Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Sherman Goodpaster III East Kentucky Power Cooperative 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

December 16, 2005

Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

> Gregory Coker Commissioner

RE: Case No. 2005-00458

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Beth O'Donnell Executive Director

BOD/jc Enclosure



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A 138 KV TRANSMISSION LINE IN ROWAN COUNTY, KENTUCKY

CASE NO. 2005-00458

)

<u>order</u>

On December 8, 2005, East Kentucky Power Cooperative, Inc. ("East Kentucky") filed an application for approval of the construction of a transmission line in Rowan County, Kentucky. Pursuant to KRS 278.020(8), "The commission shall issue its decision no later than ninety (90) days after the application is filed, unless the commission extends this period for good cause, to one hundred twenty (120) days."

On December 14, 2005, East Kentucky filed a motion requesting that the Commission "Expedite the Schedule in these proceedings to the extent that is possible," but it does not otherwise request any specific relief. The motion states as grounds for expediting the schedule that (1) the Commission will not need a consultant in this case because the need for the line is not an issue and (2) the risk of outages and high re-dispatch costs increases as long as the new line is not installed.

The Commission finds that the extension authorized by KRS 278.020(8) is warranted in this case. As the November 23, 2005 Order in this case stated, "the consultant in Case No. 2005-00089, MSB Energy Associates, Inc. . . . specifically

advised the Commission on alternative routes, and the Commission intends to use the same consultant in deciding the present case." Moreover, the line runs through the Daniel Boone National Forest, where it has already generated significant opposition, and the Commission expects that opposition to continue in this certificate proceeding. For these reasons, the Commission finds that the time period in which it must issue a decision in this case should be extended to 120 days.

Incorporating this extension, the Commission also issues a preliminary procedural schedule setting dates for certain events. The Commission reserves the right to amend this procedural schedule as needed.

The Commission is mindful of East Kentucky's fears of outages and high redispatch costs. To the degree that this case can be completed in fewer than 4 months, we will endeavor to do so, and to that extent, East Kentucky's motion to expedite the schedule is granted. Limiting such a controversial case to no more than 3 months, however, would place very difficult restrictions on other parties and the Commission, so to the degree that the motion requested that the time for the case not be extended, it is denied.

IT IS THEREFORE ORDERED that:

1. The time period in which the Commission must issue its decision in this case is extended to 120 days.

2. The procedural schedule attached hereto as Appendix A shall apply.

-2-

Done at Frankfort, Kentucky, this 16th day of December, 2005.

By the Commission

ATTEST: Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00458 DATED December 16, 2005.

Application filed	December 8, 2005
Any motion to intervene shall be filed with the Commission no later than	January 9, 2006
Any request for a public hearing shall be filed no later than	January 9, 2006
Staff consultant shall file report on application no later than	January 13, 2006
Intervenors and Staff may file data requests on the application, and Applicant and Intervenors may file data requests on consultant's report no later than	January 20, 2006
Responses to January 20, 2006 data requests are due no later than	January 27, 2006
Parties shall file direct testimony, if any, no later than	February 3, 2006
Public hearing shall be held at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices, 211 Sower Boulevard, Frankfort, Kentucky, for the	
purpose of cross-examination of witnesses	February 21, 2006
Decision due no later than	April 7, 2006