

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION AND COMPLAINT OF KENTUCKY	)	
POWER COMPANY FOR A DECLARATION OF	)	
ITS EXCLUSIVE RIGHT PURSUANT TO KRS	)	
278.018(1) TO SERVE THOSE PORTIONS OF	)	CASE NO.
THE SAND GAP ESTATES IN GREENUP	)	2012-00224
COUNTY, KENTUCKY LYING WITHIN ITS	)	
CERTIFIED TERRITORY IN LIEU OF	)	
GRAYSON RURAL ELECTRIC COOPERATIVE	)	
CORPORATION	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

Grayson Rural Electric Cooperative Corporation ("Grayson RECC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due by December 5, 2012. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Grayson RECC shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Grayson RECC fails or refuses to furnish all or part of the requested information, Grayson RECC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. In its Complaint at Item No. 6, Kentucky Power Company ("Kentucky Power") alleges that four residences have been constructed in or near the disputed area since 2006.

a. Is Grayson RECC currently serving all four of these residences?

b. How did Grayson RECC determine that it was appropriate to provide service to the residence located at 14 Sand Gap Road, Argilite, Kentucky?

c. How did Grayson RECC determine that it was appropriate to provide service to the residence located at 397 Olivia Boulevard, Argilite, Kentucky?

2. Refer to Kentucky Power's Complaint, page 1, wherein it alleges the following:

(a) declaring that Grayson Electric Cooperative Corporation ("Grayson") is providing electric service in violation of KRS 278.018(1) to two residences located at 14 Sand Gap Road and 397 Olivia Boulevard in Sand Gap Estates in Greenup

County, Kentucky lying west of ICY 67 (Industrial Parkway)  
and off of the old mining road . . . .

In Item No. 9 of Kentucky Power's Complaint, it alleges that the residence within Kentucky Power's certified territory is "414 Sand Gap Road, Argilite, Kentucky."

a. What is the correct address of the Sand Gap Road property where Kentucky Power alleges Grayson RECC is currently providing electric service?

b. Is the residence located at Sand Gap Road, Argilite, Kentucky in Kentucky Power's certified territory?

c. Is the residence located at 397 Olivia Boulevard, Argilite, Kentucky located in Kentucky Power's certified territory?

d. Are the only service disputes concerning the two residences identified and alleged in Item No. 12 of Kentucky Power's Complaint 414 Sand Gap Road and 397 Olivia Boulevard, Argilite, Kentucky?

3. Refer to Kentucky Power's Complaint, page 5, Item No. 15. It alleges, "Grayson's distribution facilities in the area interfere with Kentucky Power's ability to provide retail electric distribution service to the residences in its service territory. Kentucky Power has offered to purchase the distribution facilities being used by Grayson to provide service to the two residences but Grayson has declined the offer."

a. Did Kentucky Power offer to purchase the distribution facilities as alleged?

b. If the response to the above is yes, was the offer to purchase declined? If an offer was declined by Grayson RECC, explain why.

c. If Kentucky Power offered to purchase the distribution facilities, was the consideration offered by Kentucky Power equivalent to Grayson RECC's investment in the facilities?

d. What was the original construction cost for the distribution facilities used to provide service to the 414 Sand Gap Road and 397 Olivia Boulevard, Argilite, Kentucky addresses?

4. Kentucky Power alleges, in Item No. 17 of its Complaint, that Grayson RECC should not be permitted to benefit from its knowing and willful violation of the law and that KRS 278.990(1) makes such violation a penal offense. Kentucky Power further alleges that it is entitled to recover the amounts charged by Grayson RECC in willful violation of the law.

a. What is the amount charged by Grayson RECC for service to the 414 Sand Gap Road, Argilite, Kentucky address since it began providing service to that address?

b. What is the amount charged by Grayson RECC for service to the 397 Olivia Boulevard, Argilite, Kentucky address since it began providing service to that address?

5. Refer to Grayson RECC's Answer, filed July 2, 2012. At Item No. 2, the Answer states: "[T]he CO-OP states that the Complaint of Kentucky Power should be denied based upon an accord reached between Kentucky Power and Grayson several years ago allowing CO-OP to supply retail electric service to the two entities complained of in the Complaint."

a. Explain the “accord reached” between Kentucky Power and Grayson RECC.

b. If the “accord reached” between Kentucky Power and Grayson RECC has been reduced to writing, provide a copy of such document or documents.

6. Refer to Grayson RECC’s Answer to Kentucky Power’s Complaint, Item No. 4. It states: “CO-OP further states that there are other service territories in and around Grayson, Kentucky, namely Valley View Subdivision in which Kentucky Power serves residential customers located within the certified service territory of CO-OP . . . .”

a. Identify the addresses of the residential customers in Valley View Subdivision that Grayson RECC alleges are in its certified territory but which it further alleges are served by Kentucky Power.

b. Identify any “other service territories in and around Grayson Kentucky” which Grayson RECC alleges are in its certified territory but which are supplied electric service by Kentucky Power.

7. Identify all prior instances of certified boundary disputes between Grayson RECC and Kentucky Power and the resolution of those disputes.

8. Identify how Grayson RECC determines that a potential new customer is within its certified territory.

9. Identify, on a map, the location of Grayson RECC’s distribution lines in relation to the distribution lines of Kentucky Power in the area near 414 Sand Gap Road and 397 Olivia Boulevard, Argilite, Kentucky.

10. Identify whether Kentucky Power or Grayson RECC was first furnishing retail electric service and the initial date such electric service was provided to the area near:

- a. 414 Sand Gap Road, Argilite, Kentucky; and
- b. 397 Olivia Boulevard, Argilite, Kentucky.

11. Refer to KRS 278.017(3). For subsections (a), (b), (c), and (d), identify and explain how these provisions apply to Grayson RECC.

12. Refer to the map in the Appendix.


- a. Does Grayson RECC have a copy of this map?
- b. Does Grayson RECC have any more recent updates to this map, signed by both Kentucky Power and Grayson RECC that attempt to define the service territory boundaries in the area of Sand Gap Estates? If the answer is yes, include copies of the documents.

13. Does Grayson RECC use Geographic Information Systems (GIS)? If so, when did Grayson RECC acquire that capability?

14. Are there maps or legal descriptions filed in any of the public government agencies in Greenup County for the plans or construction of Sand Gap Estates? If so, for each document or map:

- a. Submit a copy; and
- b. Describe what agency from which it was acquired, and the date filed with the agency.

15. Refer to Item No. 14 of Kentucky Power's Complaint. Has the "old mining road" been disturbed, changed, or moved since 1982, either by mining activities or the construction of KY 67?



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Jeff Derouen  
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Public Service Commission  
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DATED NOV 16 2012

cc: Parties of Record

Case No. 2012-00224

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00224 DATED **NOV 16 2012**



APPENDIX A  
CONTAINS  
LARGE OR OVERSIZED  
MAP(S)

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