COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND INTER-COUNTY ENERGY COOPERATIVE CORPORATION FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORIES

CASE NO. 2017-00188

ORDER

On May 3, 2017, Kentucky Utilities Company ("KU") and Inter-County Energy Cooperative Corporation ("Inter-County") filed an application, pursuant to KRS 278.018(6), for approval of changes in their certified service territories. The first property ("Skywatch Drive property") is located near the Ridgefield Shopping Center and will include a new development in the parking lot between what is now the Liquor Barn and Skywatch Drive. The second property ("Stewart's Lane property") is located between the Stewart's Lane rail spur, Norfolk Southern railroad, and Danville bypass. At this time, there is no requested service for this property. The parties submitted an agreement with the application, signed by the operations manager of KU and the president/CEO of Inter-County Energy Corporation on April 24, 2017. The agreement indicates that the Skywatch Drive property will become part of the KU service territory, and the Stewart's Lane property will become part of the Inter-County service territory.

In the Application, KU also requested a deviation from 807 KAR 5:001, Section 7(1), which requires that KU file an original unbound and ten additional copies of the site

map. Due to the size and scale of the maps, KU requested permission to file only two complete sets of maps.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that, due to location and configuration of the current facilities near the first property, the logistics for Inter-County to serve the Skywatch Drive property are not favorable. The Commission also finds that allowing a boundary change as to the Stewart's Lane property would prevent difficulties related to logistics and cost to KU in the future and would prevent duplication of services and unnecessary railroad crossings to any future customers in that area.

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 two proposed territorial changes will realign KU's and Inter-County's adjacent certified territorial boundaries. No existing customers will be affected by the proposed changes, nor will the proposed changes require any new or amended franchises or permits.

The Commission finds that the two 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 KU and Inter-County, and enabling the provision of adequate and reasonable service to all affected areas and consumers.

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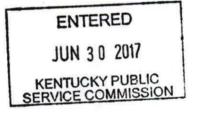
IT IS THEREFORE ORDERED that:

The boundary changes agreed upon by KU and Inter-County for the 1. Skywatch Drive property and the Stewart's Lane property are approved.

2. A copy of the revised Territorial Map for the Junction City Quadrangle and a detailed vicinity map, both with the revisions approved by KU and Inter-County on April 24, 2017, are attached as an Appendix to this Order, and as they reflect the agreed-upon amended territorial boundary and the written agreement of KU and Inter-County, they shall be attached to the Commission's official territorial boundary map.

3. KU's request for deviation from the filing requirements of 807 KAR 5:001, Section 7(1), is approved.

By the Commission



ATTEST:

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Executive Direct

Case No. 2017-00188

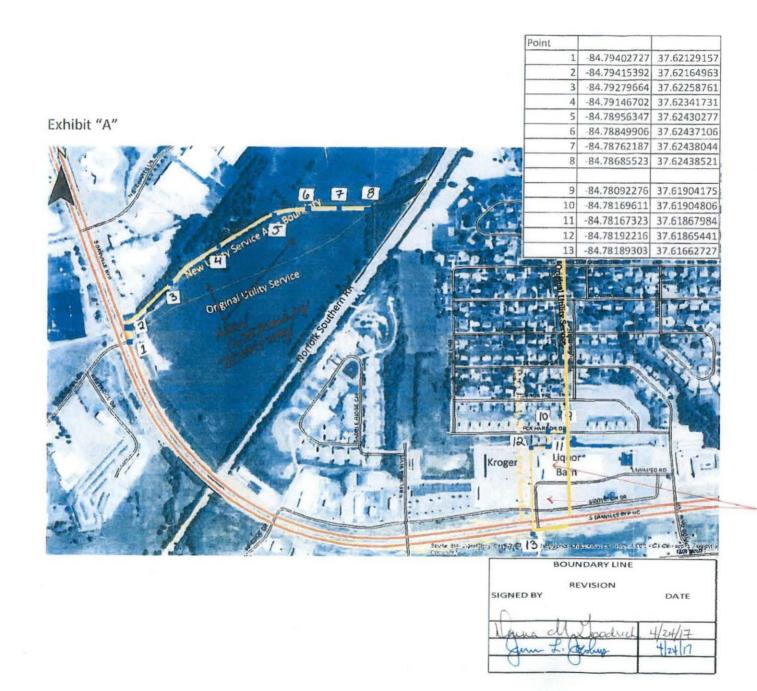
APPENDIX

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00188 DATED JUN 3 0 2017

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- . Site Map
- RE: JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND INTER-COUNTY ENERGY COOPERATIVE CORPORATON FOR AUTHORIZATION OF

AND INTER-COUNTY ENERGY COOPERATIVE CORPORATON FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORIES. Case No. 2017-00



NEW KU TERRITORY

APPENDIX TO ORDER IN CASE NO. 2017-00188 CONTAINS LARGE OR OVERSIZED MAP(S)

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