

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY FOR THE CONSTRUCTION)	
OF TRANSMISSION FACILITIES)	CASE NO. 2000-341
ASSOCIATED WITH THE CONSTRUCTION)	
OF THE KENTUCKY PIONEER ENERGY, L.L.C.)	
PROJECT, LOCATED IN CLARK, FAYETTE,)	
MONTGOMERY, POWELL AND MADISON)	
COUNTIES, KENTUCKY)	

O R D E R

On June 30, 2000, East Kentucky Power Cooperative, Inc. ("East Kentucky") filed an application for a Certificate of Public Convenience and Necessity to construct new transmission facilities needed in association with the combined cycle generating plant to be constructed by Kentucky Pioneer Energy, L.L.C. ("Kentucky Pioneer") at East Kentucky's J.K. Smith generating site in Clark County, Kentucky. The proposed transmission facilities consist of a new 345-138 kv transmission substation, a breaker addition, terminal facility upgrades, 2-138/69 kv transformer upgrades, 17 miles of 138 kv transmission line, and 17 miles of 345 kv transmission line. The estimated cost for the proposed transmission facilities is \$21.5 million.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that, while East Kentucky's 20-year agreement to purchase power from the Kentucky Pioneer Project was approved by Order dated July 11, 2000 in Case

No. 2000-079,¹ the Kentucky Pioneer Project is contingent upon its ability to obtain financing for the \$470 million project. Since East Kentucky only has a need for the proposed transmission facilities if the Kentucky Pioneer Project is constructed, the prudent course of action is to be certain that Kentucky Pioneer has secured its financing prior to authorizing East Kentucky to construct new transmission facilities. In addition, the Commission further finds that East Kentucky should hold public meetings with property owners that may be potentially affected by the proposed construction of transmission facilities. The Commission should be notified in advance of the date, time, and place of the town meetings. Upon receipt of evidence that Kentucky Pioneer has obtained financing for its generating project, and that East Kentucky has held public meetings with potentially affected property owners, this case will be submitted for a decision.

IT IS THEREFORE ORDERED that:


1. East Kentucky shall file advance notice of the date, time, and place of the public meetings with property owners that may be potentially affected by the proposed construction of the transmission facilities.
2. East Kentucky shall file, when available, evidence that Kentucky Pioneer has obtained financing for its generating project and that public meetings have been held.

¹ Case No. 2000-079, In Re: Application of East Kentucky Power Cooperative, Inc. for Approval of a Power Purchase Agreement with Kentucky Pioneer Energy, L.L.C.

Done at Frankfort, Kentucky, this 18th day of September, 2000.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. Dixon", written over a horizontal line.

Executive Director