

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF FARMERS RURAL ELECTRIC)
COOPERATIVE CORPORATION FOR A)
CERTIFICATE OF CONVENIENCE AND) CASE NO.
NECESSITY FOR CONSTRUCTION OF) 2003-00298
FACILITIES INCLUDED IN ITS 2002-2006)
CONSTRUCTION WORK PLAN)

O R D E R

Farmers Rural Electric Cooperative Corporation ("Farmers") filed its application on August 4, 2003 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at an estimated cost of \$13,270,380. In support of its application Farmers filed its 2002-2006 Work Plan, which describes in detail the improvements and additions to its plant that are required over the next 4 years to serve its load.

Farmers seeks authorization to construct extensions and additions to its plant as follows:

1.	New Distribution Lines	\$ 3,588,738
2.	Line Conversions	2,845,150
3.	Distribution Equipment	5,690,859
4.	Security Lights	413,505
5.	AMR Computer and Communication Hardware	<u>732,128</u>
TOTAL		\$13,270,380

The proposed construction will enable Farmers to continue to provide adequate and dependable electric service to its customers. The system improvements recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, and provide for improved service reliability.

Based on the application, the supporting 2002-2006 Work Plan, and being otherwise sufficiently advised, the Commission finds that the proposed improvements and additions to be constructed by Farmers are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Farmers is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 2002-2006 Work Plan.

Done at Frankfort, Kentucky, this 28th day of January, 2004.

By the Commission

ATTEST:

Deputy Wm H. I. Barker
Executive Director