#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AUTHORIZATION OF CHANGES IN SERVICE TERRITORY WITH CLARK ENERGY COOPERATIVE, INC.

CASE NO. 2018-00194

### ORDER

On June 13, 2018, Kentucky Utilities Company (KU) and Clark Energy Cooperative (Clark Energy) filed an application, pursuant to KRS 278.018(6), for approval of changes in their certified service territories. The territorial boundary change involves three properties located in Woodland Industrial Park in Mt. Sterling, Kentucky: 175 Clarence Drive (Olympic Steel), 109 Caswell Lane (Vogelsang), and the adjacent property to the west of Vogelsang currently leased to Setzer Properties LLC (Setzer). KU currently serves both Olympic Steel and Vogelsang and will continue to do so. Clark Energy will provide future service to the Setzer location.<sup>1</sup>

In Case No. 2004-00383, KU and Clark Energy received Commission approval for a territorial change for this same section of property located in Woodland Industrial Park.<sup>2</sup> These changes are not reflected in the Commission's official Quadrant Map Number 33-E-3 (Quadrant Map). KU and Clark Energy have filed Exhibit 1 to the application showing the area that should have been updated in the Commission's official Quadrant Map from

<sup>&</sup>lt;sup>1</sup> Application at 2.

<sup>&</sup>lt;sup>2</sup> Case No. 2004-00383, Application of Clark Energy Cooperative, Inc. to Amend Service Territory with Kentucky Utilities Company at Woodland Industrial Park, (Ky. PSC Jan. 4, 2005).

the earlier case, as well as two other areas in the quadrant that should have been updated from Case Nos. 1996-00243 and 1998-00364.<sup>3</sup>

Since the territorial changes granted by the Commission in Case No. 2004-00383, further subdividing has occurred within Woodland Industrial Park as well as additional development, which led to KU serving both Vogelsang and Olympic Steel. Vogelsang was moved into KU's territory under the Order issued by the Commission in Case No. 2004-00383, but Olympic Steel continued to be in Clark Energy's territory and KU's service to Olympic Steel was in error. The parties seek to correct this error by seeking a change in territorial boundaries such that the new territorial lines would align the boundaries of KU's territory with the property lines of Vogelsang and Olympic Steel, and Clark Energy's service area would encompass the undeveloped property leased by Setzer Properties.<sup>4</sup>

The parties submitted an agreement with the application, signed on March 19, 2018, by the operations manager of KU and the Vice President of Engineering for Clark Energy. The agreement provides that Olympic Steel and Vogelsang will become part of KU's service territory and Clark Energy will serve Setzer.

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

<sup>&</sup>lt;sup>3</sup> Application at 2-3. Case No. 1996-00243, In the Matter of Application of Kentucky Utilities company for Authorization of Changes in Service Territory with the Frankfort Electric and Water Plant Board, and the Clark, Farmers, Nolin, and Owen Electric Coops. (Ky. PSC Dec. 10, 1997) and Case No. 1998-00364, In the matter of the Application of Kentucky Utilities Company for Authorization of Changes in Service Territory with Clark Energy Cooperative, Inc., Nolin R.E.C.C., and Farmers R.E.C.C. (Ky. PSC Aug. 21, 1998).

<sup>&</sup>lt;sup>4</sup> Application at 3.

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

KU is currently providing service to Olympic Steel and Vogelsang, and Clark Energy is in agreement with KU continuing to do so, and Clark Energy is willing to assume the Setzer property as part of its service territory. Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that allowing the requested change to take place will serve the purposes of KRS 278.016 by avoiding unnecessary encumbrances of the landscape and duplication of facilities, minimizing disputes between retail electric suppliers and promoting the orderly development of retail electric service.

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 retail electric supplier.

The two proposed territorial changes will realign KU's and Clark Energy'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.

IT IS THEREFORE ORDERED that:

1. The boundary changes agreed upon by KU and Clark Energy for the Olympic Steel, Vogelsang, and Setzer properties are approved.

2. A copy of the revised Territorial Map for the Mount Sterling Quadrangle and a detailed vicinity map, both with the revisions approved by KU and Clark Energy on March 19, 2018, are attached as an Appendix to this Order. These maps reflect the

-3-

agreed-upon amended territorial boundary and the written agreement of KU and Clark Energy and 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.

# [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission

	ENTERED		
, je	AUG	31	2018
K SEI	ENTUC RVICE	CON	PUBLIC 1MISSION

ATTEST:

Sture R. Rinson **Executive** Director

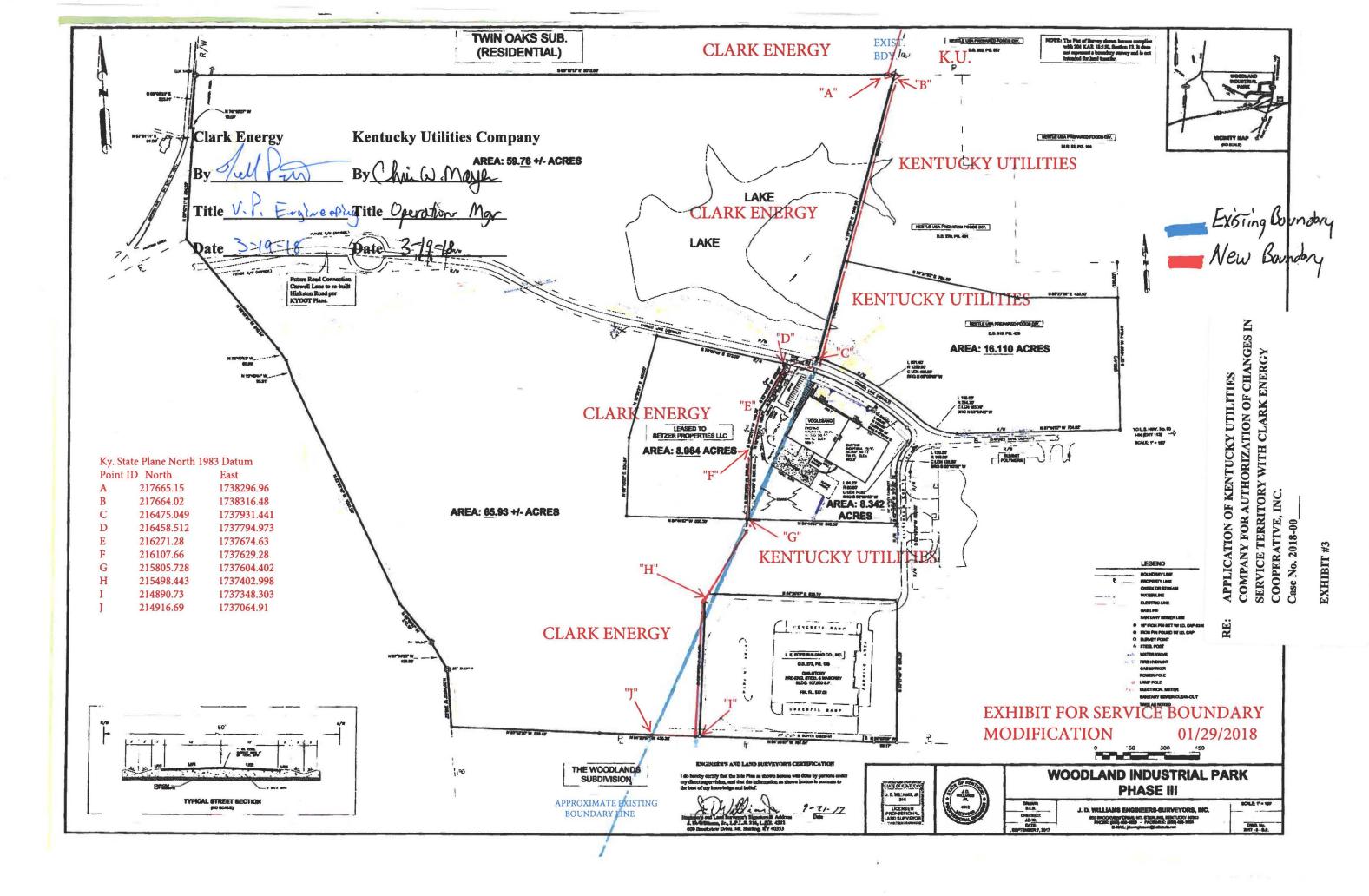
Case No. 2018-00194

## APPENDIX

# AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00194 DATED AUG 3 1 2018

## TWO PAGES TO FOLLOW

.



# APPENDIX TO ORDER IN CASE NO. 2018-00194 CONTAINS LARGE OR OVERSIZED MAP(S)

\*Clark Energy Cooperative, Inc. 2640 Ironworks Road P. O. Box 748 Winchester, KY 40392-0748

\*Rick E Lovekamp Manager - Regulatory Affairs LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

\*Sara Judd LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

\*Kentucky Utilities Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010