

**ORIGINAL**

  
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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF )  
WABASH VALLEY POWER ASSOCIATION, )  
INC. PURSUANT TO IND. CODE § 8-1-8.5 ET )  
SEQ AND IN. CODE § 8-1-2-76, 77, 78, 79, 80, )  
83 AND 84 FOR (1) ISSUANCE OF A )  
CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY TO ACQUIRE AND/OR )  
CONSTRUCT UP TO 15 MWS OF LANDFILL )  
GAS GENERATING FACILITIES AND (2) )  
FOR AUTHORITY TO EXECUTE NOTES AS )  
EVIDENCE OF INDEBTEDNESS UP TO )  
\$30,000,000 PAYABLE AT PERIODS OF )  
MORE THAN TWELVE MONTHS FOR )  
PURPOSES OF FUNDING THE CONSTRUC- )  
TION AND/OR PURCHASE OF LANDFILL )  
GAS GENERATING FACILITIES AND )  
RELATED EQUIPMENT )

CAUSE NO. 43640

APPROVED: JUN 1 0 2009

**BY THE COMMISSION:**

**Gregory D. Server, Commissioner**  
**Aaron A. Schmoll, Administrative Law Judge**

On February 5, 2009, Wabash Valley Power Association, Inc. ("Petitioner" or "Wabash Valley") filed its petition in this Cause with the Indiana Utility Regulatory Commission ("Commission"), requesting pursuant to Ind. Code § 8-1-8.5 a Certificate of Public Convenience and Necessity ("CPCN") to acquire and/or construct up to 15 MWs of additional baseload landfill gas ("LFG") generating facilities and requesting approval and authorization to issue instruments of long term indebtedness in the principal amount of up to \$30,000,000, payable at periods of more than twelve months for purposes of funding the construction and/or purchase of LFG generating facilities and related equipment. On April 6, 2009, Petitioner filed a Motion for Protection and Nondisclosure of Confidential Information and Affidavits of M. Keith Thompson and Nisha A. Harke in support thereof seeking protection of certain financial and trade secret information. The Presiding Officers, through its April 9, 2009 Docket Entry, determined that information should be held as confidential by the Commission on a preliminary basis.

Pursuant to the March 11, 2009 Prehearing Conference Order and published notice provided by law, the Commission conducted an evidentiary hearing in this Cause on May 13, 2009 at 9:30 a.m. in Room 224 of the National City Center, 101 West Washington Street, Indianapolis, Indiana. Petitioner presented testimony and exhibits sponsored by M. Keith Thompson, Petitioner's Vice President, Power Production; Lee R. Wilmes, Petitioner's Vice President, Power Supply; and Nisha A. Harke, Petitioner's Manager of Finance and Rates. The Indiana Office of Utility Consumer Counselor ("OUCC") presented testimony from Ronald L.

Keen, a Senior Analyst with the Resource Planning, Emerging Technology and Telecommunications Division, and Jenny A. Sumner, a Utility Analyst for the Electric Division. No members of the general public appeared at the evidentiary hearing or otherwise opposed Petitioner's request for the CPCN and its request for authorization to execute notes of indebtedness for acquisition and/or construction of the LFG generating facilities.

On June 3, 2009, the Commission issued a Docket Entry seeking clarification of Petitioner's financing request. On June 5, 2009, Petitioner filed its Verified Response, stating that the cost estimates supporting its \$30 million financing request had been reduced to \$25.3 million, and it was only seeking financing authority for the \$25.3 million projects.

The Commission, having examined the evidence in this Cause and being sufficiently advised, now finds as follows:

1. **Notice and Commission Jurisdiction.** Due, legal, and timely notice of the evidentiary hearing in this Cause was given and published by the Commission as required by law. Wabash Valley is a public utility within the meaning of the Public Service Commission Act, as amended, Ind. Code § 8-1-2, and is subject to the jurisdiction of the Commission to the extent provided by the laws of the State of Indiana. As a public utility, pursuant to Ind. Code § 8-1-8.5-2, Wabash Valley is required to obtain a CPCN from the Commission before beginning the construction, purchase, or lease of any facility for generation of electricity. In addition, Wabash Valley, as a public utility, is required to obtain approval by the Commission to issue evidence of indebtedness payable at periods of more than twelve months, or to encumber the public utility's property pursuant to Ind. Code §§ 8-1-2-78, 79, and 84(f). Accordingly, the Commission has jurisdiction over Petitioner in the subject matter of this proceeding.

2. **Petitioner's Characteristics and Business.** Wabash Valley is a corporation organized and existing pursuant to the Indiana Non-Profit Corporations Act and, pursuant to Order of this Commission in Cause No. 35091, has been granted a Certificate of Public Convenience and Necessity to operate as a public utility. Wabash Valley's principal place of business is located at 722 N. High School Road, Indianapolis, Indiana 46224. Wabash Valley serves as a power supplier to 28 electric cooperative members, and owns and operates generation, transmission and related facilities.

All Petitioner's cooperative members are corporations organized and existing under and pursuant to the Indiana REMC Act, Ind. Code § 8-1-13-1, except for Midwest Energy Cooperative, Inc., which is organized pursuant to the laws of the State of Michigan; Paulding-Putnam Electric Cooperative, Inc., which is organized pursuant to the laws of the State of Ohio; MJM Electric Cooperative, Corn Belt Energy Corporation, and EnerStar Electric Cooperative, which are each organized pursuant to the laws of the State of Illinois; and Citizens Electric Corporation, which is organized pursuant to the laws of the State of Missouri.

3. **Relief Requested.** Wabash Valley requests the Commission issue Wabash Valley a CPCN approving and authorizing it to acquire and/or construct up to 15 MWs of LFG generating facilities. Wabash Valley also requests approval and authorization to issue

instruments of long term indebtedness up to \$30,000,000 and to encumber its property to finance the purchase of LFG generating facilities and related equipment.

**4. Evidence Presented.**

**A. Wabash Valley Direct Testimony in Support of Its Petition.** Wabash Valley presented the direct testimony of M. Keith Thompson, its Vice President, Power Production; Lee R. Wilmes, its Vice President, Power Supply; and Nisha A. Harke, its Manager of Rates and Finance.

Mr. Thompson testified that Petitioner is pursuing, with Waste Management, LLC ("WM") and other landfill operators, LFG generation projects and is seeking a CPCN to build or acquire an additional 15 MWs of LFG generation plants. Mr. Thompson has served as the primary negotiator with WM on LFG generation projects and has overseen the construction of seven LFG generation plants and the acquisition of four LFG generation plants. He stated that under a previous CPCN, issued for 25 MWs of LFG generation facilities in Cause Number 42668, Wabash Valley has constructed 23.2 MWs to date. He further testified that Petitioner believes it can acquire and/or construct an additional 1.8 MWs of LFG facilities under Cause Number 42668.

Mr. Thompson sponsored an exhibit summarizing the capital costs that Petitioner anticipates for the construction of a new 3.2 MW LFG generation plant, and estimated construction of a total of five (5) new 3.2 MW LFG plants totaling 16 MWs to be \$27,000,000. Because Petitioner currently has a CPCN for 1.8 MWs remaining, it is only seeking 15 MWs by this Petition. Mr. Thompson opined that the construction cost estimates are reasonable based on the construction of three (3) plants in the past two years, but that construction cost estimates will vary depending upon site-specific issues such as (1) earth work requirements, (2) distribution interconnection costs, and (3) material, equipment, and labor cost escalation.

Mr. Thompson testified that WM currently holds all necessary environmental permits for Petitioner's eleven existing Indiana LFG plants. WM will continue to maintain and hold necessary permits with the Indiana Department of Environmental Management ("IDEM") to operate the LFG generating facilities for Petitioner. WM has significant experience in operating and maintaining LFG plants with Caterpillar engine generator technology. Mr. Thompson testified that landfill gas can provide roughly 52% CH<sub>4</sub> Methane, 36% Carbon Dioxide; 8% Nitrogen; 1% Oxygen, and 3% other gases. Mr. Thompson explained that within each of WM's air permits, the Caterpillar engine generators are permitted controlled devices for destruction of landfill gas (and the associated volatile organic compounds) and they are an integral part of WM's control of air emissions generated from each landfill. Mr. Thompson testified that Petitioner is in negotiations with WM to construct a 3.2 MW LFG generating plant at Liberty Landfill in White County, Indiana, and Petitioner believes there is opportunity to construct a multi-unit LFG plant at WM's Earthmover Landfill in northern Indiana. Petitioner is in discussions with other regional landfill operators and hopes to construct similar plants and facilities owned by other landfill operators.

Mr. Thompson testified that Wabash Valley's Board of Directors is familiar with the economic and strategic benefits of the existing 33 MW LFG generating program, has been very supportive regarding this program, and has directed management to continue to pursue additional LFG generating opportunities. Petitioner's Board of Directors has approved Petitioner's staff to proceed with the procuring of this CPCN for 15 MWs of additional LFG generation and to construct the Liberty II LFG generation plant in White County, Indiana, subject to Commission approval.

Mr. Wilmes testified that Wabash Valley has a need for new generation that grows out of its supply obligations exceeding existing generation resources, both owned and under contract. Petitioner has a need for additional renewable generation based on current and potential future renewable portfolio standards that require or may require the addition of certain types of generation. Petitioner has an obligation to supply its 28 electric cooperative members under all-requirements contracts.

Mr. Wilmes testified that the following changes have occurred since Wabash Valley's 2007 IRP: (1) the addition of capacity requirements of Wabash Valley's pass-through customers located in the Midwest Independent System Operator ("Midwest ISO") of approximately 15 MWs, and (2) increased capacity requirements based on current Midwest ISO and PJM Interconnection, LLC ("PJM") rules for capacity eligibility and reserve margins. Mr. Wilmes explained that Petitioner's capacity need increases approximately 80 MWs in 2009 and 50 MWs during 2011 and beyond. There are approximately 15% reserve requirements for Wabash Valley's load. The Midwest ISO 2008 reserve requirement was 14.3%, and future long term reserve loads will vary. Petitioner's load in PJM requires approximately a 16% reserve.

Mr. Wilmes testified that Wabash Valley will meet its obligations through a combination of existing generation, power contracts, load management, distributed generation, and new supply resources. New resources may be long term purchased power contracts, generating facilities owned by Wabash Valley and/or short term wholesale market purchases. Wabash Valley has continued to diversify its portfolio power resources thereby minimizing the impact of any adverse risk of any single resource.

Mr. Wilmes explained that Wabash Valley's summer resource plan, filed with its 2007 IRP, was based on the assumption that Petitioner will be flexible in adding new resources depending upon the cost and timing of power resources available. The existing resources included in the summer plan include power resources Wabash Valley owns and purchases.

Mr. Wilmes sponsored an exhibit evidencing Wabash Valley's current resource plan excluding the proposed LFG generating facilities. He testified that the power resource changes from Wabash Valley's 2007 IRP are (1) a reduction of approximately 35 MWs capacity and associated energy anticipated from a load following resource due to forecast changes, and (2) exclusion on a capacity base of 150 MWs of firm LD energy purchases based on current capacity rules, (3) the addition of 314 MWs for the Holland Energy combined-cycle station, and (4) the addition of 3 MWs for the Twin Bridges III LFG generating facility.

Mr. Wilmes testified that, pursuant to an updated plan, Wabash Valley has an ongoing need for additional capacity and in 2010 needs approximately 130 MWs of capacity increasing to 190 MWs in 2011, and that beyond 2011 Petitioner's needs continue to grow as existing contracts expire and load grows. The state utility forecasting group also shows a need for additional resources and Wabash Valley's portfolio is consistent with that forecast.

Mr. Wilmes sponsored an exhibit evidencing the cost of resources in Wabash Valley's 2007 IRP compared to LFG generating facilities, which showed that the LFG generating facilities' utilization of landfill gases that would normally be flared results in extremely low cost fuel, and that the low cost fuel allows economic baseload utilization of lower capital cost diesel generators. This results in baseload capacity and energy at costs significantly lower than the IRP baseload alternative.

Ms. Harke testified that Wabash Valley would be financing \$25,300,000 which represents the estimated cost of construction for 15 MWs of LFG generation projects with no contingencies for loan capital term certificates. Ms. Harke sponsored exhibits providing LFG project cost estimates, estimated annual debt service payments, pro forma balance sheets and pro forma income statements (including proposed capital projects and expenses) and a pro forma income statement and balance sheet work papers.

Ms. Harke testified that Petitioner proposes to finance up to 100% of the estimated capital costs related to the LFG generating projects through competitive lenders such as the National Rural Utility Cooperative Finance Corporation ("CFC"), CoBank, or private placement funding. Petitioner is seeking approval to finance up to \$30,000,000 for these projects and intends to sign one or more promissory notes to finance this project for approximately 20 years. The fixed interest rate being offered by CoBank for a twenty-year note is approximately 6.78% as of March 16, 2009. In addition to obtaining a competitive interest rate with CoBank, Petitioner as a member of CoBank will receive patronage capital and other rate discounts that may be available so that the effective interest rate will be less than the stated interest rate on the promissory notes. The same twenty-year rate offered by CFC on March 16, 2009 was 8.10%. Ms. Harke opined that 6.78% interest rate is reasonable given the current interest rate environment.

Ms. Harke testified that Wabash Valley has recently been able to secure 0% interest financing on new LFG generating projects through clean renewable energy bonds initially offered in the Energy Policy Act of 2005. Wabash Valley has financed three LFG generation projects using CREBs financing and that Petitioner will continue to apply for this type of financing. She further testified that there may be financing alternatives available through the federal stimulus bill that will provide grants for renewable energy projects along with state allocated grants for energy projects. Petitioner will make every effort to obtain these low cost funds.

Finally, Ms. Harke testified that under the estimated calculation of interest expense and principal payments the annual debt service payment for all the notes related to these LFG projects of \$25,300,000 would be approximately \$2.3 million based on an interest rate for twenty years of approximately 6.78%. As of July 1, 2004, Wabash Valley is regulated by the Federal

Energy Regulatory Commission ("FERC") and as a result of its FERC-approved tariff, it can collect all costs to maintain the required approved margin level. Further, Petitioner's Indenture of Trust requires a tier of 1.0 or better, and a debt service coverage ratio of 1.15 or better and that these targets will be met according to financial statements. Any capital projects, financings, and long term debt of Petitioner need to meet the requirements of the Trust Indenture and all supplements and notes issued require the authorization from the Trustee, under the Indenture of Trust, and approval by the lender.

**B. OUCC's Evidence.** The OUCC sponsored the testimony of Ronald L. Keen, a Senior Analyst with the Resource Planning, Emerging Technologies and Telecommunications Division, and Jenny A. Sumner, a Utility Analyst in the Electric Division.

Mr. Keen testified that he has reviewed the petition, direct testimony and exhibits submitted by Petitioner in this Cause, testimony and final orders in IURC Cause Numbers 43140, 43469, and 43480; the December 2007 report *Indiana Electricity Projections: The 2007 Forecast* issued by the State Utility Forecasting Group at Purdue University; and toured the existing operation of LFG generating stations at the Twin Bridges site in Danville, Indiana. Mr. Keen further testified that the purpose of his testimony was to address the request for a CPCN and the OUCC's support for this request. He testified that landfill gas generation is in the public interest, as it provides baseload generating capacity and system reliability efficiently and economically, and provides Petitioner's members a renewable energy source consistent with meeting potential future renewable energy portfolio standards.

Mr. Keen testified that Petitioner should not be required to file a quarterly project status report, but should provide reports to the OUCC and Commission every six months once activity on a new facility is initiated. He testified that once Petitioner has examined siting options for a specific plant, completed necessary engineering studies and other documentation, and has made a final decision to initiate construction of an LFG generator facility, it should submit an initial report to the IURC and OUCC with a summary of the project, including nameplate capacity, estimated project timeline with major milestones noted, and an estimated date of first operation. He further testified that each subsequent 6-month report due January 1 and June 1 [sic] should be made for each year while any project remains under construction, reporting progress and significant milestone accomplishments for each project, e.g., when ground is broken on each new facility, significant construction milestones achieved, and when each generator, within a new site, is fully operational.

Mr. Keen recommended that the Commission grant Petitioner's CPCN for the addition of 15 MWs of LFG generation for the next four years, with the option to extend for two additional two-year periods if the entire 15 MWs of LFG generation is not acquired and/or constructed by the expiration of the authorization. He additionally recommended that Petitioner report in accordance with his testimony.

Ms. Sumner testified that the purpose of her testimony was to support Petitioner's request to develop LFG generating facilities. She testified that she reviewed the verified petition, direct testimony, and exhibits submitted by Petitioner and attended the tour of the existing LFG generating station at the Twin Bridges site in Danville, Indiana.

Ms. Sumner testified that LFG generating projects are good for the environment because instead of allowing methane to be released into the environment, landfill methane generation creates energy which can replace the need for generation from fossil fuel. When methane is burned it produces carbon dioxide, which is also a greenhouse gas but is less potent than methane. LFG generation has been identified by several sources as renewable energy. The first federal production tax credit for renewable energy includes landfill gas generation as an eligible source, and LFG generation is eligible for a one-cent per kilowatt credit which was extended by the American Reinvestment and Recovery Act of 2009 for facilities in service on or before December 31, 2013. State Renewable Portfolio Standards ("RPS") allow landfill gas generation to qualify as a renewable energy source. Thirty-three states and the District of Columbia have an RPS that includes landfill gas. Voluntary renewable energy Renewable Energy Credit ("REC") markets include landfill gas.

Ms. Sumner testified that even if Indiana does not mandate renewable energy generation, LFG generation is still a good project because Petitioner's 2007 IRP determined that landfill gas generation has lower average total cost per megawatt hour than alternative baseload generation and can be utilized if a federal RPS is enacted. Ms. Sumner testified that the OUCC recommends that the Commission approve Wabash Valley's request.

## **5. Commission's Discussion and Findings.**

**A. Certificate of Public Convenience and Necessity.** Ind. Code § 8-1-8.5 governs our review of Petitioner's CPCN request. Specifically, Ind. Code § 8-1-8.5-4 provides that in acting upon any petition for the construction, purchase, or lease of any facility for generation of electricity, the Commission must take into account the Petitioner's current potential arrangement with other electric utilities for the interchange of power, pooling of facilities, purchase of power, joint ownership facilities and other methods for providing reliable, efficient, and economical electric service, including refurbishment of existing facilities, conservation, load management, cogeneration and renewable energy sources.

We find that the evidence presented in this cause demonstrates that Wabash Valley has made reasonable efforts in its current and potential arrangements with other electric utilities for the interchange of power, pooling of facilities, purchased power and joint ownership of facilities. Wabash Valley has also implemented other methods for providing reliable, efficient, and economic electric service, including the construction of new facilities, conservation, load management, cogeneration and renewable energy sources. The record evidences that Wabash Valley has considered options available to meet increasing demand for electricity and the need for reliable energy and capacity. The record further evidences that the purchase and/or construction of an additional 15 MWs of LFG generation is a reliable, efficient, and economic means to meet its needs.

Ind. Code § 8-1-8.5-5 sets forth the specific findings the Commission must make to approve and grant the requested CPCN. First, the Commission must make a finding based on the evidence of record as to the best estimate of purchase costs. Second, the Commission must find that the purchase will be consistent with the Petitioner's IRP submitted pursuant to Ind. Code §

8-1-8.5-3(e). Third, the Commission must find that the public convenience and necessity will require the facilities for which the CPCN is requested.

Based on the evidence submitted in this Cause and findings set out in this Order, the Commission finds that the \$25.3 million estimated cost associated with 15 MWs of LFG generating facilities are reasonable and should be approved and are consistent with Wabash Valley's IRP submitted pursuant to Ind. Code § 8-1-8.5-3(e). We therefore find that based on the evidence submitted in this Cause and the findings set out in this Order that the public convenience and necessity will be served by Wabash Valley's acquisition and/or construction of an additional 15 MWs of LFG generation within the next four (4) years, with an option to extend for two (2) additional two-year periods if the entire 15 MWs of LFG generation is not acquired and/or constructed by the expiration of the authorized four-year period. Finally, as outlined in the Petition, Petitioner should provide sixty (60) days written notice to the Commission and OUCC prior to the expiration date of the initial four (4) year period, or the expiration date of the first option period, as applicable.

We note that under Cause No. 42668, Petitioner has 1.8 MWs of capacity approved that has not yet been constructed or acquired. While the original order in Cause 42668 was issued on September 29, 2004, the Commission issued its Supplemental Order in Cause 42668 on December 19, 2007, which extended the duration of the CPCN, by up to six years, for 5 MWs of LFG generation that had not been constructed. Petitioner has since added an additional 3.2 MWs of capacity, leaving the 1.8 MW remainder. Rather than have one project be subject to different timeframes based on the fact that its authorization was granted under two CPCNs with different timeframes, we find that our authority for Petitioner to construct the remaining 1.8 MW of LFG generation granted under Cause 42668 shall be subject to the timeframes specified in this Cause.

We conclude that a CPCN should be granted to Wabash Valley for the acquisition and/or construction of an additional 15 MWs of landfill gas generation pursuant to Ind. Code § 8-1-8.5-4. We also find that the OUCC's recommendation concerning post-order reporting by Petitioner is appropriate, with the exception that such semi-annual reports be filed, under this Cause, by January 1 and July 1. Accordingly, such initial report shall contain a summary of the project, including nameplate capacity, estimated project timeline with major milestones noted, and the estimated date of first operations. Each subsequent 6-month report shall be made for each year while any project remains under construction, with progress and significant milestone accomplishments for each project, such as when ground is broken on each new facility, significant construction milestones and when each generator, within a new site, is fully operational. Petitioner shall also include cost summaries for each project with each report.

The Commission notes its statutory mandate under Ind. Code § 8-1-2.4-3 and commends Petitioner for its pursuit of utilizing landfill methane gas from solid waste disposal facilities as a means of generating electricity. The Commission recognizes that the use of this alternative fuel source conserves valuable natural resources and provides a useful option to the traditional venting and flaring of methane gas into the atmosphere.

**B. Financing Authority.** Ind. Code § 8-1-2-79(a) requires Commission approval of Petitioner's issuance of evidence of indebtedness payable more than one year from its issuance

and Ind. Code § 8-1-2-84(f) requires Commission approval for the encumbrance of a public utility's property. Wabash Valley's petition and evidence have described the nature and purpose of the long term indebtedness for which it requests approval (i.e., the issuance of long term debt not to exceed \$30,000,000 for the acquisition and/or construction of 15 MWs of additional LFG generation).

Wabash Valley's evidence demonstrates that it will have sufficient revenue to timely pay the debt without adversely affecting its credit ratings or violating its financing obligation to lenders. Based on the evidence in the record, we find Wabash Valley's request for financing is in the public interest and reasonable and necessary for the operation of the utility. Based on its response to our June 3, 2009 Docket Entry, we therefore find that Wabash Valley should be authorized to issue up to \$25,300,000 in debt to acquire and/or construct 15 MWs of additional LFG generation and to encumber its property to secure the indebtedness.

**C. Additional Reporting Requirements.** In addition to the reporting described in para. 5A, Wabash Valley shall provide two (2) paper copies and one (1) electronic copy to the Natural Gas Division of the Commission and to the OUCC, within the timeframes prescribed herein, containing the following information:

**(a) Initial Report.** Wabash Valley's initial report due January 31, 2010 shall provide, to the extent such information is known and available, the following:

- (1) Name, title, address, and phone number(s) for primary contact person(s) for the projects;
- (2) LFG quantity consumed and Btu content for the prior year for each LFG facility;
- (3) The information listed under (b) hereof, to the extent such information is available.

**(b) Subsequent Reports.** Petitioner's subsequent reports shall be filed annually by January 31, and include the following:

- (1) Any changes of the information provided in the initial report.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:**

1. Petitioner Wabash Valley Power Association, Inc. shall be and is hereby issued a Certificate of Public Convenience and Necessity to acquire and/or construct up to 15 MWs of additional landfill gas generation within the next four (4) years from the date of this Order.

2. Petitioner shall have an option to extend the CPCN for two (2) additional two (2) year periods if the entire 15 MWs of LFG generation is not acquired and/or constructed in the

initial four-year period. Petitioner shall provide sixty (60) days written notice to the Commission and OUCC prior to the expiration date of the initial four (4) year period, or the expiration date of the first option period, as applicable.

3. Petitioner shall file an initial report of each project, under this Cause, commencing on the construction of each project and subsequently provide progress reports by January 1 and July 1 in the years during which project construction is underway. In addition, Petitioner shall file an annual report that itemizes LFG usage at each facility, as described in Para. 5(C).

4. Petitioner is authorized to issue long term debt and execute notes as evidence of indebtedness up to \$25,300,000 and to encumber its property to secure payment of the indebtedness.

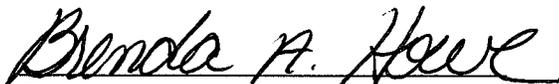
5. All confidential information filed under seal by Petitioner in this Cause shall continue to be treated by the Commission as confidential and not subject to public disclosure.

6. Order shall be effective on and after the date of its approval.

**HARDY, GOLC, LANDIS AND ZIEGNER CONCUR:**

APPROVED: JUN 1 0 2009

I hereby certify that the above is a true and correct copy of the Order as approved.



Brenda A. Howe  
Secretary to the Commission