
From: Melnykovych, Andrew (PSC)
Sent: Monday, April 10, 2006 4:44 PM
To: 'ronseagraves@earthlink.net'
Subject: RE: LG&E / KU power line proposals: cases 2005-00467 and 2005-00472

Mr. Seagraves:

Your comments have been received and will be placed into the record of cases 2005-00467 and 2005-00472 for the Commission's consideration. Thank you for your interest in this matter.

Andrew Melnykovych
Director of Communications
Kentucky Public Service Commission
(502) 564-3940 x 208

From: Ron Seagraves [mailto:ronseagraves@earthlink.net]
Sent: Tuesday, April 04, 2006 10:21 AM
To: Melnykovych, Andrew (PSC)
Subject: LG&E / KU power line proposals

My name is Ron Seagraves. I live at 10035 St. John Road Cecilia, Ky. 42724. This communication is in regard to case numbers 2005-00467 and 2005-00472. Proposal 1 of the 345 KV line crosses 2 different sections of property that my family owns. Proposal 2 comes within a few hundred feet of another property that we own.

The primary reason I am writing this to you is not because of the personal impact this line has on my property but because of the impact your decision will have on many of my friends, neighbors and many of the residents of Kentucky in general. I was present at the forum in Elizabethtown on Monday night March 6, 2006 but did not speak. After listening to both sides of this ongoing debate I feel compelled to present the following to you for your consideration during your decision making process.

1. Collocation considerations. The 2 proposals by LG&E have collocation factors of 50 and 60 %. Other proposals studied by LG&E have collocation factors of 90% plus but were ruled out due to the cost.
2. Cost of the proposals. Cost, as defined for the studies, includes factors such as initial construction cost and cost of right of way purchase from affected land owners. I submit that this is not giving a true picture of the cost of these lines in the decision making process. There is a cost to the landowners and residents of the affected area's that is not captured. The aesthetic impact along with the devaluation of properties in the area adjacent to the proposed lines is not captured in the evaluation by the power company. Although it is difficult to determine it still is a cost that should at least be recognized and some effort should be made to quantify it.
3. Precedent for future decisions. You, the Kentucky Public Service Commission, are in the position to lay the groundwork for future directions regarding proposals such as this. Will power companies be encouraged to better utilize existing right of ways or will the "low cost" option continue to be the primary driver in these types of decisions? As I have previously stated the true cost of the line is not captured in their cost analysis.

4. Cost of the project over the life of the line being built. According to the figures supplied by the power company utilizing existing right of ways could add \$20 million or more to the cost of the project. This is a significant amount of money but if you spread this cost over the expected life of the power line being built the impact is significantly less. I submit that 10-20 years from now the \$20 million or so additional cost for the line using the existing right of ways would seem relatively insignificant when weighed against the total cost as defined in item 2 above.

In summary, it appears the decision comes down to one of money. The power companies position is that the lower cost route they prefer is best because it will minimize the cost that will be passed on to the consumer. It appears that much of the reason the route they prefer is lower cost is because the real cost has not been captured in their analysis. The point has been brought out, in subsequent testimony, that increasing the cost of the project by several million dollars would have a minimal impact on the cost to the individual consumer.

I ask that the Kentucky Public Service Commission look at the facts that have been presented in this ongoing debate and determine what is important. Do we continue to take the low cost option or do we do balance the decision making process to in favor of what is right for all concerned?

Regards,

Ron Seagraves
ronseagraves@earthlink.net