

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PAUL F. HILPP, ROBERT P. BRADY, WILLIAM P.)
THOMPSON, BRIAN M. MATTINGLY, MR. &)
MRS. SAMUEL E. LEE III, RICHARD AND)
ANGELA MATTINGLY, JOSEPH R. HUGHES,)
CHARLES AND TERRY CAMPBELL, TIMOTHY)
GERALD EWING, ROBERT AND PATRICIA)
CLEMENTS, JOSEPH PAUL AND VICKIE)
BRADY, AND JAMES C. HANKS)

COMPLAINANTS)

VS.)

CASE NO. 95-087)

EAST KENTUCKY POWER COOPERATIVE, INC.)

DEFENDANT)

O R D E R

On March 6, 1995, Paul F. Hilpp, Robert P. Brady, William P. Thompson, Brian M. Mattingly, Mr. & Mrs. Samuel E. Lee III, Richard and Angela Mattingly, Joseph R. Hughes, Charles and Terry Campbell, and Timothy Gerald Ewing, Robert and Patricia Clements, Joseph Paul and Vickie Brady, and James C. Hanks filed a formal complaint against East Kentucky Power Cooperative, Inc. ("East Kentucky") objecting to a new transmission line to be constructed on or adjacent to their respective properties in Marion County, Kentucky. David E. and Vickie W. Perkins subsequently requested and were granted status as full

intervenors on the allegation that they too own property that might be affected by the construction of a new transmission line.

By Order dated March 14, 1995, East Kentucky was directed to satisfy the matters complained of or file a written answer. On April 7, 1995, East Kentucky filed an Answer stating that due to the ever increasing load served in the Marion County Industrial Park ("Industrial Park"), there was a need for a new substation within the Industrial Park. This substation will be served by a new 69KV transmission line from East Kentucky's existing Loretto substation located approximately 7.6 miles northwest of the Industrial Park. East Kentucky stressed that this proposal was the best and most feasible of the alternatives available for serving the Industrial Park, but that no final decision as to an exact location or design of the facilities had been made. East Kentucky indicated that it had previously held a meeting to explain the project to those property owners who might be affected, and that the concerns expressed by the property owners were being taken into consideration.

The Commission requested additional information from East Kentucky, as well as from Kentucky Utilities Company ("KU") which has a 69KV transmission line in close proximity to the Industrial Park. East Kentucky continued to review alternatives available for serving the Industrial Park, and on March 20, 1996, filed the results of a study undertaken jointly with KU. The study analyzed in detail three alternative transmission routes to serve a new substation in the Industrial Park:

- A. A 7.6 mile 69 KV line running northwest to East Kentucky's Loretto substation;
- B. A 1.5 mile 69KV transmission line running east to KU's Lebanon City-Taylor County 69KV line; and

C. A 2.3 mile 161 KV line running northwest to East Kentucky's Marion County - Green County 161KV transmission line.

Although Alternative B was the least expensive, East Kentucky selected the slightly more expensive Alternative C due to its greater reliability and potential to serve additional load growth.

Copies of the study were served on the complainants and an informal conference was held in Lebanon, Kentucky on April 4, 1996. East Kentucky indicated at the conference that its 2.3 mile 161KV line would cross substantially fewer properties than its originally proposed 7.6 mile 69KV line. The complainants suggested an alternative route for the 2.3 mile 161KV line and East Kentucky agreed to walk that route with the complainants the following week. Due to that alternative crossing a number of small commercial properties, East Kentucky determined that its cost would be prohibitive.

The Commission scheduled a hearing on June 18, 1996 and sent notice to each complainant and intervenor. Only one property owner appeared at the hearing -- James and Sheila Hanks. The Hanks objected to the transmission line, but subsequently withdrew their objection after East Kentucky indicated that the line would not be on their property. See East Kentucky Hearing Exhibit 3.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that East Kentucky has satisfied the complaint filed by James and Sheila Hanks, and they have withdrawn their objection to the construction of a 2.3 mile 161KV transmission line. All other complainants and intervenors, having failed to appear at the hearing to present evidence in support of their complaint, have failed to demonstrate that they are entitled to any relief.

IT IS THEREFORE ORDERED that this Complaint is dismissed with prejudice.

Done at Frankfort, Kentucky, this 1st day of August, 1996.

PUBLIC SERVICE COMMISSION

Opida K. Breathitt
Chairman

Edgar Wilson
Vice Chairman

Robert M. Davis
Commissioner

ATTEST:

Don Mill
Executive Director