

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A PROPOSED ELECTRIC SERVICE)	
AGREEMENT BETWEEN FARMERS RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO. 92-305
AND TRI-COUNTY ELECTRIC MEMBERSHIP)	
CORPORATION)	

O R D E R

On July 20, 1992, Farmers Rural Electric Cooperative Corporation ("Farmers") filed for the Commission's approval an Electric Service Agreement ("Agreement") between itself and Tri-County Electric Membership Corporation ("Tri-County"). Farmers and Tri-County provide retail electric service in Metcalfe County, Kentucky, as well as other counties, in adjoining service territories as established pursuant to KRS 278.016 - 278.018. The Agreement would permit Tri-County to provide service to a site, chosen by the Metcalfe County Board of Education for construction of a new high school, which is located in the service territories of both Farmers and Tri-County.

FINDINGS AND ORDERS

The Commission, based on the evidence and being sufficiently advised, finds that:

1. Farmers and Tri-County have agreed that Tri-County shall provide retail service to the site chosen by the Metcalfe County Board of Education for a new high school building and related facilities.

2. The Agreement is in conformance with KRS 278.018(b) which allows a retail electric supplier to contract with another retail electric supplier for the purpose of allocating territories and consumers between the suppliers and designating which territories and consumers are to be served by which supplier.

3. The Agreement does not conflict with KRS 278.016 since it will not result in wasteful duplication of distribution facilities, unnecessary encumbering of the landscape, or waste of materials and natural resources, and will minimize disputes between the two suppliers which could result in inconvenience, diminished efficiency, or higher costs for the consumer. Thus, the Agreement is in the public interest and should be approved.


IT IS THEREFORE ORDERED that:

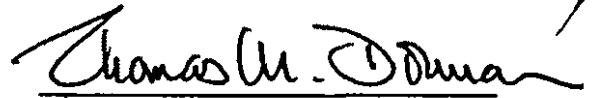
1. The Agreement between Farmers and Tri-County be and it hereby is approved effective with the date of this Order.

2. Within 20 days of the date of this Order, Farmers and Tri-County shall sign and file a new certified territorial boundary map for the Summer Shade, Kentucky, quadrangle.

Done at Frankfort, Kentucky, this 4th day of September, 1992.

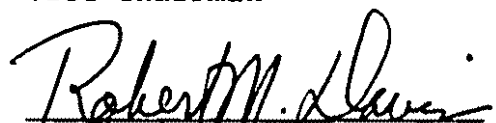
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner