File: Case No. 2005-00207

FROM: Rick Bertelson, Staff Attorney

DATE: April 23, 2007

RE: Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for the Construction of a 161 kV Electric Transmission Line In Barren, Warren, Butler, and Ohio Counties, Kentucky

On April 12, 2007, Commission Staff held an informal conference at the Commission's Office located at 211 Sower Blvd., Frankfort, Kentucky. The purpose of the conference was to discuss the Agreed Order entered in Franklin Circuit Court Civil Action No. 05-CI-1677, remanding the Petitioners' (Carroll and Doris Tichenor, H.H. Barlow, and John Colliver) challenge to the PSC's October 31, 2005 Order in Case No. 2005-00207 and whether the Commission should revoke its order granting a certificate of public convenience and necessity to East Kentucky Power Cooperative ("EKPC") to construct a 161 kV transmission line in Barren, Warren, Butler and Ohio Counties, Kentucky, pursuant to KRS 278.390.

In attendance at the informal conference were representatives of EKPC; counsel for the citizen Petitioners; counsel for Big Rivers Electric Corp. ("Big Rivers"); staff from the Legislative Research Commission, which is researching transmission line siting in Kentucky; and PSC staff. Attendance sheets are attached hereto.

Counsel for EKPC stated that the company believes that there is no longer a need for the October 31, 2005 CPCN to build the transmission line, because in December 2006, Warren Rural Electric Cooperative Corp. ("WRECC") announced that it will not be joining EKPC as a member co-op, as previously planned. Instead, WRECC intends to remain a customer of the Tennessee Valley Authority.

Counsel for Big Rivers stated that the company believes it has a need for a thirteen (13) mile portion of the transmission line approved by the Commission in the October 31, 2005 order in 2005-00207. That portion of the EKPC line is the northernmost 13 miles, which would run from Big Rivers' Wilson Station to an existing Big Rivers transmission line south of the Green River (Paradise to New Hardin line). EKPC brought a map of the area in question, which the parties visually examined. Counsel for the private property owners stated that he did not believe that any portion of the 13-mile segment would pass over property owned by any of his clients, whose properties, he believed are located further south than the map showed.

Commission staff questioned Big Rivers' counsel whether he agreed that the statutory findings required under KRS 278.020, which were made only in the context of EKPC's application for that 13-mile portion of the EKPC line, would also be required to be made as applied to Big Rivers in the context of any request by Big Rivers to apply for the Certificate. Counsel for Big Rivers conceptually agreed with Staff's assessment and said that Big Rivers would file a separate application pursuant to KRS 278.020 to obtain a new CPCN.

Counsel for East Kentucky requested that the Commission hold the case in abeyance for sixty (60) days to allow Big Rivers and EKPC to discuss the issues further. Big Rivers said they are analyzing whether it is financially feasible to acquire the easements already obtained by EKPC for the 13-mile portion and other matters such as engineering plans and proprietary transmission line routing methodology, which would aid Big Rivers if it determines to go forward with filing a new application with the Commission.

Counsel for the private property owners stated that he had no objection to holding the case in abeyance for 60 days. However, he said that he would like to be heard if the Commission determines not to revoke the existing October 31, 2005 CPCN to EKPC and/or not to require Big Rivers to file a new application for the 13-mile segment of the transmission line.

Commission Staff requested that counsel for EKPC put its request for relief in the form of a motion, which counsel for EKPC agreed to do.

There being no other questions from any party, the informal conference was adjourned.

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2005-00207

APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE
CONSTRUCTION OF A 161 KV ELECTRIC TRANSMISSION LINE IN BARREN,
WARREN, BUTLER, AND OHIO COUNTIES, KENTUCKY

SIGN IN

April 12, 2007

PERSON

Robert W. Giffen

Mary Jane Klaerner

SHERMAN GOODPASTER

David Sanford

Anita Mitchell

Ruth Rowles

John Rogness

Isaac Scott

TIM MILLER

JEFF JOHNSON

REPRESENTING

Mrs Carol Johnson & John Coffey

EKPC

EKPC

PSC - Legal

PSC - Legal

PSC - GIS

PSC - FA

PSC - Financial Analysis

SULLIVAN MOUNTAIN / BIG RIVERS

PSC - Eng

Case No. 2005-00207
April 12, 2007

PERSON

REPRESENTING

Chris Hall

LRC

Greg Hager

"

Deepsi Sigdel

"

Rick Bertelson

PSC - Legal