COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. FOR AUTHORIZATION)	
OF CHANGES IN SERVICE TERRITORY)	CASE NO.
WITH KENTUCKY UTILITIES COMPANY,)	2014-00224
SPECIFICALLY OLD MILL VILLAGE AND)	
ROLLING RIDGE SUBDIVISIONS)	

ORDER

On July 18, 2014, Shelby Energy Cooperative, Inc. ("Shelby Energy") filed an application, pursuant to KRS 278.018(6), for approval of an agreement with Kentucky Utilities Company ("KU") to change the certified territorial boundary for the Old Mill Village Subdivision in Shelbyville, Shelby County, Kentucky, and the certified territorial boundary for the Rolling Ridge Subdivision in Simpsonville, Shelby County, Kentucky. On August 21, 2014, KU submitted a letter indicating that it had worked with Shelby Energy to verify the facts of the instant application and stating that it supports the proffered agreement. An informal conference was conducted on November 14, 2014, in which Commission Staff met with representatives of Shelby Energy and KU to discuss differences between the certified territory boundary lines on file with the Commission and the purported current service territory boundary lines depicted in certain exhibits to the application. On December 12, 2014, Shelby Energy filed revised Exhibit 3 and revised Exhibit 5 to the Application. Revised Exhibit 3 is a map signed by Shelby Energy and KU describing the amended boundary changes for the Old Mill Village/Glenview Area Subdivision. Revised Exhibit 3 includes the proposed boundary changes set forth in the application and boundary changes arising from an agreement dated February 12, 1976. The 1976 agreement boundary changes are referenced on the Shelbyville Quadrangle USGS Topo map, but are not reflected on the certified territorial boundary map on file with the Commission. Revised Exhibit 5 to the Application is a map signed by Shelby Energy and KU describing the amended boundary changes for the Rolling Ridge Subdivision. Revised Exhibit 5 includes the proposed boundary changes set forth in the application and boundary changes arising from an agreement dated October 18, 1988. The 1988 agreement boundary changes are referenced on the Simpsonville Quadrangle USGS Topo map, but are not reflected on the certified territorial boundary map on file with the Commission.

KRS 278.018(6) allows a retail electric supplier to contract with another retail electric supplier, subject to Commission approval, for the purpose of allocating consumers between such retail electric suppliers and designating which territories and consumers are to be served by which of said retail electric suppliers.

The proposed territorial changes will realign Shelby Energy's and KU's abutting certified territory boundaries. Shelby Energy states that no customers will be affected by the proposed changes, nor will the proposed changes require any new or amended franchises or permits.

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that the proposed territorial boundary changes promote the purposes of KRS 278.016 by preventing wasteful duplication of facilities, avoiding unnecessarily encumbering the landscape, minimizing disputes between Shelby Energy and KU, and

enabling the provision of adequate and reasonable service to all affected areas and consumers.

IT IS THEREFORE ORDERED that:

- The boundary changes agreed upon by Shelby Energy and KU for the Old
 Mill Village Subdivision, Shelbyville, Shelby County, Kentucky, are approved.
- 2. The boundary changes agreed upon by Shelby Energy and KU for the Rolling Ridge Subdivision in Simpsonville, Shelby County, Kentucky, are approved.
- 3. A copy of the Revised Territory Revision Line Old Mill Village/Glenview Area map, attached as Appendix A to this Order and reflecting the agreed-upon amended territorial boundary and February 12, 1976 agreement, shall be attached to the Commission's official territorial boundary map identified as Shelbyville Quadrangle USGS Topo Map.
- 4. A copy of the Revised Territory Revision Line Rolling Ridge map, attached as Appendix B to this Order and reflecting the agreed-upon amended territory boundary and October 18, 1988 agreement, shall be attached to the Commission's official territorial boundary map identified as Simpsonville Quadrangle USGS Topo Map.

By the Commission

ENTERED

JAN 23 2015

KENTUCKY PUBLIC SERVICE COMMISSION

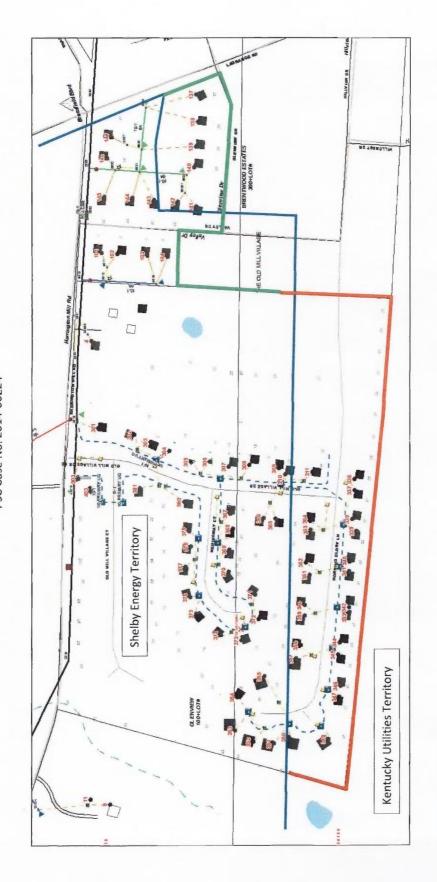
ATTEST:

Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00224 JAN 2 3 2015

Revised Territory Revision Line Old Mill Village/Glenview Area PSC Case No. 2014-00224



Existing PSC Line:New BoundaryTerritorial Boundary (2-12-76 Agreement)

Signed By:

Company: $\mathcal{K}.\mathcal{U}, \stackrel{\ell_{\Phi}}{\longrightarrow}$

Date: 12.4.2014

13-10-14

Shelby Energy

APPENDIX B

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00224 JAN 2 3 2015

4102.41.21 Date: 13-10-14 Company: K. U. Co. Shelby Energy Signed By: PSC Case No. 2014-00224 Rolling Ridge Kentucky Utilities Territory PHASE 3 Shelby Energy Territory -Territorial Boundary (10-18-88 Agreement) -Existing PSC Line: -New Boundary

Revised Territory Revision Line

Paula McClain Mathis, Riggs & Prather, P.S.C. Attorneys at Law 500 Main Street Suite 5 Shelbyville, KENTUCKY 40065

Honorable Donald T Prather Mathis, Riggs & Prather, P.S.C. Attorneys at Law 500 Main Street Suite 5 Shelbyville, KENTUCKY 40065