

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NOLIN RURAL ELECTRIC)
COOPERATIVE CORPORATION FOR A) CASE NO.
CERTIFICATE OF CONVENIENCE AND) 2004-00160
NECESSITY FOR THE 2003-2005)
CONSTRUCTION WORK PLAN)

O R D E R

Nolin Rural Electric Cooperative Corporation ("Nolin RECC") filed its application on June 14, 2004 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at an estimated cost of \$9,589,582. In support of its application Nolin RECC filed its 2003-2005 Work Plan, which describes in detail the improvements and additions to its plant that are required to serve its load.

An informal conference was held on October 21, 2004. The discussion was whether all the new three-phase lines should be constructed with 1/0 aluminum conductor steel reinforced ("ACSR") instead of 2 ACSR. A proposed three-phase 3/0 ACSR line that was to be converted to three-phase 336.4 ACSR was also discussed. On November 24, 2004, Nolin filed a response to the items discussed at the informal conference. Nolin agreed that several of the new three-phase lines should be converted to 1/0 ACSR. With regard to the proposed three-phase 336.4 ACSR, Nolin performed an additional analysis which indicated that a portion of the existing 3/0 ACSR line will need to be converted to 336.4 ACSR, and if a regulator bank is placed at the

end of line section number 11, the need to convert a portion of the 3/0 ACSR will be postponed. The Commission finds that the analyses are reasonable, and the proposed amendment should be approved.

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

1.	New Services	\$ 2,345,442
2.	System Improvements	3,217,845
3.	Transformers and Meters	2,809,852
4.	Service Upgrades	81,685
5.	Pole Replacements	625,944
6.	Capacitors	14,000
7.	Security Lights	224,814
8.	Turtle Computer Equipment	<u>270,000</u>

TOTAL \$9,589,582

The proposed construction will enable Nolin RECC 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 2003-2005 Work Plan, and being otherwise sufficiently advised, the Commission finds that the proposed improvements and additions to be constructed by Nolin RECC are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Nolin RECC is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 2003-2005 Work Plan.

Done at Frankfort, Kentucky, this 22nd day of December, 2004.

By the Commission

ATTEST:



Executive Director

Case No. 2004-00160