

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OWEN ELECTRIC)
COOPERATIVE, INC. FOR AN ORDER ISUING A) CASE NO.
CERTIFICATE OF PUBLIC CONVENIENCE AND) 2002-00175
NECESSITY)

O R D E R

Owen Electric Cooperative, Inc. (Owen) filed its application on May 17, 2002 to construct a new headquarters office building on 30 acres of land which will consist of an approximately 31,900 square foot office building, and a 27,900 square foot service facility. The total projected cost to construct and furnish the proposed facilities is \$8,191,400 and will be financed by loans from the Rural Utilities Service.

Owen indicated that the current headquarters facility has undergone some renovations since it was constructed in 1950. It has inadequate restroom facilities, aging electrical, plumbing, and mechanical systems, and need for extensive maintenance/replacement of windows. The current headquarters is constructed on 1.3 acres of land. There is inadequate space for building expansion. The new service facility will replace the current service center, which was purchased in 1985 and is located approximately 5 miles from the current headquarters. It was an automotive dealership facility situated on 3.6 acres of land. Owen indicates that there is need for more covered warehousing space due to growth, an expanded vehicle maintenance area, meter test and storage facilities, and additional truck/equipment storage bays. The current service center building design and construction is not conducive to redesign

nor is the parcel of land adequate for expansion. Owen plans to sell the existing headquarters and service center properties which have an appraised value of \$1,252,000.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that the construction of a new headquarters building is necessary to ensure adequate space is available in the future for the reasonable expansion of Owen's staff and equipment as growth within its system occurs.

IT IS THEREFORE ORDERED that Owen is granted a Certificate of Public Convenience and Necessity to construct the new headquarters office building described in its application.

Done at Frankfort, Kentucky, this 1st day of August, 2002.

By the Commission

ATTEST:

Deputy W. H. Fowler
Executive Director