

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BIG RIVERS ELECTRIC)
CORPORATION FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY) CASE NO. 2007-00177
TO CONSTRUCT A 161 kV TRANSMISSION)
LINE IN OHIO COUNTY, KENTUCKY)

O R D E R

On July 2, 2007, Big Rivers Electric Corporation ("Big Rivers" or "Applicant") filed its application for approval of the construction of a 161 kV transmission line in Ohio County, Kentucky. On July 30, 2007, the Commission entered an Order establishing a procedural schedule which provides for a September 10, 2007 public hearing. The Order also established August 1, 2007 as the deadline for filing any motions to intervene or any requests for a local public hearing to be held in Ohio County.

To date, no requests for a local public hearing have been filed and no persons have filed any written opposition to the transmission line with the Commission. The Commission is unaware of any public objection or opposition to the line.

Alcan Primary Products Corporation ("Alcan") and Century Aluminum of Kentucky, LLC, ("Century Aluminum") (jointly "the smelters") timely requested full intervention; they were subsequently granted full intervention status by the Commission's Order dated August 2, 2007. No other motions for intervention have been filed. The smelters' interest in the case arises from their dependence on Big Rivers for electric power to run their smelting facilities. The combined load of the

smelters is 850 MW. As Big Rivers' largest customers, the smelters have expressed their support for Big Rivers' transmission line application.

KRS 278.020(8) states, in relevant part:

In a proceeding on an application filed pursuant to this section, any interested person, including a person over whose property the proposed transmission line will cross, may request intervention, and the commission shall, if requested, conduct a public hearing in the county in which the transmission line is proposed to be constructed, or, if the transmission line is proposed to be constructed in more than one county, in one of those counties. (Emphasis added).

It is clear from the statutory language that the Commission is not required to hold a local public hearing on an application for a Certificate of Public Convenience and Necessity unless someone requests a local public hearing. However, the Commission, on its own motion, may choose to hold a local public hearing in a particular case even if no request for a public hearing is received.

The proposed siting of Big Rivers' 161 kV transmission line in Ohio County has not generated any public interest. The Commission has not received any objection letters from the public, nor has the Commission been made aware of any other opposition to the Ohio County line. The only intervenors are the smelters who support the application. The proposed line will be relatively short (13.2 miles) and will be sited entirely within Ohio County; 6.4 miles of the line will cross properties owned by coal mining companies, as opposed to residential or commercial properties.

To date, the Applicant has cooperated with Commission Staff in providing additional information regarding the application. On August 3, 2007, Commission Staff held an informal conference which was attended by representatives of Big Rivers, Alcan, and Century Aluminum. During the informal conference, Staff, Big Rivers, and

the smelters discussed the application and the circumstances surrounding the need for the proposed line. On August 10, 2007, Commission Staff served its first set of data requests on Big Rivers, and the Applicant filed its answers to the data requests on August 21, 2007, as required.

Based upon the foregoing facts, the Commission finds that it will not be necessary to hold a local public hearing in this matter.

IT IS THEREFORE ORDERED that:

1. No local public hearing shall be held in this matter in Ohio County, Kentucky.

2. The parties shall appear for the formal hearing scheduled at 9:00 a.m., Eastern Daylight Time, on September 10, 2007 at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky as directed in the Commission's Order of July 30, 2007.

Done at Frankfort, Kentucky, this 7th day of September, 2007.

By the Commission

ATTEST:


Executive Director