Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

January 31, 2014

David L. Armstrong Chairman

James W. Gardner Vice Chairman

> Linda Breathitt Commissioner

PARTIES OF RECORD

Re: Case No. 2013-00335 Jackson Purchase Energy Corporation and West Kentucky Rural Electric Cooperative Corporation Request for Approval of Revised Boundary Lines

The enclosed correspondence from G. Kelly Nuckols has been filed in the record of the above-referenced case. Any comments regarding the content should be submitted to the Commission within five days of receipt of this letter. Any questions regarding the correspondence should be directed to Ann Ramser, Staff Attorney, at (502) 782-2585.

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Enclosures

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Jackson Purchase Energy P.O. Box 4030 • 2900 Irvin Cobh Drive Paducah, KY 42002-4030 270.442.7321 • 800.633.4044

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January 28, 2014

Ms. Ann Ramser, Staff Attorney Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

RE: Case No. 2013-00335

Dear Ms. Ramser:

As a follow-up to your email, JPEC makes the following response.

The maps as submitted to the Kentucky Public Service Commission in the above referenced case are the end product of a mutual cooperative effort by JPEC and West Kentucky RECC. Various maps were modified by the management teams of both parties. Upon final agreement by both management teams the maps were submitted to both JPEC's and West Kentucky RECC's board of directors. Upon review and approval by both board of directors the maps were then submitted the Commission.

The revisions of the maps as proposed by management and approved by the board of directors were undertaken with three (3) basic objections:

First, the Symsonia quadrangle was modified to reflect the revision in the service provider for C.B. Goodman & Sons Lumber Mill. The corresponding agreement as executed by Goodman Lumber, JPEC and West Kentucky RECC has previously been submitted to the Commission in this case.

Second, a goal to eliminate the division or splitting of parcels was established where practical. With the use of new GIS technology and the official records of the county PVA offices a better accuracy could be obtained than the 1972 paper based maps. The new boundary line could not be a nice straight line; but instead, the new boundary line would have many turns and offsets. The new line is easily handled by the electronic GIS maps.

Third, the maps and boundary line should reflect which utility was the actual service provider. Over the course of years, in excess of forty years, through mutual agreement, each utility was serving members in the other utilities defined service area. The member may have been closer to one utility than the other and to save both the member and utility expense, the closer utility would provide the service – with the consultation and consent of the other utility.

I must emphasis, no members, with the exception of Goodman Lumber, has changed service providers. The member/owners are probably unaware of the boundary line change.



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In regard to your questions, the notes as shown on the Hickory quadrangle were inserted to emphasis that in this particular instance, the second goal could not be met. The parcel was large and services existed for both utilities. JPEC provided service to existing members in the northern portion, while West Kentucky RECC provided service to members in the southern portion. The note was inserted, such that in the future, all parties would know this was a split parcel.

In relation to the Briensburg quadrangle, the parcel referenced by the note is the location of the Marshall County Board of Education complex. When the original 1972 boundary line was drawn, there was a simple single rectangular notch for the high school building. As the Board of Education has expanded the complex to include, central administrative office, bus fueling farm, bus maintenance facility and athletic fields the service to the high school and the above listed facilities is now provided by a single primary meter as provided by West Kentucky RECC. The revised line now reflects the area that could be served by the primary meter, exclusive of the vocational school as provided by JPEC.

All parties are in agreement that the boundary lines as submitted serves the members of both utilities fairly. The line should provide a basis for another 40 years.

If you need any additional information, please call 270-441-0851 or email me at <u>kelly.nuckols@jpenergy.com</u>.

Sincerely

G. Kelly Nuckols President & CEO

Enclosure



