

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SALT RIVER ELECTRIC)	
COOPERATIVE CORPORATION FOR A)	
CERTIFICATE OF CONVENIENCE AND)	
NECESSITY PURSUANT TO KRS 278.020(1) AND)	CASE NO.
807 KAR 5:001, SECTION 9 AND RELATED)	2006-00490
SECTIONS, AUTHORIZING CERTAIN PROPOSED)	
CONSTRUCTION AND ASSOCIATED CAPITAL)	
OUTLAY)	

O R D E R

Salt River Electric Cooperative Corporation ("Salt River") filed its application on November 29, 2006 for a Certificate of Public Convenience and Necessity ("CPCN") to construct certain improvements and additions to its existing plant at an estimated cost of \$17,799,000. In support of its application Salt River filed its 2005-2008 Work Plan which describes in detail the improvements and additions to its plant that are required to serve its load.

Salt River seeks authorization to construct extensions and additions to its plant as follows:

1.	Line Extension	\$7,634,542
2.	Line Conversions and Changes	3,306,450
3.	Transformers & Meters	2,673,918
4.	Service Wires for Increased Capacity	212,901
5.	Sectionalizing Equipment	488,000
6.	Regulators	623,400
7.	Capacitors	165,200
8.	Poles Replacement	1,255,764
9.	SCADA	60,000
10.	Security Lights	508,690
11.	AMR System & Equipment	<u>870,000</u>
	TOTAL	\$17,798,865

The proposed construction will enable Salt River to continue to provide adequate and dependable electric service to its customers. The system improvements recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, and provide for improved service reliability.

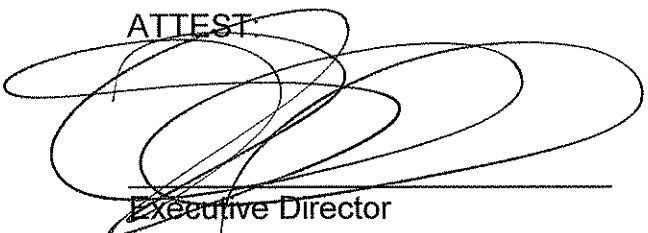
Based on the application, the supporting 2005-2008 Work Plan, and being otherwise sufficiently advised, the Commission finds that the proposed improvements and additions to be constructed by Salt River are necessary to provide adequate, reliable, electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Salt River is granted a CPCN to construct the facilities described in its 2005-2008 Work Plan.

Done at Frankfort, Kentucky, this 6th day of February, 2007.

By the Commission

ATTEST



Executive Director