

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY TO CONSTRUCT A 138 KV)	2018-00072
TRANSMISSION LINE IN BOYD COUNTY,)	
KENTUCKY)	

ORDER

On August 12, 2019, Kentucky Power Company (Kentucky Power) filed a motion to clarify and confirm the October 5, 2018 Order conditionally granting it a Certificate of Public Convenience and Necessity (CPCN) to construct the EastPark 138 kV transmission line, a new substation, and related work at other locations. Specifically, Kentucky Power seeks confirmation that due to the conditional nature of the CPCN, the one-year time limit set forth in KRS 278.020(1) for construction to commence before a CPCN becomes void does not begin to run until the CPCN becomes unconditional.

Based on a review of the motion and being otherwise sufficiently advised, the Commission finds that our October 5, 2018 Order states that the facilities to be constructed by Kentucky Power are needed to serve a new industrial customer but that no construction is to commence until the new customer provides in writing reasonable assurance of sufficient financing to complete construction of its industrial plant. Thus, Kentucky Power's CPCN was made conditional upon the industrial customer providing reasonable assurance of the ability to finance its plant. Under the explicit terms of the CPCN, Kentucky Power has no authority to commence construction of the utility facilities

until the CPCN becomes unconditional upon Kentucky Power's receipt and filing here of the industrial customer's assurance of financing. The one-year time limit in KRS 278.020(1) within which construction must begin is "exclusive of any delay due to the order of any court or failure to obtain any necessary grant or consent." Until the condition precedent imposed by the Commission's October 5, 2018, Order is satisfied, Kentucky Power lacks consent to begin construction, and the one-year statutory limitation does not begin.

IT IS HEREBY ORDERED that:

1. Kentucky Power Company's August 12, 2019 motion to clarify and confirm the Commission's October 5, 2018 Order is granted.
2. Upon Kentucky Power's receipt and post-case filing of the industrial customer's assurance of financing, the CPCN conditionally granted by the October 5, 2018 Order shall become unconditional and the one-year time limit set forth in KRS 278.020(1) shall begin to run.

By the Commission

ENTERED
AUG 29 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2018-00072

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