## HERBERT M. O'REILLY

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**CERTIFIED MAIL** 

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JAN 2 6 2005

PUBLIC SERVICE COMMISSION

January 24, 2005

Kentucky Public Service Commission P. O. Box 615 Frankfort, KY 40602

RE: CASE NUMBER: 2004-00365

Dear Commissioner:

I am asking the Public Service Commission to obtain and consider the following before issuing a ruling on application Number 2004-00365 of Big Rivers Electric Corporation:

- (1) The PSC should require Big Rivers to provide a detailed accounting of the current cost of the project. I have been informed the project has been planned by Big Rivers for approximately six (6) years prior to the time the application was received by the PSC October 25, 2004. The PSC should require a current detailed accounting of the total cost of the project.
- (2) Louisville Gas and Electric currently provides electricity to Arch Chemical located near Brandenburg in Meade County, Kentucky. LG&E has an existing electric transmission line across Meade County and across Breckinridge County. Therefore, the PSC should not issue a ruling on the application of Big Rivers until Big Rivers obtains from LG&E a detailed accounting of the cost of upgrading its existing transmission line(s) to provide Big Rivers the needed electricity. After the PSC receives the detailed accounting to be supplied by LG&E to Big Rivers, the PSC should compare LG&E's cost to upgrade its existing line(s) versus the cost of Big Rivers purchasing new easements for the proposed transmission line, clearing costs of the proposed easement, construction cost, and all other cost associated with the proposed project. This information should be required by the PSC so the PSC can compare the cost of the two possible alternatives to providing a backup electric source to the substation located in southwestern Meade County, Kentucky.
- (3) Big Rivers has been planning the construction of the proposed transmission line for approximately six years prior to filing its application. The fact Big Rivers delayed approximately six years in filing its application leads one to ask two questions: Is the need for the proposed electric transmission line as great as indicated in the

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> application filed by Big Rivers and as stated by the spokesman for Big Rivers at the public hearing held January 20, 2005 at the Breckinridge County Courthouse, Hardinsburg, Kentucky? Was Big Rivers tardy in filing its application with the PSC? I have no reason to believe Big Rivers was delinquent in filing its applications, therefore, the PSC should question the need and necessity for the construction of the proposed transmission line.

Sincerely.

Jerbert M. O'Rilly
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HMO/sbi

SBJ01-2005/Letter to PSC

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