

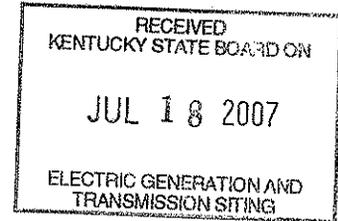
Thoroughbred Generating Company, LLC

701 Market Street, Suite 300
St. Louis, Missouri 63101
314-342-7613

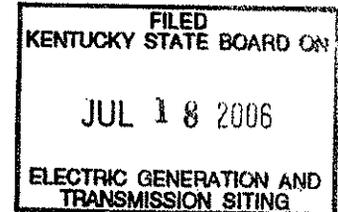
Sent via Federal Express

July 17, 2007

Mark David Goss
Chairman
Kentucky State Board on Electric
Generation and Transmission Siting
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615



RE: Case No. 2002 – 00150
Thoroughbred Generating Company, LLC. Annual Report



Dear Chairman Goss,

By Board Order issued December 5, 2003, Thoroughbred Generating Company, LLC was issued a Certificate to Construct an Electric Generating Facility in Muhlenberg County, Kentucky. Pursuant to Appendix A of that Order, Thoroughbred is required to file annually with the Board a report regarding the status of the project. Although Thoroughbred's appeal of certain aspects of the Board's December 2003 Order remains pending, Thoroughbred submits this letter as its third annual report. (Thoroughbred's initial annual report was submitted to the Board by letter dated November 17, 2004, and the second report was dated December 1, 2005). I apologize for the lateness of this report. We had a staff change at year-end and the report filing was inadvertently not completed. See the Siting Board's July 10, 2007, letter.

A. Overview

There has been no change in the construction status of the Thoroughbred Plant since Thoroughbred's last annual report. Consistent with last year's report, delays in construction and site activities continue primarily as a result of the legal challenge to the facility's air permit. Plans for the construction start date will not be finalized until the air permit challenge is resolved. The decision of the Environmental and Public Protection Cabinet was appealed and that appellate proceeding, Civil Action No. 06CI-00640, has been pending in Franklin Circuit Court since it was filed on May 10, 2006. Briefing was completed in September 2006, and oral argument was held on December 23, 2006. A decision from the court is expected any time now.

Due to the length of time for the briefing, argument and consideration of the appeal by the Franklin Circuit Court, Thoroughbred requested, and was granted

an extension of time to start construction by the Kentucky Division of Air Quality. This extension is effective through September 30, 2007. Thoroughbred's last EPPC required permit was issued on January 30, 2006. Under KRS 278.704, the earliest date Thoroughbred's construction certificate could expire is January 30, 2008.

With regard to Thoroughbred's appeal of the Board's December 2003 Order to Muhlenberg Circuit Court, settlement discussions have occurred between the parties, although no final resolution of the appeal has been achieved to date.

B. Implementation of Site Development Plan

As noted above, no construction or site activities have commenced.

C. Local Hiring and Procurement

No construction or site activities have commenced so there are no developments to report with respect to hiring or procurement.

D. Public Comments and Responses

No complaints or comments from the public have been received by Thoroughbred during the intervening period since the last report.

E. Specific Mitigation Conditions

No additional activity with respect to these conditions

Should the Board have any questions or require additional information regarding the project status you can contact me at 314-342-7613.

Sincerely,



Dianna Tickner
President

cc: Holland N. McTyeire, V
Carolyn M. Brown
Carl W. Breeding