

COMMONWEALTH OF KENTUCKY

BEFORE THE STATE BOARD ON ELECTRIC
GENERATION AND TRANSMISSION SITING

In the Matter of:

Joint Application of the Illinois)
Municipal Electric Agency and the)
Indiana Municipal Power Agency) Case No. 2005-00152
For Approval to be a 25% Partner in)
the Construction of a 750 Megawatt)
Addition to the Existing Trimble)
County Generating Facility in)
Trimble County, Kentucky)

Joint Applicants' Response to Order of July 19, 2005, Report of
Issuance of Additional Notice, Motion for Finding that Application is
Administratively Complete, and
Motion to Establish a Procedural Schedule

The Illinois Municipal Electric Agency and the Indiana Municipal Power Agency (Joint Applicants), by counsel, provide certification of their notice to certain property owners as required by the Order of July 19, 2005 (the "July 19 Order"). The attached list of property owners was notified on July 20, 2005 by first class mail of the Joint Applicants' pending application to construct a merchant generating plant. A copy of the notice, which was discussed with Board Staff prior to its mailing, is attached. Pursuant to this issuance of notice in compliance with the July 19 Order, Joint Applicants move for an immediate Order

from the Siting Board determining that their application in this case is administratively complete.

In addition, the Joint Applicants move for the issuance of a procedural schedule that will conclude this matter within sixty days of this date. All documents required to be filed with the application have been filed. Responses to all outstanding data requests will be filed no later than July 21, 2005. Given the status of the record, the time to conclude the case should be minimal at this point. If it will facilitate matters, an informal conference should be scheduled.

The delay of the proceeding is significant to the Joint Applicants. This project is vital to their long-term resource planning and operations. The Joint Applicants believe that the July 19 Order is contrary to the undisputed facts already in the record of this case and Case 2005-00507, "Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Convenience and Necessity, and a Site Compatibility Certificate, for the Expansion of Trimble County Generating Station."

Specifically, the Site Assessment Report, Exhibit B in this case, which is also an exhibit in Case 2004-00507, describes the Trimble County 2 site as "...a 650 acre site along the Ohio River in Trimble County, Kentucky." (Site Assessment Report, page 9, Joint Applicants' Exhibit B.) That same report on page 5 states: "Access to the site is currently controlled with security fencing around the perimeter of the Station site and manned security gates for entry into the site." Obviously, the Report defines the site as the 650 acres, not the

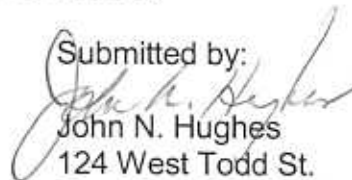
surrounding property that the Board determined in the July 19 Order to be the boundary for property owner notice in this proceeding.

Additionally, the Board's consultant in Case 2004-00507 and this case adopted the same area as the project site. See BBC Research & Consulting, Report of April 21, 2005, page 1. There is nothing in the record of either case to support the Board's conclusion that the outlying areas owned by LG&E are considered to be part of the plant site. The property owners the Board has directed to be notified do not reside adjacent to the 650 acre site. See Response to Staff's First Data Request dated July 8, 2005.

Because the notice required by the July 19 Order is has been given in a prompt manner and with due respect to the Board's interpretation of the statute, the Joint Applicants believe that the procedural schedule should not be unnecessarily prolonged.

For these reasons, the Joint Applicants move for the conclusion of this case within sixty days of the date of this Motion.

Submitted by:


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Attorney for IMEA and IMPA

Certification:

A copy of this response has been filed electronically as required by Board regulations.

John N. Hughes

Property Owners Near Trimble County Plant Property Pursuant to Boards
Order of July 19, 2005

Kathryn Bray
923 Conner Ridge Road
Bedford, KY 40006

Dale and Kim Wheeler
3328 Hidden Lake Drive
Jacksonville, FL 32216

Agnes Tingle
3637 Mt. Pleasant Rd.
Bedford, KY 40006

John and Andrea Dunlap
Box 161
Bedford, KY 40006

Dallas McCutchen
c/o Joan McCutchen
39 Wentworth Rd.
Bedford, KY 40006

Brenda Stansberry
7408 Willow Bend Dr.
Crestwood, KY 40014

Cary and Dave Cassell
Box 386
Bedford, KY 40006

Shannon Tingle
Box 424
Bedford, KY 40006

Stephen and Laura Harp
610 N. 4th Street
LaGrange, KY 40031

Kenneth Dale Bowling
105 Tingle Lane
Bedford, KY 40006

Margaret Dean
201 Deans Rd.
Bedford, KY 40006

Walter Staples
2519 Bray Ridge Rd.
Bedford, KY 40006

Rowlett Family Partnership
Howard Rowlett General Partner
8224 Carrollton Rd.
Campbellsville, KY 40011

Gary and Julia Dunlap
Box 223
Milton, KY 40045

Mano Caudillo
159 Wisers Landing Rd.
Bedford, KY 40006

James Edward Goode
207 Wisers Landing Rd.
Bedford, KY 40006

Wayne and Mary Goode
448 Wisers Landing Rd.
Bedford, KY 40006

Louisville Gas and Electric Company
and Kentucky Utilities Company
220 West Main St.
Box 32010
Louisville, KY 40232

NOTICE OF FILING
APPLICATION TO CONSTRUCT
A MERCHANT ELECTRIC GENERATING PLANT

Illinois Municipal Electric Agency and Indiana Municipal Power Agency

This notice is being given pursuant to the Order of the Kentucky State Board on Electric Generation and Transmission Siting dated July 19, 2005. The Illinois Municipal Electric Agency (IMEA) and the Indiana Municipal Power Agency (IMPA) will submit a completed application with the Kentucky State Board on Electric Generation and Transmission Siting for a Certificate to Construct a Merchant Electric Generating Plant within 30 days of the date of this notice.

The proposed project consists of a 750 MW boiler and associated steam generator, which will be constructed by the Louisville Gas and Electric Company and the Kentucky Utilities Company. IMEA and IMPA collectively own 25% of the existing Trimble County Unit 1. Pursuant to their respective Trimble County Unit 1 Participation Agreements, they also have rights to participate in the development and ownership of the new project. While their portion of this project qualifies as a "merchant electricity generating facility" under KRS 278.700, IMEA and IMPA are joint action agencies and will use their portion of this project to provide wholesale power to their respective member communities pursuant to long-term contracts.

The proposed plant will be constructed on the site of the existing LG&E Trimble County plant on Highway 1838 between Connors Ridge Rd. and Highway 754 near Bedford, KY. The project is currently designed to include selective catalytic reduction, bag house, wet limestone scrubber, and a wet electrostatic precipitator for air quality control. The maximum height of the proposed project structures will be approximately 285 feet, less than the existing height of the structures on the site.

Construction of this plant is subject to approval by the Kentucky State Board on Electric Generation and Transmission Siting. Any person may within 30 days of the date the application is determined to be administratively complete submit a written motion with the Board for leave to intervene. Any party to the proceeding may within 30 days after the application has been filed request the Board to schedule an evidentiary hearing at the Board's office, 211 Sower Blvd., Frankfort, KY 40601 by written motion. A request for a local public hearing may be made by three persons who reside in Trimble County within 30 days after the filing of the completed application. The Board can be contacted through the Public Service Commission, 211 Sower Blvd., Frankfort, KY. 40601, 502 564-3940.