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COMMISSION



COMMONWEALTH OF KENTUCKY
STATE SENATE

July 18, 2013

The Honorable David L. Armstrong
Chairman
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40602-0615

RE: Case No. 2012-00578

Dear Chairman Armstrong:

I write in opposition to the request of Kentucky Power to transfer 50% of the generation of the Mitchell Power Plant in West Virginia to Kentucky Power and the subsequent closure of the Big Sandy Generation Unit 2 in Louisa, Kentucky. Though the Mitchell generation units have been scrubbed for SO₂ and NO_x, transfer of the assets of the Mitchell Units will not be without cost to Kentucky Power rate payers. Those costs include not only the book value of the asset but also the debt assumed for scrubbing the Mitchell units and the additional charges of any more environmental compliance costs and the transmission charges of wheeling Mitchell's generation into Kentucky Power's service territory. A better alternative was proposed by Kentucky Power to scrub Big Sandy Unit 2 for SO₂ to keep the generation asset in Kentucky along with the jobs and the positive economic impact its continued operation would have on Kentucky Power's service territory and its rate payers.

I urge the Commission to give careful consideration to the many important issues in this case.

Sincerely,

A handwritten signature in black ink that reads "Sen. Walter Blevins" followed by the initials "DMU".

Senator Walter Blevins
State Senator