

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE JOINT APPLICATION OF EAST)
KENTUCKY POWER COOPERATIVE, INC.,)
AND ITS MEMBER COOPERATIVES SALT)
RIVER RURAL ELECTRIC COOPERATIVE)
CORPORATION AND TAYLOR COUNTY) CASE NO. 7853
RURAL ELECTRIC COOPERATIVE CORPO-)
RATION FOR TRANSFER OF CERTAIN)
SUBSTATION BY DEBT ASSUMPTION)

O R D E R

Joint Applicants, East Kentucky Power Cooperative, Inc. (East Kentucky Power); Salt River Rural Electric Cooperative Corporation (Salt River R.E.C.C.); and Taylor County Rural Electric Cooperative Corporation (Taylor County R.E.C.C.) filed their application on May 9, 1980, for a transfer of certain substations by debt assumption (transfer of outstanding notes through REA) of the net book value (original cost less depreciation) of the substations owned by Salt River R.E.C.C. and Taylor County R.E.C.C.

The matter was set for hearing June 4, 1980, at 10:00 a.m., Eastern Daylight Time, in the office of the Energy Regulatory Commission at Frankfort, Kentucky. The hearing was held as scheduled and all parties of interest were allowed to be heard. There were no intervenors and no protests were entered.

The Energy Regulatory Commission, after consideration of the application and all evidence of record, and being advised, is of the opinion and finds:

1. That centralized ownership and operation of these substations provides for more effective utilization of a "one system" approach to timing, locating and sizing of proposed new substations. Thus, necessary expansion can be effected by the most economical and feasible plan for the mutual benefit of East Kentucky Power, member cooperatives and their member consumers.

2. That needed technical personnel and specialized equipment can be developed by East Kentucky Power, in cooperation with its member cooperatives, under a centralized plan so as to increase reliability of service and to more effectively utilize such tech-

nical personnel and specialized equipment.

3. That necessary changes in transformer size can be more effectively made under a one system approach and, thus, such a system reduces the need for space transformers.

IT IS THEREFORE ORDERED that East Kentucky Power, Salt River R.E.C.C. and Taylor County R.E.C.C. be and hereby are authorized to transfer the substation to East Kentucky Power as set forth in the application and record.

IT IS FURTHER ORDERED that East Kentucky Power acquire the above-mentioned substations by assumption of debt to the United States Government, acting through the Rural Electrification Administration.

Nothing herein contained shall be deemed a warranty on the part of the Commonwealth of Kentucky or any agency thereof.

Done at Frankfort, Kentucky, this 24th day of June, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary