

Dr. Talina R. Mathews, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

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OCT 3 2016

PUBLIC SERVICE · COMMISSION

LG&E and KU Energy LLC

State Regulation and Rates 220 West Main Street PO Box 32010 Louisville, Kentucky 40232 www.lge-ku.com

Rick E. Lovekamp Manager Regulatory Affairs/Tariffs T 502-627-3780 rick.lovekamp@lge-ku.com

October 3, 2016

RE: APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORY WITH SHELBY ENERGY COOPERATIVE, INC. Case No. 2016-00358

Dear Dr. Mathews:

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") are herewith filing the original and ten copies of an Application for authorization of changes in certified service territory, as agreed to between LG&E, KU, and Shelby Energy Cooperative, Inc.

In the Application, LG&E and KU request permission to file only two complete set of maps due to their size.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Contrang

Rick E. Lovekamp

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COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORY WITH SHELBY ENERGY COOPERATIVE

CASE NO. 2016 - 00358

APPLICATION

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (jointly, the "Companies"), pursuant to KRS 278.018(6) and 807 KAR 5:001, Section 14, hereby apply for approval of changes in their certified service territories as agreed with Shelby Energy Cooperative ("Shelby Energy").

1. The full name and mailing address of KU is: Kentucky Utilities Company, One Quality Street, Lexington, Kentucky 40507. KU's mailing address is Kentucky Utilities Company c/o Louisville Gas and Electric Company, 220 West Main Street, Post Office Box 32010, Louisville, Kentucky 40202.

The full name and mailing address of LG&E is: Louisville Gas and Electric Company, Post Office Box 32010, 220 West Main Street, Louisville, Kentucky 40202.

LG&E and KU may be reached by electronic mail at the electronic mail addresses of its counsel set forth below.

2. KU is incorporated in the Commonwealth of Kentucky and the Commonwealth of Virginia and KU attests that it is in good corporate standing in both states. KU was incorporated in Kentucky on August 17, 1912, and in Virginia on November 26, 1991.

LG&E is incorporated in the Commonwealth of Kentucky and LG&E attests that it is in good corporate standing. LG&E was incorporated in Kentucky on July 2, 1913.

3. KU is a public utility, as defined in KRS 278.010(3)(a), engaged in the electric business. KU generates and purchases electricity, and distributes and sells electricity at retail in the following counties in Central, Northern, Southeastern, and Western Kentucky:

Adair	Edmonson	Jessamine	Ohio
Anderson	Estill	Knox	Oldham
Ballard	Fayette	Larue	Owen
Barren	Fleming	Laurel	Pendleton
Bath	Franklin	Lee	Pulaski
Bell	Fulton	Lincoln	Robertson
Bourbon	Gallatin	Livingston	Rockcastle
Boyle	Garrard	Lyon	Rowan
Bracken	Grant	Madison	Russell
Bullitt	Grayson	Marion	Scott
Caldwell	Green	Mason	Shelby
Campbell	Hardin	McCracken	Spencer
Carlisle	Harlan	McCreary	Taylor
Carroll	Harrison	McLean	Trimble
Casey	Hart	Mercer	Union
Christian	Henderson	Montgomery	Washington
Clark	Henry	Muhlenberg	Webster

Clay	Hickman	Nelson	Whitley
Crittenden	Hopkins	Nicholas	Woodford

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4. LG&E is a public utility, as defined in KRS 278.010(3)(a), engaged in the electric and gas business. LG&E generates and purchases electricity, and distributes and sells electricity at retail in Jefferson County and portions of Bullitt, Hardin, Henry, Meade, Oldham, Shelby, Spencer, and Trimble Counties. LG&E also purchases, stores and transports natural gas and distributes and sells natural gas at retail in Jefferson County and portions of Barren, Bullitt, Green, Hardin, Hart, Henry, Larue, Marion, Meade, Metcalfe, Nelson, Oldham, Shelby, Spencer, Trimble, and Washington Counties.

5. Description of Changes in Service Territory: LG&E, KU and Shelby Energy have individually agreed to the requested territorial changes, which for existing customers, reflect their current utility service provider and which service will not change. The territorial boundary changes requested involve two separate parcels of land both located on Fisherville Quadrant 27-E-1. The first includes the Estates of Notting Hill Subdivision in Shelby County Kentucky with service to be provided by LG&E for the entire subdivision. The second includes the Shelby Woods Subdivision, 973 Pounds Lane and a portion of 981 Pounds Lane (Whitaker properties), all residing along the Jefferson County/Shelby County lines with service to be provided by Shelby Energy. This requested change will serve the purposes of KRS 278.016 by avoiding the unnecessary encumbering of the landscape and the duplication of facilities, as well as minimizing disputes between retail electric suppliers. The requested change also corrects territorial lines to reflect existing services and promotes the orderly development of retail electric service. The territorial maps and attachments provided constitute the entire agreement between LG&E, KU and Shelby Energy.

5. <u>Agreement and Maps</u>: Attached as Application Exhibit 1 of this filing includes the summary list identifying LG&E, KU and Shelby Energy personnel familiar with the specifics of the facilities available, the reason for the change and purposes served under KRS 278.016, and copies of the territorial (quadrant) map, detail map, and agreement signed by all parties for the property involved.

WHEREFORE, the Companies hereby request, pursuant to KRS 278.018, that the Commission enter its order approving the service territory changes and Agreements allocating these electric consumers as agreed to by the parties. Due to the voluminous nature of the maps, LG&E and KU request the Commission to deviate from 807 KAR 5:001, Section 7 and permit the Companies to file only two complete set of maps.

Dated: October 3, 2016

Respectfully submitted,

Sara Veeneman Corporate Attorney LG&E and KU Services Company 220 West Main Street Louisville, Kentucky 40202 502-627-4850 Sara.Veeneman@lge-ku.com

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Application was served on the following on this 3rd day of October, 2016, U.S. mail, postage prepaid:

Mr. Jason Ginn Vice President Operations and Engineering Shelby Energy Cooperative 620 Old Finchville Road Shelbyville, KY 40065 502-633-4420

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Sara Veeneman Corporate Attorney LG&E and KU Services Company 220 West Main Street Louisville, Kentucky 40202 502-627-4850 sara.veeneman@lge-ku.com

APPLICATION EXHIBIT 1

• TERRITORIAL BOUNDARY CHANGES

MAPS & AGREEMENTS

TERRITORIAL CHANGE INFORMATION

(10/98)

Affected Property: NotTING HILL & SHELBY Wasts SUBDIVISIONS & POUNDS LANG SHELRY ENERGY COOPERATIVE Foreign Utility: 1-E. **Ouadrant Map:** 2016 (date of last signature) Agreement Date: 1. Utility signed copies of quadrant (Key) map showing revised territorial line with a note referencing the property/customer, and date of the territorial agreement. (1 mylar copy and 1 paper copy required for filing) Utility signed copies of site map (Plat) and/or territorial agreement 2. showing original and revised territorial boundary. (1 mylar copy and 1 paper copy needed for filing) The map must include coordinates accurate to within 3 meters for at least four points on the territorial line. It is preferable that these points include the beginning and ending points of the change. We also must provide the coordinate system used: This will be utilizing Global Positioning System (GPS) with the coordinates based upon WGS84. 3. Copies of all written agreements (1 needed - not original). 4. Name of employee who would serve as KUDs witness if a hearing is required: MR. HENRY FORD 5. Name and mailing address of the foreign utility, and the name and title their official, who is to receive the Commission stamped quadrant map: JASON GINN - VICE PRESIDENT OPERATIONS & ENGINEERING 620 010 FINCHVILLE R.D. SHELGYVILLE, KY 40065 6. The reason(s) for the boundary change (realignment with lot/property lines, closest utility (give details), it is the least cost of providing service to the customer (s), etc.): REALIENMENT WITH LUT PROPERTY LINES TO THE CLOSEST UTILITY BALANCING THE SERVICES BETWEEN THE THE THE UTILITIES. 7. How does this boundary change promote the purposes of KRS 278.016? (check all that apply) Promotes the orderly development of retail electric service Avoids wasteful duplication of facilities Avoids unnecessary encumbering of the landscape Prevents waste of materials and natural resources Is necessary for the public convenience and necessity Minimizes disputes between retail electric suppliers which may X result in inconvenience, diminished efficiency, and higher cost to the consumer 8. Will any retail customer change electric supplier as the result of this boundary change? No (Check this if no retail customers were receiving service X in affected territory prior to the boundary change.) (If yes, provide the information on Attachment 1 for each customer affected. Yes





AGREEMENT

Louisville Gas & Electric Company (LG&E), Kentucky Utilities Company (KU) and Shelby Energy Cooperative Inc (Shelby) hereby agree that LG&E will serve lots 1 - 9 (future development) within the Estates of Notting Hill Subdivision Phase II in Shelby County, Kentucky. LG&E currently provides electric service to all existing lots within Notting Hill.

Shelby will serve lots 1 - 9 on Pounds Lane (Shelby Woods Subdivision) as well as the address at 981 Pounds Lane and a portion of 973 Pounds Lane, all located in Jefferson County Kentucky. Shelby currently provides electric service to each of these Jefferson County lots. LG&E will be responsible for notifying the Public Service Commission of this boundary change.

Shelby Energy Cooperative Inc. By Title Date

Kentucky Utilities Company 0 Bv anager Derations Title Date

Louisville Gas & Elect/ric Company Title Date