

Ernie Fletcher
Governor



LaJuana S. Wilcher
Secretary

Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Kentucky State Board on Electric Generation and Transmission Siting
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460

July 19, 2004

Mr. Michael H. Core
Big Rivers Electric Corporation
Post Office Box 24
Henderson, Kentucky 42420

Dear Mr. Core:

Estill County Energy Partners, LLC ("Estill County Energy") filed an application with the Kentucky State Board on Electric Generation and Transmission Siting to construct a 110-MW coal-fired electrical generating facility in Estill County, Kentucky. A copy of Estill County Energy's application, which is docketed as Case No. 2002-00172, can be found at www.psc.ky.gov. Estill County Energy will construct transmission lines to connect to Kentucky Utilities Company's ("KU") transmission facilities. An analysis conducted by Midwest Independent Transmission System Operator, Inc., indicates that system upgrades to the KU system will be needed to enable Estill County Energy to use KU transmission lines.

As a result of the Estill County Energy project, would upgrades to your transmission systems be required? If no, please so state. If yes, provide a description and the estimated cost of the upgrades.

Please provide your response to this letter no later than July 26, 2004. Thank you for your cooperation.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director
on behalf of
The Kentucky State Board on Electric
Generation and Transmission Siting

AWT:v

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Tennessee Valley Authority
Attention: Regulatory Affairs
400 West Summit Hill Drive
Knoxville, TN 37902-1499

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