

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN RIVER)
ELECTRIC CORPORATION (1) FOR AN ORDER)
PURSUANT TO KRS 278.300 AND 807 KAR)
5:001, SECTION 11 AND RELATED SECTIONS,)
AUTHORIZING IT TO ISSUE EVIDENCE OF)
INDEBTEDNESS TO BORROW \$1,254,000 FROM)
THE LOUISVILLE BANK FOR COOPERATIVES,) CASE NO. 9439
AND (2) FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY PURSUANT TO)
KRS 278.020 AND (3) 807 KAR 5:001,)
SECTION 9 AND RELATED SECTIONS,)
AUTHORIZING CERTAIN PROPOSED CONSTRUC-)
TION AND ASSOCIATED CAPITAL OUTLAY)

SECOND AMENDED ORDER

Green River Electric Corporation ("Green River") filed a motion on November 13, 1986, requesting that the Commission permit Green River to amend its original application for supplemental financing and requesting an Amended Order approving the additional financing.

The Commission in response to Green River's motion has reopened Case No. 9439 for the limited purpose of reviewing Green River's request for approval of the proposed borrowing from its supplemental lender, the Louisville Bank for Cooperatives ("LBC").

On December 9, 1985, the Commission issued an Order granting Green River a certificate of public convenience and necessity to proceed with the construction as set forth in the application and record, and authorizing Green River to borrow \$1,254,000 from LBC. This Order was amended on January 6, 1986, to allow Green River to

convert any loans from a fixed rate to a variable rate without filing an application for approval with the Commission.

In its Order of December 9, 1985, the Commission recognized that the total amount of the loans from the Rural Electrification Administration ("REA") and LBC would not be sufficient to complete all items in the 2-year workplan and stated that it anticipated that an additional request for approval to borrow funds would be made within the next 2 years.

In its motion, Green River has shown that REA has approved a loan in the amount of \$3,402,000 and that LBC has approved a loan in the amount of \$1,458,000. The loan amount approved by Green River's supplemental lender, LBC, represents an increase of \$204,000 in the amount originally authorized by this Commission.

Green River states in its motion that the original certificate of public convenience and necessity granted by the Commission covered the entire construction proposed and, therefore, no amendment to that certificate is necessary.

The Commission, after consideration of the motion of Green River, the information filed with the motion, the evidence of record and being advised, is of the opinion and finds that:

1. The original certificate of public convenience and necessity granted by the Commission covered the entire construction proposed by Green River and that amendment of that certificate is not necessary.

2. The proposed borrowing from LBC as requested in Green River's application and motion should be increased by \$204,000 to \$1,458,000.


IT IS THEREFORE ORDERED that:

1. The Commission's Order of December 9, 1985, as amended on January 6, 1986, be amended to authorize Green River to borrow \$1,458,000 from LBC.

2. All other provisions of the Order of December 9, 1985, as amended on January 6, 1986, are affirmed.

Done at Frankfort, Kentucky, this 3rd day of December, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice-Chairman


Commissioner

ATTEST:

Executive Director