

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

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MAY 3 2017

PUBLIC SERVICE COMMISSION Kentucky Utilities Company

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

May 3, 2017

RE: JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND INTER-COUNTY ENERGY COOPERATIVE CORPORATON FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORIES. Case No. 2017-00188

Dear Dr. Mathews:

Kentucky Utilities Company ("KU") is herewith filing the original and ten copies of an Application for authorization of changes in certified service territory, as agreed to between KU and Inter-County Energy Cooperative Corporation.

In the Application, the utilities 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,

Rick E. Lovekamp

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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

JOINT APPLICATION

Kentucky Utilities Company ("KU") and Inter-County Energy Cooperative Corporation ("Inter-County"), pursuant to KRS 278.018(6) and 807 KAR 5:001 Section 14, hereby jointly apply for approval of changes in their certified service territories as agreed to by the joint applicants.

1. The full name and mailing address of KU is: Kentucky Utilities Company, c/o Louisville Gas and Electric Company, Post Office Box 32010, 220 West Main Street, Louisville, Kentucky 40202. KU may be reached by electronic mail at the electronic mail addresses of its counsel set forth below.

2. KU was incorporated in Kentucky on August 17, 1912, and in Virginia on November 26, 1991 (and effective as of December 1, 1991), and attests that it is in good corporate standing in both Kentucky and Virginia.

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:

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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
Daviess			

4. The full name and mailing address of Inter-County is: Inter-County Energy Cooperative Corporation, 1009 Hustonville Road, P.O. Box 87, Danville, Kentucky 40423. Inter-County may be reached by electronic mail at the electronic mail address of its counsel set forth below.

5. Inter-County was incorporated in Kentucky on June 14, 1937 and attests that it is in good corporate standing in Kentucky

6. Inter-County provides electric power to more than 25,000 member/owners in the counties of:

Boyle	Casey	Garrard	Larue
Lincoln	Madison	Marion	Mercer
Nelson	Rockcastle	Taylor	Washington

7. Description of Changes in Service Territory: As explained in the attached exhibits, KU and Inter-County have individually agreed to the requested territorial changes. The territorial boundary changes requested involve two parcels of land. The first 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; and the second property is located between the Stewarts Lane rail spur, Norfolk Southern railroad and the S. Danville bypass. The property where Starbucks has requested service is located inside of the Inter-County service territory. Due to the location and configuration of the current utility facilities in the area, the logistics to serve the area for Inter-County is not favorable and therefore it would be in the best interest of both utilities to change the current service area boundary. At this time, no one has requested service for the second property. Nonetheless, the change in boundary for the second property prevents difficulties related to logistics and cost for KU and prevents duplication of services and unnecessary railroad crossings to any future customer in that area. These requested territorial changes 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 territorial maps and attachments provided constitute the entire agreement between KU and Inter County.

8. <u>Agreement and Maps</u>: Attached as Application Exhibit 1 of this filing includes the summary list identifying KU and Inter-County 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 both utilities involved.

WHEREFORE, KU and Inter-County hereby jointly request, pursuant to KRS 278.018, that the Commission enter an order approving the service territory changes as agreed to by the parties. Due to the size and scale of the maps, KU and Inter-County request that the Commission deviate from 807 KAR 5:001 Section 7 and permit the parties to file only two complete set of maps.

Dated: April 2, 2017

Respectfully submitted,

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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 *Counsel for Kentucky Utilities Company*

J. Halden Dean Sheehan, Barnett, Dean, Pennington, Little and Dexter, PSC 114 South Fourth Street Danville, Kentucky 40422-1826 859-236-2641 dean@danvillekylaw.com *Counsel for Inter-County Energy Cooperative Corporation*

APPLICATION EXHIBIT 1

TERRITORIAL BOUNDARY CHANGES

MAPS & AGREEMENTS

TERRITORIAL CHANGE INFORMATION
(10/98) Built FIELD
Affected Property: OPEN LOT - SHOPPING CENTER (SKYWATCH DRIVE) & OPENLOT
Affected Property: OPEN LOT - SHOPPING CENTER (SKYWATCH DRIVE) & OPENLOT Foreign Utility: <u>KENTUCKY LITILITIES & INTERCOLINTY ENERGY</u> SouthERN RHILRON 4 By pas
Quadrant Map: 296-4
Agreement Date: $\frac{4/24/17}{(date of last signature)}$
1. Utility signed copies of quadrant (Key) map showing revised territorial

. 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)

2. Utility signed copies of site map (Plat) and/or territorial agreement 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.

- Copies of all written agreements (1 needed not original).
- Name of employee who would serve as KU s witness if a hearing is required: Down & CoolRicht
- 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:

FAMES L. FACOBUS PRESIDENT / CEO - INTERCOUNTY ENERGY COOPERATIVE 1009 HUSTONVILLE RD DAILVILLE, KY, 40422

- 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.): [OBISTICALLY MORE FERSIBLE FOR both UTILITIES to EXPAND THEIR BROWTH
- 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 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 in affected territory prior to the boundary change.)
 - Yes (If yes, provide the information on Attachment 1 for each customer affected.

AGREEMENT

Kentucky Utilities, henceforth referred to as KU, and Inter-County Energy Cooperative, henceforth referred to as ICE, hereby agree to the proposed changes in the service territory boundaries located within the city limits of Danville, Kentucky in Boyle County and as shown on Exhibit A. KU and ICE are currently seeking approval of this territorial change from the Kentucky Public Service Commission, henceforth referred to as KPSC; and the proposed changes will become effective only upon such approval by the KPSC. The proposed changes in boundaries are the result of a mutual consent between KU and ICE such that current and future customers shall be best served.

The property manager has advised the utilities that a new development is to be constructed in the parking lot between what is now the Liquor Barn retail store and Skywatch Drive as depicted on Exhibit A. The requested service is located inside of the ICE service territory. Due to the location and configuration of the current utility facilities in the area, the logistics to serve the area for ICE is not favorable and therefore it would be in the best interest of both utilities to change the current service area boundary.

The other location in which a boundary change is requested is located between the Stewarts Lane rail spur, Norfolk Southern railroad and the S. Danville bypass and is shown on Exhibit A. This change in boundary prevents difficulties related to logistics and cost for KU and prevents duplication of services and unnecessary railroad crossings to any future customer in that area.

By signing below, the parties acknowledge they have read and understand this agreement.

By: Unna M. Goodrich
Name: DONNA M. GOODRICH
Title: Operations Manager
Company: Kentucky Utilities Company
Date: April 24, 2017

ad and understa	and this ag	preement.
By: Jam	-L.	teching
Name: JA	MES L.	JACOBUS
Title: R265	DENT	CEO
Company: Inte	r-County	Energy Cooperative
Date:	4 24	17

Site Map

JOINT APPLICATION OF KENTUCKY UTILITIES RE:

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



BOUNDARY

REVISIO



Point

1

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-84.79402727	37.62129157			
-84.79415392	37.62164963			
-84.79279664	37.62258761			
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-84.78762187	37.62438044			
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-84.78092276	37.61904175			
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NEW KU TERRITORY

Application

CONTAINS

LARGE OR OVERSIZED

MAP(S)

RECEIVED ON: 05/03/2017