

BEFORE


THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
OHIO VALLEY ELECTRIC)
CORPORATION for Approval of a)
Second Modification to a Letter) Case No. 08-1100-EL-AEC
Agreement for the Temporary Supply)
Of Arranged Power with the United)
States of America.)

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Ohio Valley Electric Corporation (OVEC), is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On May 11, 2005, OVEC filed an application for approval of an agreement between OVEC and the United States of America, acting by and through the Secretary of Energy, the statutory head of the Department of Energy (DOE) for the supply of power to the Portsmouth Gaseous Diffusion Plant (Letter Agreement). The Commission approved that Letter Agreement on August 10, 2005 in Case No. 05-624-EL-AEC.
- (3) While the parties have continued discussions regarding a long-term contract, an agreement has not yet been reached. Consequently, on September 4, 2008, the parties agreed to modify certain terms of the Letter Agreement. The parties agreed to modify the compensation arrangements and extend the initial term of the agreement for three months, to be automatically renewed for additional three-month terms, subject to either OVEC or DOE having the right to terminate at the end of a term upon 30 days' written notice. On September 8, 2008, an application for approval of the modified Letter Agreement was filed with the Commission in Case No. 08-1100-EL-AEC.
- (4) The application was filed pursuant to Section 4905.31 of the Revised Code. The Commission finds that the application for approval of the modified Letter Agreement entered into between OVEC and DOE is reasonable, and thus, should be approved.

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It is, therefore,

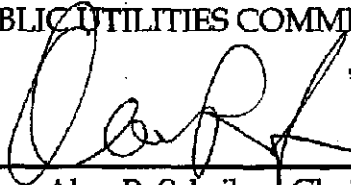
ORDERED, That OVEC's application be approved pursuant to the terms set forth in the modified Letter Agreement. It is, further,

ORDERED, That the Commission's approval of this agreement does not constitute state action for the purpose of antitrust laws. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

ORDERED, That a copy this Finding and Order be served upon the Applicant and all parties of record.

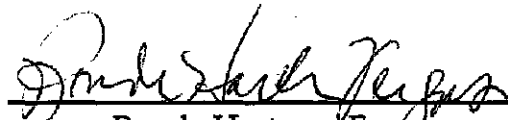
THE PUBLIC UTILITIES COMMISSION OF OHIO



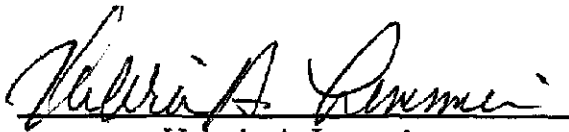
Alan R. Schriber, Chairman



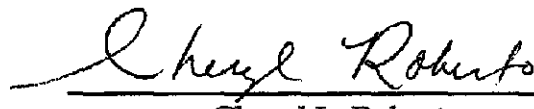
Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie



Cheryl L. Roberto

RBF:sm

Entered in the Journal

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Renee J. Jenkins
Secretary