

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF KENTUCKY	)	CASE NO.
POWER COMPANY'S NEED FOR THE	)	2019-00369
ENTERPRISE PARK PROJECT	)	

ORDER

By Order entered on October 8, 2019, the Commission initiated this investigation of Kentucky Power Company's (Kentucky Power) need for the Certificate of Public Convenience and Necessity (CPCN) that was conditionally granted last year for the construction and operation of a transmission line and substation facilities collectively known as the Enterprise Park Project. The CPCN, which was conditionally granted in Case No. 2018-00209,<sup>1</sup> authorized Kentucky Power to construct facilities needed to provide electric service to Enerblu, Inc. (Enerblu), a new industrial customer to be located in the Kentucky Enterprise Industrial Park in Pikeville, Kentucky (Enterprise Park).

The Enterprise Park Project was estimated to cost \$33.6 million and consisted of (1) five miles of new double-circuit, 138-kilovolt (kV) transmission line in Floyd and Pike counties, Kentucky; (2) a 138-kV substation adjacent to the Enterprise Park; (3) upgrades to Kentucky Power's existing Cedar Creek Substation in Pike County, Kentucky; and (4) retirement of the existing Fords Branch Substation in Pike County, Kentucky. The CPCN

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<sup>1</sup> Case No. 2018-00209, *Electronic Application of Kentucky Power Company For a Certificate of Public Convenience And Necessity To Construct A 138 KV Transmission Line And Associated Facilities In Pike And Floyd Counties, Kentucky* (Ky. PSC Dec. 6, 2018).

for those facilities was conditioned upon Enerblu's ability to secure sufficient financing to construct its battery manufacturing plant.<sup>2</sup>

The October 8, 2019 Order, noting that Enerblu filed for Chapter 7 bankruptcy in June of this year, directed Kentucky Power to file testimony on its current need for the Enterprise Park Project and the reasons, if any exist, why the conditional CPCN should not be canceled. In response to that directive, Kentucky Power filed testimony stating that due to Enerblu's bankruptcy filing, the condition precedent will not be satisfied and "cancellation of the conditional certificate of public convenience and necessity issued in Case No. 2018-00209 is appropriate under these circumstances."<sup>3</sup> However, Kentucky Power's testimony also asserts that there is still a need for most of the proposed transmission and substation facilities and that once its analysis of need is completed; a new CPCN application will be filed with the Commission.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that the condition precedent to the CPCN granted to Kentucky Power in Case No. 2018-00209 will not be satisfied. Kentucky Power agrees that the condition precedent will not be satisfied and agrees that canceling the CPCN is appropriate. The Commission further finds Kentucky Power no longer has a need for the Enterprise Park Project to serve Enerblu, and the conditional CPCN granted in Case No. 2018-00209 should be canceled.

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<sup>2</sup> *Id.* at 16.

<sup>3</sup> Direct Testimony of Ranie K. Wohnhas at 3-4.

IT IS THEREFORE ORDERED that:

1. The conditional CPCN granted to Kentucky Power in Case No. 2018-00209 to construct a transmission line and substation facilities, collectively known as the Enterprise Park Project, to provide electric service to Enerblu is canceled.
2. This case is closed and removed from the Commission's docket.

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By the Commission

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KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director  
for *Lawson R. Purson*

Case No. 2019-00369

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