

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR AUTHORIZATION OF)	CASE NO.
CHANGES IN SERVICE TERRITORY WITH)	2013-00368
BLUE GRASS ENERGY)	

ORDER

On October 7, 2013, Kentucky Utilities Company (“Kentucky Utilities”) applied to the Public Service Commission (“Commission”) for approval of an undated agreement between Kentucky Utilities and Blue Grass Energy Cooperative Corporation¹ (“Blue Grass Energy”) to change the service territory boundary concerning one parcel of land owned by Kendra Curtis at 112 Trotter Way, Wilmore, Kentucky (“Agreement”). This parcel is currently split by the two utilities, with Kentucky Utilities serving the existing house and Blue Grass Energy having the territorial right to serve a new barn on the back of the parcel.

Kentucky Utilities included with the application a copy of the Agreement. Attached to the Agreement is a plat signed as of September 18, 2013, by Tom Appel, Group Leader, Engineering, Kentucky Utilities, and Tony Smith, Manager, Field Engineering, Blue Grass Energy. Also attached to the Agreement is a 1982 copy of the U.S. Geological Survey map of the Keene quadrangle with territory boundaries previously signed by representatives of Kentucky Utilities, Blue Grass Energy, and Fox

¹ Blue Grass Energy Cooperative Corporation is identified as Blue Grass Energy in the Agreement.

Creek Rural Electric Cooperative Corporation.² The 1982 copy of the U.S. Geological Survey map is superimposed with the boundary change for the Curtis property and the boundary line revision is signed as of September 18, 2013, by Mr. Appel and Mr. Smith.

The line identified as the existing territorial boundary line on the plat and its coordinates did not coincide with the territorial boundary line on file with the Commission. After notification of the discrepancies in the maps, Kentucky Utilities filed an updated and revised plat and map on November 26, 2013. The revised plat was signed as of November 7, 2013, by Mr. Appel and Chris Brewer, Vice President, Power Delivery, Blue Grass Energy. A copy of the U.S. Geological Survey map of the Keene quadrangle with territory boundaries revised in 1992 as part of Case No. 92-543³ was superimposed with the boundary change for the Curtis property. Mr. Appel and Mr. Brewer signed the boundary line revision as of November 7, 2013.

Kentucky Utilities maintains that the requested territorial boundary change serves the purpose of KRS 278.016 by avoiding the unnecessary encumbering of the landscape and minimizing disputes between retail electric suppliers. Kentucky Utilities further asserts the boundary change is necessary for the public convenience and necessity.

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

² Fox Creek Rural Electric Cooperative Corporation consolidated with, and its service territory is now a part of, Blue Grass Energy. See Case No. 97-424, *The Application of Blue Grass Rural Electric Cooperative Corporation and Fox Creek Rural Electric Cooperative Corporation for an Order Approving Consolidation of the Two (2) Named Rural Electric Cooperatives* (Ky. PSC Dec. 12, 1997).

³ Case No. 92-543, *Application of Kentucky Utilities Company for Authorization of Changes in Service Territory with Louisville Gas and Electric Company and the Rural Electric Cooperative Corporations Herein Named* (Ky. PSC filed Dec. 8, 1992).

1. The proposed boundary change does not affect any other portion of Kentucky Utilities' or Blue Grass Energy's certified territory.

2. The proposed boundary change promotes the orderly development of retail electric service; prevents wasteful duplication of facilities; avoids unnecessary encumbering of the landscape; minimizes disputes between Blue Grass Energy and Kentucky Utilities that would result in inconvenience, diminished efficiency, and higher costs in serving customers; and provides adequate and reasonable service to all affected areas.

3. The proposed boundary change promotes the purposes of KRS 278.016 and will provide adequate and reasonable service to the area and consumer that it affects.

4. Good cause exists to grant Kentucky Utilities' request for a deviation from 807 KAR 5:001, Section 7(1), concerning the filing of ten copies of the complete set of maps.

IT IS THEREFORE ORDERED that:

1. Kentucky Utilities is granted a deviation from 807 KAR 5:001, Section 7(1), to submit less than ten copies of the complete set of maps.

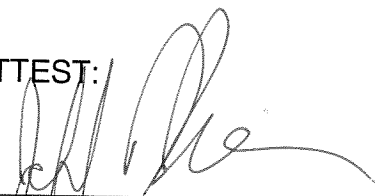
2. The Agreement between Kentucky Utilities and Blue Grass Energy for Blue Grass Energy to relinquish part of parcel #7 (112 Trotter Way, Wilmore, Kentucky) where a barn has been built is approved.

3. All other certified territorial boundaries between Kentucky Utilities and Blue Grass Energy remain unchanged.

By the Commission

ENTERED
DEC 16 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Chris Brewer, PE
Vice President of Engineering
Blue Grass Energy Cooperative Corp.
1201 Lexington Road
P. O. Box 990
Nicholasville, KY 40340-0990

Marty J Reinert
Sr. Regulatory Analyst
LG&E and KU Services Company
220 West Main Street
Louisville, KENTUCKY 40202

Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Services Company
220 West Main Street
Louisville, KENTUCKY 40202