



GLOBAL ENERGY

August 27, 2002

Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602



Via Telefax: 502-564-3460

Re: Kentucky Pioneer Energy 540 MW IGCC Project

Case No. 2002-00312

Dear Mr. Dorman:

Thank you for all of your support on the Kentucky Pioneer Energy Clean Coal Technology Project. Please be assured that we are continuing our commitment to deliver low cost power, top efficiency and superior environmental results to the people of Kentucky.

The Kentucky Pioneer Energy Project will be the cleanest and most efficient coal-based power station in the world. Furthermore, this state of the art facility will offer the ratepayers of Kentucky one of the lowest costs of clean power available and promote the clean use of Kentucky coal.

The project has all of the necessary major permits to begin construction, save the new Siting Board approval. We expect to begin construction when the Siting Board Approval is complete. We will be working with our Utility host over the next few months to ensure that all project objectives are achieved, including low cost power and clean air for the People of Kentucky. We appreciate your support in the Siting Board process as we complete this final regulatory approval.

Best regards,

H. H. Graves
Project Director
Kentucky Pioneer Energy LLC