

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SALT RIVER ELECTRIC)	
COOPERATIVE CORPORATION FOR A)	
CERTIFICATE OF CONVENIENCE AND NECESSITY)	CASE NO.
PURSUANT TO KRS 278.020 (1) AND 807 KAR)	2008-00441
5:001, SECTIONS 8 AND 9 (2), AND RELATED)	
SECTIONS AUTHORIZING CERTAIN PROPOSED)	
CONSTRUCTION)	

ORDER

Salt River Electric Cooperative Corporation ("Salt River Electric") filed its application on October 13, 2008 for a Certificate of Public Convenience and Necessity ("CPCN") to construct certain improvements and additions to its existing plant at an estimated cost of \$20,873,347. In support of the application, Salt River Electric filed its 2008-2009 Work Plan, which describes its proposed improvements and additions to its facilities in detail, covering the period between January 1, 2008 and December 31, 2009. The proposed improvements and additions to its facilities are required, over the next two years, to serve its load.

Salt River Electric seeks authorization to construct extensions and additions to its plant as follows:

New Line (excluding tie-lines) (165.68 total miles)	\$6,253,453
Transformers and meters	6,273,999
Sets of Service Wires to increase Capacity	539,153
System improvements projects (conversion and line change totaling 27.03 miles)	2,621,110
Sectionalizing equipment	383,610
Capacitors	176,790
Regulators	687,000
Ordinary replacements (900 poles)	2,064,703
Conductor replacement	233,740
Security lights	744,789
AMR (Hunt Technology Turtle II Upgrade)	895,000
TOTAL	<u>\$20,873,347</u>

Salt River Electric states that the entire amount of \$20,873,347 is eligible for financing through Rural Utilities Service ("RUS") loan funds.

The proposed construction will enable Salt River Electric to continue to provide adequate and dependable electric service to its customers. The system improvements recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, reduce system energy losses, and provide for improved service reliability.

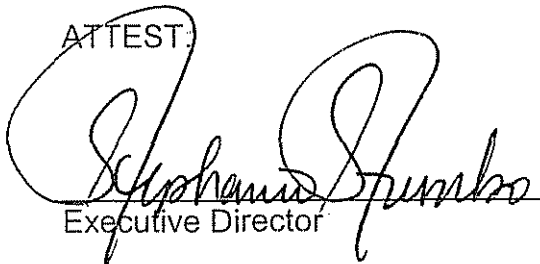
Based on the application and supporting 2008-2009 Work Plan, and being otherwise sufficiently advised, the Commission finds that the improvements and additions proposed by Salt River Electric are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Salt River Electric is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 2008-2009 Work Plan.

Done at Frankfort, Kentucky, this 11th day of December, 2008.

By the Commission

ATTEST:



Stephen J. Humber
Executive Director

Case No. 2008-00441

Honorable Regina Rapier Beckman
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