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Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: Public Service Commission Case No: 2010-00244

Dear Mr. Derouen:

This case was filed on July 3, 2010. The filing deficiencies were cured and the case docketed on August 23, 2010. This case has therefore been pending for over 11 months.

In order to avoid constructing projects without a Certificate of Public Convenience and Necessity ("CPCN"), Shelby Energy has not begun any of the construction projects contained in this work plan, except those few projects previously mentioned at the Informal Conference with the Commission. Shelby Energy is quickly running out of such work, having recently begun construction of the last such project. It is anticipated Shelby Energy's contractor will finish this project within 2 or 3 weeks. If a decision has not been rendered in this case authorizing additional construction, Shelby Energy will have to release two of these contractor crews. It is extremely unlikely Shelby Energy will be successful in calling those same crews, who are already familiar with Shelby Energy's system and their safety expectations, back to work.

More importantly, several of the new projects for which Shelby Energy is seeking a CPCN in this case are needed in order to preclude the possibility of overloading critical facilities. The possibility of this overloading has been increased by the extremely hot weather we are experiencing. Some of these high priority projects would have been started several months ago, before the summer heat, had they been authorized.

Shelby Energy urgently needs an order entered in this case authorizing construction of the projects contained in the work plan. We understand Commission staff has concerns about the fact that construction of the AMI was started prior to adding that project to this case. Shelby Energy, in good faith, believed it did not need a CPCN for the reasons already set forth in the record of this case. However, even in the event a CPCN should have been obtained, we see no reason why the Commission could not authorize the construction of the projects in the work plan and deal with that issue in a subsequent order.

Shelby Energy requests an order be immediately entered in this case authorizing the work to proceed.

Yours Truly,

MATHIS, RIGGS & PRATHER, P.S.C.

By: _____
Donald T. Prather
Counsel for Shelby Energy
Cooperative, Inc.

cc: Debra Martin