

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF CTA ACOUSTICS, INC.)
TO RETAIN KENTUCKY UTILITIES) CASE NO. 2003-00226
COMPANY AS POWER SUPPLIER AND)
FOR EXPEDITED TREATMENT)

O R D E R

On July 22, 2003, Cumberland Valley Electric, Inc. (Cumberland Valley) filed a petition for rehearing of the Commission's July 21, 2003 Interim Order granting Kentucky Utilities Company (KU) the temporary right, not to exceed 6 months, to provide electric service to CTA Acoustics, Inc. (CTA Acoustics). In support of its request, Cumberland Valley states that the Commission's Interim Order is based upon incorrect facts to the extent that Cumberland Valley is already providing three-phase electric service to CTA Acoustics during its construction phase. Further, Cumberland Valley states that it will need only to upgrade its existing three-phase facilities to provide permanent service to CTA Acoustics.

Based on the petition for rehearing and being otherwise sufficiently advised, the Commission finds that the fact that Cumberland Valley is already providing three-phase service does not justify a change in the decision to grant KU the right to provide temporary electric service to CTA Acoustics. The Commission's finding that Cumberland Valley was providing CTA Acoustics only single-phase service during construction was based on a July 17, 2003 staff memorandum, as well as Cumberland

Valley's July 1, 2003 motion describing its commitment to upgrade its distribution facilities to the degree necessary to enable CVE to provide permanent three-phase service.

As the Commission acknowledged in its July 21, 2003 Interim Order, there has been no evidentiary hearing due to the time constraints resulting from CTA Acoustics need to have adequate electric service by July 27, 2003 to commence manufacturing operations. Once all parties have had adequate time to engage in discovery and participate in a hearing, the evidentiary record may be significantly different than it is today. However, Cumberland Valley's petition does not challenge the finding that it will have to upgrade its distribution facilities approximately one mile, while service by KU will require an extension of 1,900 feet. In addition, KU's extension could be used to serve other customers in KU's territory within the industrial park. Thus, it would not need to be removed should KU not be authorized to serve the entire industrial park.

IT IS THEREFORE ORDERED that Cumberland Valley's petition for rehearing is denied.

Done at Frankfort, Kentucky, this 23rd day of July, 2003.

By the Commission

ATTEST:


Executive Director

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