

OCT 24 2016

Public Service
Commission

COMMONWEALTH OF KENTUCKY
KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF GRAYSON RURAL ELECTRIC)	
COOPERATIVE COPORATION FOR APPROVAL)	CASE NO.
OF AN AGREEMENT WITH KENTUCKY POWER)	
COMPANY FOR DEVIATION OF CERTIFIED)	2016- <u>00374</u>
TERRITORIAL MAPS ON FILE WITH THE PSC)	

 APPLICATION

Comes now Grayson Rural Electric Cooperative Corporation (Grayson) and for its application for approval of an agreement with Kentucky Power to deviate from the certified territorial map states as follows:

1. The applicant is a rural electric distribution cooperative corporation existing under the laws of the Commonwealth of Kentucky with its Articles of Incorporation previously on file with the Commission. Grayson is currently in good standing with the Kentucky Secretary of State's office.
2. Grayson maintains its offices at 109 Bagby Park, Grayson, Kentucky, 41143.
3. The electronic mailing address of the applicant is c/o Carol Fraley at carol.fraley@graysonrecc.com and Bradley Cherry at bradley.cherry@graysonrecc.com and the undersigned legal counsel for Grayson electronic mailing address is wjscott@windstream.net.
4. The applicant seeks approval of a modification in the certified service territory of its service and of Kentucky Power Company pursuant to KRS 278.018(6).

5. The applicant and Kentucky Power have each agreed to the requested territorial change with respect to a residence at 725 Cole Road, Olive Hill, Kentucky, 41164, as evidenced by the Agreement attached hereto dated September 23, 2016, and denominated as Exhibit 1 to this application for Kentucky Power to continue to serve the location irrespective of its location being within the certified territory of Grayson as shown on the territorial maps on file with the Kentucky Public Service Commission.
6. The 725 Cole Road address is currently located within the certified territory of Grayson.
7. Service of the residence at 725 Cole Road by Grayson would work an undue financial burden upon Grayson as a result of the nature of the terrain to be traversed for installation of a line of approximately 3,500 feet.
8. As set forth in the attached Exhibit 1, Kentucky Power has been serving the 725 Cole Road residence.
9. The providing of service by Kentucky Power would be in the best interest of the members of Grayson, the customer, Debra Lemaster, for her residence at 725 Cole Road, and Kentucky Power that the attached Agreement be adopted by the Commission so that Kentucky Power may continue to serve the location of 725 Cole Road, Olive Hill, Kentucky.

WHEREFORE, Grayson prays for the entry of the appropriate order adopting the attached agreement as an amendment to the certified territorial map, and all other relief to which it may appear to be entitled.

RESPECTFULLY SUBMITTED,

W. JEFFREY SCOTT, P.S.C.

BY:



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P.O. BOX 608
GRAYSON, KY 41143
(606) 474-5194 PHONE
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wjscott@windstream.net

AGREEMENT

This Agreement made and entered into this 23rd day of September, 2016, by and between **Grayson Rural Electric Cooperative Corporation**, hereinafter referred to as "**GRAYSON**" and **Kentucky Power Company**, a subsidiary of American Electric Power Company, Inc., hereinafter referred to as "**KENTUCKY POWER**";

WHEREAS, GRAYSON and KENTUCKY POWER are regulated utilities under the jurisdiction of the Kentucky Public Service Commission; and

WHEREAS, GRAYSON and KENTUCKY POWER provide electric distribution services to locales and electric consuming facilities in said locals in accordance with territorial maps on file with the Kentucky Public Service Commission, hereinafter "**PSC**"; and

WHEREAS, the residence of Debra Lemaster, 725 Cole Road, Olive Hill, Kentucky 41164, is located within the territorial jurisdiction of **GRAYSON** in accordance with the **PSC** map; and

WHEREAS, KENTUCKY POWER has been serving said residence address without knowledge that the residence is in Grayson's territory; and

WHEREAS, the provision of service at said location by **GRAYSON** would require extending a distribution line approximately 3,500 feet through treacherous terrain; and

WHEREAS, the parties have reached an agreement concerning the provisions of distribution electric service to said address under the terms and conditions hereinafter set forth,

NOW, THEREFORE, in consideration of all of the foregoing and in consideration of the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. The parties recognize the joint obligation to provide retail electric service to consumers at a reasonable rate.



2. **KENTUCKY POWER** agrees to provide electric service to Debra Lemaster's residence at 725 Cole Road, Olive Hill, Kentucky 41164, for a residential dwelling.
3. The parties acknowledge that the service location is in the certified territory of Grayson as shown on the defined territorial map of **GRAYSON** on file with the **PSC**.
4. **GRAYSON** waives any claim to service at this location for this service only.
5. The parties agree that the provision of electric service to Debra Lemaster by Kentucky Power at the above address will not be utilized as a basis or underlying factual claim in any further jurisdictional question, dispute, or action, but shall be deemed to be an isolated incident solely for the purpose of providing lower cost retail electric service to a residence.
6. The parties agree that this Agreement will be filed by **GRAYSON** with the Kentucky Public Service Commission pursuant to KRS 278.018(6) for approval and to reflect the agreement of the parties hereto.
7. The parties agree that **GRAYSON** retains the right to serve other development in its jurisdictional territory in this area irrespective of the provision of service by **KENTUCKY POWER** under the terms of this Agreement.

WITNESS OUR HANDS this 23rd day of September, 2016.

provision of service by **KENTUCKY POWER** under the terms of this Agreement.

KENTUCKY POWER COMPANY

BY: Gregory G. Pauley
ITS: President - COO

STATE OF KENTUCKY

COUNTY OF FRANKLIN

The foregoing Agreement was acknowledged, subscribed and attested to before me by Gregory G. Pauley, President and Chief Operating Officer, **KENTUCKY POWER COMPANY**, this the 23 day of September, 2016.

My commission expires: Aug. 11, 2018 Notary ID #: 517001
Belinda Stray
NOTARY PUBLIC, KENTUCKY STATE AT LARGE

**GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION**

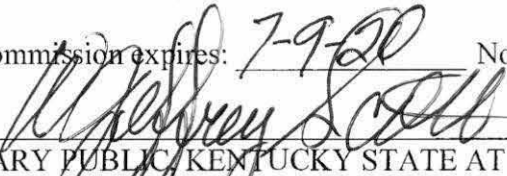
BY: 
CAROL ANN FRALEY
PRESIDENT & CEO

STATE OF KENTUCKY

COUNTY OF Carter

The foregoing Agreement was acknowledged, subscribed and attested to before me by
CAROL ANN FRALEY, President & CEO of Grayson Rural Electric Cooperative Corporation,
Ky. Corp.
a ~~Kentucky Limited Liability Company~~, **GRAYSON**, this the 26th day of September, 2016.

My commission expires: 7-9-20 Notary ID #: _____



NOTARY PUBLIC, KENTUCKY STATE AT LARGE