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June 22, 2005

Beth O'Donnell
Executive Director Public Service Commission
State Board On Electric Generating and Siting
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 2005-00152

Dear Beth:

The Illinois Municipal Electric Agency (IMEA) and the Indiana Municipal Power Agency (IMPA), collectively the "Joint Applicants", have reviewed the letter from Kelly Leach filed with the Board on June 10, 2005, which questions the compliance of the "Joint Applicants" with the notice requirements of KRS 278.706(2)(c)(1). That statute says that property owners, "whose property borders the proposed site" shall be given notice of the project within 30 days immediately preceding the filing of an application.

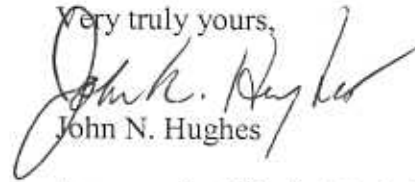
Mr. Leach complains that notice has not been given by letter to all "landowners whose property borders the proposed site" of the Trimble County Unit 2 generating facility ("TC2") as required by KRS 278.706(2)(c)(1). He purports to identify landowners who were not given notice by reference to deeds in which property descriptions made reference to names of individuals whose lands adjoined property purchased by LG&E. Mr. Leach's concerns are not valid.

The proposed site of TC2 consists of 650 acres of land largely surrounded by approximately 1,500 acres of land also owned by LG&E. The individuals' tracts that adjoin the outer 1,500 acres do not "border the proposed site" of TC2.

The notice letters sent to the landowners identified in Exhibit E to the Application were sent to more landowners than the statute (KRS 278.706(2)(c)(1)) requires. Many of them own property reasonably near the proposed site of TC2, but not bordering the proposed site. Thus, the notice was more than sufficient and no further action needs to be taken.

If there are any further questions about this matter, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "John N. Hughes". The signature is fluid and cursive, with a large initial "J" and "H".

John N. Hughes

Attorney for Illinois Municipal
Electric Agency and Indiana
Municipal Power Agency