

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.
TO CONSTRUCT A 161 KV TRANSMISSION)	2007-00177
LINE IN OHIO COUNTY, KENTUCKY)	

O R D E R

On May 4, 2007, Big Rivers Electric Corporation ("Big Rivers") filed a notice of intent to file an application for approval of the construction of a 161 kV transmission line in Ohio County, Kentucky. The application was filed with the Commission on July 2, 2007. According to the application, the route for the proposed line begins at Big Rivers' Wilson Power Plant site, approximately 6 miles west of Centertown in western Ohio County, and extends 13 miles to the southeast to an existing Big Rivers 161 kV transmission line located approximately 3 miles southeast of McHenry in southern Ohio County. Big Rivers notes that this proposed route is the same as a portion of the route selected by East Kentucky Power Cooperative, Inc. ("East Kentucky") for its transmission line project for which the Commission granted it a Certificate of Public Convenience and Necessity¹ in Case No. 2005-00207.²

¹ East Kentucky's certificate was granted based on the need to serve Warren Rural Electric Cooperative ("WRECC"), which had proposed becoming a member cooperative in East Kentucky's system. The certificate was revoked by Order of the Commission dated May 31, 2007, due to the WRECC's December 2006 withdrawal of its proposal to become a member cooperative of East Kentucky.

² Case No. 2005-00207, Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for the Construction of a 161 kV Electric Transmission Line in Barren, Warren, Butler, and Ohio Counties, Kentucky.

Big Rivers states that the Ohio County line is necessary in order to have the ability to export 850 MW of excess generating capacity outside its transmission system in the event that two large aluminum smelters currently served by Big Rivers opt to terminate their service contracts. Such termination, if it occurs, would be contingent upon Commission approval of Big Rivers' proposal to unwind the various agreements between and among Big Rivers and E.ON U.S., LLC ("E.ON"), in place since 1998, that gave the E.ON parties operational control of power plants owned or operated by Big Rivers and ownership of the electricity generated by them. Big Rivers states that "should the Unwind Transaction not go forward, the proposed project will not be necessary at this time," and, therefore, proposes that approval of its application be "made contingent upon, and effective concurrently with, approval of the Unwind Transaction."

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." Due to the nature of the case and the issues involved, the Commission finds that good cause exists in this matter to warrant such an extension.

In the exercise of its discretion pursuant to KRS 278.020(8), the Commission does not deem it necessary in the present case to hire an independent firm to assist it in reaching its decision. Therefore, the Commission has no plans to retain the services of a staff consultant to review the application, pursuant to KRS 278.020(8) and KRS 278.255(3).

Using the 120-day schedule, the Commission now issues a preliminary procedural Order, attached hereto.

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 to this Order as Appendix A shall apply.

Done at Frankfort, Kentucky, this 30th day of July, 2007.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2007-00177 DATED JULY 30, 2007

- Application filedJuly 2, 2007
- Any motion to intervene shall be filed
with the Commission no later thanAugust 1, 2007
- Any request for a public hearing
shall be filed no later thanAugust 1, 2007
- Informal Conference to be held at 10:00 a.m.,
Eastern Daylight Time, in Conference Room 1
of the Commission's offices at 211 Sower Boulevard,
Frankfort, KentuckyAugust 3, 2007
- Intervenors and Staff may file data requests
on the application no later than.....August 10, 2007
- Responses to August 10, 2007 data
requests are due no later thanAugust 21, 2007
- Parties shall file direct testimony, if any,
no later thanAugust 31, 2007
- Public hearing (tentatively scheduled in
Hartford) for the purpose of hearing
local public testimony (to be scheduled)
- Public hearing to be held at 9:00 a.m.,
Eastern Daylight Time, in Hearing Room 1
of the Commission's offices at 211 Sower
Boulevard, Frankfort, Kentucky, for the
purpose of cross-examination of witnesses September 10, 2007
- Parties shall file post-hearing briefs, if any,
no later than..... October 12, 2007
- Decision due no later than..... October 30, 2007