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Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
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Frankfort, KY 40601

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
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Affairs/Tariffs
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June 13, 2018

**RE: APPLICATION OF KENTUCKY UTILITIES COMPANY
FOR AUTHORIZATION OF CHANGES IN SERVICE
TERRITORY WITH CLARK ENERGY COOPERATIVE, INC.
Case No. 2018-00194**

Dear Ms. Pinson:

Kentucky Utilities Company ("KU") is herewith filing the original and ten copies of an Application for authorization of a change in certified service territory, as agreed to between KU and Clark Energy Cooperative, Inc.

In the Application, KU requests 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,

A handwritten signature in blue ink that reads "Rick E. Lovekamp". The signature is fluid and cursive.

Rick E. Lovekamp

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

APPLICATION

Kentucky Utilities Company (“KU”), pursuant to KRS 278.018(6), 807 KAR 5:001 Section 14, and 807 KAR 5:001, Section 22, hereby applies for approval of changes in its certified service territory as agreed to with Clark Energy Cooperative, Inc. (“Clark Energy”).

1. The full name and business address of KU are: Kentucky Utilities Company, One Quality Street, Lexington, KY 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. 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 is in good 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:

- | | | | |
|----------|----------|-----------|-----------|
| 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. Description of Changes in Service Territory: As explained in this application and the attached exhibits, KU and Clark Energy have individually agreed to the requested territorial change, which clarifies the territorial boundary of the Woodland Industrial Park. The territorial boundary change involves three properties – Olympic Steel, Vogelsang and Setzer Properties. KU currently serves both Olympic Steel and Vogelsang and will continue to do so. Clark Energy will provide future service to the Setzer property location.

KU and Clark Energy received Commission approval for a territorial change on January 4, 2005 (Case No. 2004-00383) for this same section located within Woodland Industrial Park. KU and Clark Energy also received approval for two other territorial changes within this quadrant in Case Nos. 96-243 and 98-364 in connection with service to the La Croix and Williamsburg estates and the Gateway Church of God, respectively. In reviewing the Commission’s official Quadrant Map Number 33-E-3 (“Quadrant Map”)¹ prior to filing the current application, however, the parties realized that the Quadrant Map did not reflect the approved changes from the three earlier cases.²

¹ Copy attached as Exhibit 1 hereto.

² KU has named and circled in red on Exhibit 1 the three areas that should have been updated from the earlier cases.

The Commission's topographic map³ for this quadrant does show the change to the territorial line, as approved in Case No. 2004-00383. But it appears the Quadrant Map was not updated to reflect the new territorial lines from any of the three prior cases. KU, therefore, respectfully asks the Commission to update the Quadrant Map to reflect the earlier approved changes, with a slight modification to the approved change from the 2004 case.

This new change is necessitated by the further subdividing that occurred for Phase 3 within the Woodland Industrial Park. At the time of the 2004 filing, the parties sought to realign the service territory boundary to coincide with subdivision lot boundaries. When the developer subdivided the property, it drew the lines such that some lots were served by both utilities, which is what prompted the 2004 application. Since then, additional development has occurred and KU began serving both Vogelsang and Olympic Steel. While Vogelsang was clearly in KU's territory (as approved by the 2004 Order), Olympic Steel was in Clark Energy's. KU's service to Olympic Steel was an inadvertent error that the parties have discovered and now seek to remedy by virtue of the current application and agreement, whereby, if approved, the territorial lines would be redrawn such that Olympic Steel would now be in KU's territory and the new territorial lines would align with the property lines of Vogelsang and Olympic Steel, leaving the undeveloped property owned by Setzer Properties entirely within Clark Energy's service territory.

The requested change will serve the purposes of KRS 278.016 by avoiding unnecessary encumbrance of the landscape and duplication of facilities, minimizing disputes between retail electric suppliers and promoting the orderly development of retail electric service. The territorial

³ Copy attached as Exhibit 2 hereto. KU has again circled in red on Exhibit 2 the areas that should have been updated from the earlier cases. Please note that the territorial change as approved in the 2004 case (regarding the Woodland Industrial Park) does appear on the topography map, while the changes from Case Nos. 96-243 and 98-364 do not.

maps and other attachments provided in Exhibit 3 hereto constitute the entire agreement between KU and Clark Energy.


As part of Exhibit 3, KU has attached a quadrant map that indicates, in red, the updated territorial boundary lines for the sections at issue in the 1996 and 1998 cases (as already approved), and also shows the proposed change in the area relating to the Olympic Steel and Setzer properties. Representatives from KU and Clark Energy have both signed that quadrant map. Exhibit 3 also includes the summary list identifying KU and Clark Energy personnel familiar with the specifics of the facilities available, the reasons for the change and purposes served under KRS 278.016, a copy of the site (detail) map relating to proposed change in the Woodland Park Industrial Park, and agreement signed by both parties for the properties involved.

KU has also attached two additional maps for the Commission's reference. Exhibit 4 hereto is a copy of the quadrant map filed in the 1996 case, showing the then proposed (and subsequently approved) territorial change relating to the La Croix and Williamsburg Estates. Exhibit 5 hereto is a copy of a site map filed in the 1998 case showing the then proposed (and subsequently approved) territorial change relating to the Gateway Church of God property. Comparing Exhibits 4 and 5 to Exhibit 3 illustrates that KU is simply proposing to memorialize the changes already approved by the Commission in the earlier cases with respect to those two properties. With respect to the Woodland Industrial Park, as discussed above, the parties are proposing a new modification to the prior territorial change that also needs to be memorialized, and KU has attached the supporting agreement and other documentation for that proposed modification.

WHEREFORE, KU hereby respectfully requests, pursuant to KRS 278.018, that the Commission enter an order approving the updates to the Quadrant Map to reflect the prior territorial changes from the 1996 and 1998 cases, as well as the current requested service territory change and the agreement between KU and Clark Energy. Due to the size and scale of the maps, KU respectfully asks the Commission for permission to deviate from the requirements of 807 KAR 5:001, Section 7 to file only two complete set of maps.

Dated: June 13, 2018

Respectfully submitted,



Sara V. Judd
Senior Corporate Attorney
LG&E and KU Services Company
220 West Main Street
Louisville, Kentucky 40202
502-627-4850
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Application was mailed to the following on the 13 day of June, 2018, U.S. mail, postage prepaid:

Mr. Todd Peyton
Vice President of Engineering
Clark Energy Cooperative, Inc.
2640 Ironworks Road
Winchester, KY 40391



Sara V. Judd
Senior Corporate Attorney
LG&E and KU Services Company
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Louisville, Kentucky 40202
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Case No. 2018-00194

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