Charles G. Snavely Secretary Energy and Environment Cabinet Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

September 04, 2018

Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

Talina R. Mathews Commissioner

PARTIES OF RECORD

RE: Case No. 2018-00292

The Commission staff has reviewed the application in the above case and finds that it meets the minimum filing requirements and has been accepted for filing.

Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

wen R. Pumpon

Gwen R. Pinson Executive Director



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AUG 2 4 2018

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

FILED

IN THE MATTER OF:

AUG 2 4 2018

PUBLIC SERVICE COMMISSION

THE APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF BACKUP FUEL FACILITIES AT ITS BLUEGRASS GENERATING STATION

CASE NO. 2018- 00292

APPLICATION

Comes now East Kentucky Power Cooperative, Inc. ("Applicant" or "EKPC"), by counsel, pursuant to KRS 278.020(1), 807 KAR 5:001 Sections 14 and 15, and other applicable law, and hereby requests this Commission enter an Order granting EKPC a Certificate of Public Convenience and Necessity ("CPCN") for the construction of on-site backup fuel supply resources at its Bluegrass Generating Station ("Bluegrass Station") located in Oldham County, Kentucky. In support of the relief it seeks, EKPC respectfully states as follows:

I. INTRODUCTION

1. EKPC has determined that its Bluegrass Station requires backup fuel facilities to ensure the Station's continued reliable and economic operation in light of the Capacity Performance construct now in place within PJM Interconnection, LLC ("PJM"). These backup facilities, which will allow EKPC to power Bluegrass Station's three (3) combustion turbines utilizing No. 2 ultra-low-sulfur-diesel fuel oil in addition to natural gas, represent the lowest cost alternative and the most economic means to mitigate the significant capacity penalty risk faced by *David S Samford Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504

*M. Evan Buckley Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504

*East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707