

Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet



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

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

June 2, 2014

Hon. Steven L. Beshear, Governor
700 Capitol Avenue, Suite 100
Frankfort, KY 40601

Re: Siting Board Case No. 2014-00162

Dear Governor Beshear:

As the Chairman of the Kentucky Public Service Commission ("PSC"), I also serve as the Chairman of the Kentucky State Board on Electric Generation and Transmission Siting ("Siting Board"). Therefore, it is my duty to inform you that, on May 12, 2014, the Siting Board received a notice of intent from SunCoke Energy South Shore LLC ("SunCoke") to file an application for certificates to construct: (1) a merchant electric cogeneration coking facility in South Shore, Kentucky, and (2) a 0.7 mile 138 kV non-regulated radial tie line to convey electric power produced by the facility to American Electric Power's Millbrook Park substation in New Boston, Ohio. A copy of the notice is enclosed herein.

The five permanent members of the Siting Board are myself; PSC Vice Chairman James W. Gardner; PSC Commissioner Linda Breathitt; Secretary of the Energy and Environment Cabinet Len Peters; and Ms. Holland Spade, who serves as the designee of Secretary of the Economic Development Cabinet Larry Hayes.

In addition to the permanent members of the Siting Board, pursuant to KRS 278.702(1)(d)(1), upon receipt of a notice of intent to file an application with the Siting Board, the Governor must appoint two ad hoc public members to serve on the Siting Board for the duration of the case. Based on the facts as presented in the notice of intent, one of the ad hoc appointees must be the county judge/executive of Greenup County, Hon. Robert W. Carpenter. The second ad hoc appointee must be a legal resident of Greenup County, where the proposed facility and radial tie line will be sited.

Pursuant to 807 KAR 5:110, Section 2, SunCoke may file its application, at the earliest, 30 days from the date of its May 12, 2014 notice. The time limits mandated by KRS 278.710(1) and 278.714(3), require the Siting Board to issue its decision granting or denying the application within either 120 days or 180 days (if a local public hearing is

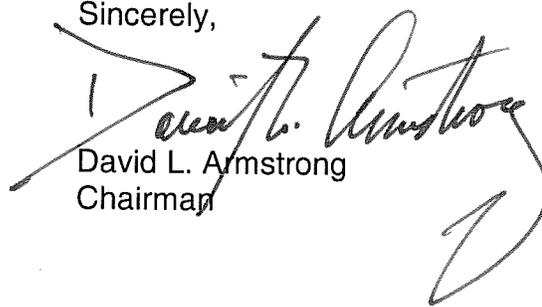
Hon. Steven L. Beshear, Governor
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requested). Therefore, it is vital to the successful completion of the Siting Board's duties that the ad hoc members be appointed by you as soon as practicable.

For your convenience, I have enclosed a copy of Executive Order 2010-050, issued by you on January 15, 2010, appointing two ad hoc Siting Board members for a prior Siting Board Case (Case No. 2009-00530). This format may be used by you to appoint the ad hoc Siting Board members for the present case.

Please let me know if I can provide you any additional information regarding this case. Any communications regarding this case may be directed either to me, Quang Nguyen or Aaron Ann Cole, Commission Staff Attorneys, at (502) 564-3940. Thank you for your time and attention to this matter.

Sincerely,



David L. Armstrong
Chairman

QN/kar
Enclosure

VORYS

Vorys, Sater, Seymour and Pease LLP
Legal Counsel

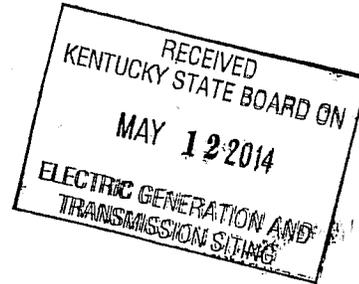
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Founded 1909

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Email alosterlund@vorys.com

May 9, 2014



VIA OVERNIGHT MAIL

Kentucky State Board on Electric Generation and Transmission Siting
Kentucky Public Service Commission
211 Sower Boulevard
Frankford, KY 40602

Re: Notice of Intent to File Applications for Certificates of Construction for Heat Recovery
Coke Plant and 138 kV Non-Regulated Radial Tie Line in South Shore, Greenup County,
Kentucky Pursuant to KRS 278.700 *et seq.* and 807 KAR 5:110

To Whom it May Concern:

SunCoke Energy South Shore LLC (“SunCoke”) hereby submits for filing this Notice of Intent to File Applications for Certificates of Construction for (1) a merchant electric cogeneration coking facility and (2) a 0.7-mile 138 kV non-regulated radial tie line to convey electric power produced by the facility to the American Electric Power (“AEP”) Millbrook Park substation in Ohio.¹ A summary and overview of the proposed project is provided below, in accordance with 807 KAR 5:110 Section 2.

a. The name, address, and telephone number of the person who intends to file the application is:

SunCoke Energy South Shore LLC
1101 Warrenville Road, Suite 600
Lisle, Illinois 60532
Attention: David Schwake, Director, Business Development North America
(630) 824-1948

¹ The length of the line in Kentucky is approximately 0.7 miles. The total length of the line from the facility to the Millbrook Park substation is approximately 1.0 miles.

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- b. The proposed construction that will be the subject of the application is briefly described below:

SunCoke proposes to construct and operate a heat recovery coke plant comprised of coke batteries that convert metallurgical coal to metallurgical coke. In addition to producing coke, derivative energy generation is an integral part of SunCoke's cokemaking operations. The coking process generates a hot waste gas, and the heat is recovered and converted into steam or electricity through heat recovery steam generators and a steam turbine generator. SunCoke expects the steam turbine generator at the proposed South Shore plant to generate a maximum of approximately 80 megawatts of power which will then be delivered across the Ohio River to the electric utility grid operated by PJM Interconnection LLC.

SunCoke will deliver power generated by the plant to the Ohio electric utility grid via a 138 kV radial tie line, roughly 0.7 miles of which will cross Kentucky territory (traversing only plant property and the Ohio River). The line will run for an additional approximate 0.3 miles on the Ohio side of the river. SunCoke intends to file a Letter of Notification (LON) with the Ohio Power Siting Board for the Ohio portion of the 138 kV tie line.

- c. Location of the proposed construction:

SunCoke proposes to construct the heat recovery coke plant on US Route 23 between Johnson Lane and Kentucky Route 2538, two miles east of the city of South Shore, Greenup County, Kentucky. The proposed site is not within the boundaries of a city, and the access to barge and rail transportation, plentiful water, and an industrial setting makes the proposed facility location ideal. The latitude and longitude of the proposed plant site are:

Latitude of 38.739467

Longitude of -82.924567

The proposed radial tie line will originate at the coke plant site and terminate at the AEP Millbrook Park substation in New Boston, Ohio.

- d. There is no planning or zoning commission with jurisdiction over the site.
- e. Since there is no planning and zoning commission with jurisdiction over the site, and no applicable zoning ordinances, there are no local setback requirements applicable to the site.

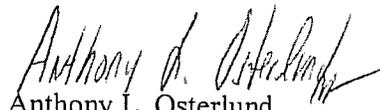
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- f. Pursuant to KRS 278.704(4), SunCoke will request a deviation from the setback requirements under KRS 278.704(2).

Thank you for accepting this Notice of Intent to File Applications. If any additional information is needed for the Board to determine that this Notice is administratively complete or to assign a case number to this matter, please contact me at (513) 723-4678.

Respectfully submitted,



Anthony L. Osterlund

Counsel for SunCoke Energy South Shore LLC

KBA #90803



STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

2010 -- 0050
January 15, 2010

Secretary of State
Frankfort
Kentucky

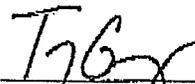
By virtue of the authority vested in me by Section 278.702 of the
Kentucky Revised Statutes, I, Steven L. Beshear, Governor of the Commonwealth of
Kentucky, do hereby appoint the following as members of the Kentucky State Board on
Electric Generation and Transmission Siting:

Charles Earl May, Post Office Box 7293, Hazard,
Kentucky 41702, representing residents of Perry
County; and

Denny Ray Noble, County Judge/Executive, Post
Office Drawer 210, Hazard, Kentucky 41701,
representing Perry County.

Please issue commissions to them.


STEVEN L. BESHEAR, Governor
Commonwealth of Kentucky


TREY GRAYSON
Secretary of State