CASE NUMBER:

99-451

. KY. PUBLIC SERVICE COMMISSION AS OF : 03/29/00

. INDEX FOR CASE: 1999-451 KENTUCKY UTILITIES COMPANY Complaints - Service

& $\bar{\text{TAYLOR}}$ COUNTY R.E.C.C. OF CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATI

IN THE MATTER OF CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC. VS. KENTUCKY UTILITIES COMPANY AND TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

SEQ	ENTRY	
NBR	DATE	REMARKS
0001	11/03/1999	Application.
0002	11/10/1999	Acknowledgement letter.
M0001	11/19/1999	ROBERT SPRAGENS TAYLOR CO RECC-RESPONSE TO COMPLAINT
M0002	11/22/1999	ROBERT SPRAGENS TAYLOR CO RECC-LETTER STATING THAT RESPONSE FILED WAS INCORRECTED SHOULD BE
0003	11/24/1999	Order to Satisfy or Answer; answers from KU & Taylor County RECC due 12/7/99.
M0003	12/08/1999	ROBERT SPRAGENS TAYLOR CO RECC-NOTICE OF COMPLIANCE
M0004	12/08/1999	DOUGLAS BROOKS LG&E-ANSWER TO COMPLAINT
0004	12/29/1999	Order scheduling an IC on $1/11/2000$ at $10:00$ in CR 1.
0005	02/24/2000	IC memo sent to parties; comments, if any, due 3/3/2000.
M0005	02/29/2000	JOHN MILLER COMPLAINANT-MOTION TO WITHDRAW COMPLAINT & DISMISS PROCEEDING
M0006	03/09/2000	ROBERT SPRAGENS TAYLOR CO RECC-RESPONSE TO MOTION OF CAMPBELLSVILLE , TAYLOR CO IND FOUNDATI
M0007	03/10/2000	DOUGLAS BROOKS KU-REQUEST FOR COMPLAINT TO WITHDREW
0006	03/29/2000	Final Order granting motion and terminating case without prejudice.



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-451 KENTUCKY UTILITIES COMPANY

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on March 29, 2000.

See attached parties of record.

Secretary of the Commission

SB/hv Enclosure William D. Harris
Taylor County Rural Electric
Cooperative Corporation
West Main Street
P. O. Box 100
Campbellsville , KY. 42719

Honorable John C. Miller
Attorney for Campbellsville-Taylor
County Industrial Foundation, Inc.
Miller, Miller & Miller, PLC
225 East First Street
Campbellsville , KY. 42718

Honorable Robert Spragens Attorney for Taylor County RECC Spragens, Smith & Higdon, P.S.C. 15 Court Square P.O. Box 681 Lebanon, KY. 40033

Honorable Douglas M. Brooks Senior Counsel Specialist, Reg. Counsel for KU 220 West Main Street P.O. Box 32010 Louisville, KY. 40232

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:			
CAMPBELLSVILLE-TAY INDUSTRIAL FOUNDA)	
CO	MPLAINANT)	
٧.) CASE	NO. 99-451
KENTUCKY UTILITIES TAYLOR COUNTY RUF COOPERATIVE CORPO	RAL ELECTRIC)))	
DEI	ENDANTS)	

ORDER

The Commission, having considered the Complainant's motion to withdraw its complaint and dismiss this proceeding, the responses of Defendants Kentucky Utilities Company and Taylor County Rural Electric Cooperative Corporation in support of the motion, and finding good cause, HEREBY ORDERS that the motion is granted and this case is terminated without prejudice.

Done at Frankfort, Kentucky, this 29th day of March, 2000.

Hela -

By the Commission

ATTEST:

Executive Director

March 7, 2000



LG&E Energy Corp. 220 West Main Street P.O. Box 32030 Louisville, Kentucky 40232 502-627-3450 502-627-3367 FAX



VIA OVERNIGHT DELIVERY

Mr. Martin J. Huelsmann
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

RE: Campbellsville-Taylor County Industrial Foundation, Inc. v. Kentucky Utilities Company and Taylor County RECC; Case No. 99-451

Dear Mr. Huelsmann:

On March 6, 2000 Kentucky Utilities Company (KU) received from counsel for Campbellsville-Taylor County Industrial Foundation, Inc. (Foundation), the Complainant in the above-referenced proceeding, a copy of its Motion to Withdraw Complaint and Dismiss Proceeding. That pleading describes KU's desire not to participate in any proposed settlement of this case. KU does not want to participate in any settlement that relinquishes its rights pursuant to KRS 278.018. KU further notes that it has not entered into any agreement with Taylor County RECC regarding the allocation of future customers who locate in the Foundation's industrial park in Campbellsville, Kentucky. It has accordingly reserved its right to serve any new customer that it is entitled to serve under current law and Commission precedent that may locate in adjacent territories.

KU supports the Foundation's request that it be allowed to withdraw its Complaint and thereby dismiss this proceeding.

Please contact the undersigned if you have any questions regarding this letter.

Sincerely yours,

Douglas M. Brooks

Jugla M. Bu

Counsel for Kentucky Utilities Company Senior Counsel Specialist, Regulatory

(502) 627-2557

cc: Counsel of Record, Case No. 99-451

Richard Raff, Esq. (by overnight delivery)

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION OF THE COMMONWEALTH OF KENTUCKY

MAR 9 2000

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.)	PUBLIC SERVICE COMMISSION
COMPLAINANT)	
vs.) CASE NO. 99-45	1
KENTUCKY UTILITIES COMPANY AND TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION)))	
DEFENDANTS)	

RESPONSE OF TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Defendant, Taylor County Rural Electric Cooperative Corporation, by counsel, by way of Response to the Motion of Campbellsville-Taylor County Industrial Foundation, Inc. to withdraw its Complaint and to dismiss this proceeding, concurs in that Motion, and agrees that this Defendant and the Complainant have resolved to the satisfaction of each the Foundation's basic Complaint, that being the prospective uncertainty of marketing tracts within its industrial park which overlap the existing territorial boundary.

ACCORDINGLY, Taylor County RECC respectfully suggests that the Motion of the Complainant be granted.

SPRAGENS, SMITH & HIGDON, P.S.C.

Attorneys at Law

15 Court Square - P. O. Box 681

Lebanon, Kentucky 40033

Telephone (270) 692-3141

Robert Spragens, Jr.

Counsel for Taylor County
Rural Electric Cooperative

Corporation

I hereby certify that a true copy of the foregoing Response was mailed this ______day of March, 2000, to:

Hon. John C. Miller
Miller, Miller & Miller, PLC
225 East First Street
Campbellsville, Kentucky 42718
Attorney for Campbellsville-Taylor County
Industrial Foundation, Inc.

Hon. Douglas M. Brooks
Louisville Gas & Electric Corporation
220 West Main Street
P.O. Box 32010
Louisville, Kentucky 40202
Attorney for Kentucky Utilities Company

Ms. Stephanie Bell Secretary Of The Commission Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602



ATTORNEYS AT LAW

225 E. FIRST STREET CAMPBELLSVILLE, KENTUCKY 42718 TELEPHONE (270) 465-6111 FAX (270) 465-6100 FEB 2 9 2000
PUBLIC SERVICE
COMMISSION

JOHN C. MILLER, PSC john@millerplc.com

SHELLY S. MILLER, PSC shelly@millerplc.com

JAMES C. MILLER, PSC james@millerplc.com

February 28, 2000

Public Service Commission Attn: Division of Filings 730 Schenkel Lane P.O. Box 615 Frankfort, KY 40602

Re: Campbellsville-Taylor County Industrial Foundation, Inc. v. Kentucky Utilities Company and Taylor County Rural Electric Cooperative Corporation, Before the Public Service Commission, Case No. 99-451

Dear Sir or Madam:

Please find enclosed a Complainant's Motion to Withdraw Complaint and Dismiss Proceeding in the above referenced matter. Please file the original Motion and ten (10) copies and return a filed stamped copy to me in the enclosed self-addressed stamped envelope.

Thank you for your cooperation in this matter. Please contact me with any questions.

Very truly yours,

MILLER, MILLER & MILLER, PLC

John C. Miller

JCM/smv Enclosures

COMMONWEALTH OF BEFORE THE PUBLIC SERV	ICE COMMISSION ICELIES
CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC. COMPLAINANT	FER 2 9 2000 PUBLIC SERVICE COMMISSION
vs. KENTUCKY UTILITIES COMPANY AND)) CASE NO. 99-451)
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION DEFENDANTS)))

COMPLAINANT'S MOTION TO WITHDRAW COMPLAINT AND DISMISS PROCEEDING

Complainant, Campbellsville-Taylor County Industrial Foundation, Inc., by counsel, hereby moves the Commission for permission to withdraw the Complaint made herein, thereby dismissing the instant proceeding.

As grounds for and in support of the foregoing Motion, the undersigned counsel advises the Commission that the Complainant and counsel for Taylor County Rural Electric Cooperative Corporation have reached an understanding by means of which they have resolved, in advance of the location within Complainant's Industrial Park of particular tenants, the methodology by which they will deal with lappages, that is, those circumstances in which any property sold or leased to a qualifying entity is configured in such a way that the property lies partly within the certified territories of each of the Defendants named herein. Complainant is satisfied with that resolution, and thus no

longer deems it advisable to seek, as a part of this proceeding, any result which would otherwise prohibit either Defendant from serving properties or tracts lying within their respective certified territories.

Complainant is advised by counsel for Kentucky Utilities Company that KU prefers not to participate in any agreed disposition of this proceeding. That being the case, it is the understanding of Complainant that the Commission need not, and will not, undertake to approve a settlement reached as among less than all of the parties to this proceeding, and Complainant thus does not set forth herein the nature of the accommodation and accord reached as between Plaintiff and Taylor County RECC.

Respectfully Submitted,

MILLER, MILLER & MILLER 225 East First Street Campbellsville, Kentucky 42718

Hon John C. Miller

Attorney for Complainant

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was mailed this _______ day of February, 2000, to:

Hon. Douglas M. Brooks
Louisville Gas & Electric Corporation
220 West Main Street
P.O. Box 32010
Louisville, Kentucky 40232
Attorney for Kentucky Utilities Corporation

Hon. Robert Spragens, Jr. Spragens, Smith & Higdon Attorneys at Law 15 Court Square - P.O. Box 681 Lebanon, Kentucky 40033 Attorney for Taylor County RECC

JOHN C. MILLER



Paul E. Patton, Governor

Ronald B. McCloud, Secretary Public Protection and Regulation Cabinet

Martin J. Huelsmann Executive Director Public Service Commission COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602-0615
www.psc.state.ky.us
(502) 564-3940

B. J. Helton Chairman

Edward J. Holmes Vice Chairman

> Gary W. Gillis Commissioner

February 24, 2000

Mr. William D. Harris Taylor County Rural Electric Cooperative Post Office Box 100 Campbellsville, KY 42719

Mr. Robert Spragens Spragens, Smith & Higdon Post Office Box 681 Lebanon, KY 40033 Mr. John C. Miller Miller, Miller & Miller 225 East First Street Campbellsville, KY 42718

Mr. Douglas M. Brooks Counsel for Kentucky Utilities Post Office Box 32010 Louisville, KY 40232

Re:

Campbellsville-Taylor County Industrial Foundation, Inc.

Case No. 99-451

Gentlemen:

Attached is a copy of the memorandum which is being filed in the record of the above referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. Should you have any questions regarding same, please contact Richard Raff at 502/564-3940, Extension 260.

Sincerely,

Martin J. Huelsmann Executive Director

Attachment



INTRA-AGENCY MEMORANDUM

FEB :

FEB 24 2000

FILED

PUBLIC SERVICE COMMISSION

KENTUCKY PUBLIC SERVICE COMMISSION

TO:

Main Case File: 99-451

FROM:

Richard G. Raff, Staff Attorney

DATE:

February 24, 2000

RE:

Campbellsville-Taylor County Industrial Foundation

vs. KU and Taylor County RECC

Pursuant to the Commission's December 29, 1999 Order, an informal conference was held at the Commission's offices on January 11, 2000. A list of the attendees is attached hereto.

The purpose of the conference was to provide an opportunity to discuss the facts and legal theories upon which the complainant seeks to modify the electric territorial boundary for certain property located within the Campbellsville Industrial Park. Kentucky Utilities and Taylor County RECC also discussed the facts and theories supporting their respective responses to the complaint.

The parties agreed that there was no real dispute as to the facts in this case, and that a stipulation of facts with an agreed-upon map of the Industrial Park would be filed with the Commission by February 28, 2000. The parties further agreed that, once the facts were stipulated to, there were two legal issues for the Commission to adjudicate:

- 1. Does the Industrial Park constitute a new electric-consuming facility under KRS 278.018(1), such that the Commission should apply the criteria set forth in KRS 278.017(3) to resolve this dispute?
- 2. Does KU have a preexisting, superior right arising under KRS 278.018(4) to serve all the property within the Industrial Park?

The parties further agreed that no hearing would be needed for the Commission to determine the aforementioned legal issues and that the following briefing schedule would be adopted:

April 14, 2000

Filing date for briefs in support of boundary change.

May 15, 2000 May 31, 2000 Filing date for response briefs in opposition.

Filing date for reply briefs.

Attachment

cc: Parties of Record

1/11/00

Complelleville Toylor, County Sorderstring Foundation Case No. 77-451

NAME.

Rochard Roff BILL CHANDLER John C. Willer

ROBERT HEWETT

RON WILLHITE

MARTY J. REINERT Douglas Broks 10 astroler MARVIN GOFF

LARRY J. BOWLING

Pair SPRAGENS, JA. Dang L. Myers The Guryd REPRESENTING

Poc-Leval Civilla-Trypon Covery Swo Fus

Cuilla - Taylor contill For

K.U. Co.

K. V. Co.

K. N. Co.

KM- G

KU

PSC STAFF

K.U. Co.

TAYLOR CO. PECC AMY

Taylor Co. Risee

PUSC



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

December 29, 1999

To: All parties of record

RE: Case No. 1999-451

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Beli

Secretary of the Commission

SB/hv Enclosure William D. Harris
Taylor County Rural Electric
Cooperative Corporation
West Main Street
P. O. Box 100
Campbellsville , KY 42719

Honorable John C. Miller
Attorney for Campbellsville-Taylor
County Industrial Foundation, Inc.
Miller, Miller & Miller, PLC
225 East First Street
Campbellsville , KY 42718

Honorable Robert Spragens Attorney for Taylor County RECC Spragens, Smith & Higdon, P.S.C. 15 Court Square P.O. Box 681 Lebanon, KY 40033

Honorable Douglas M. Brooks Senior Counsel Specialist, Reg. Counsel for KU 220 West Main Street P.O. Box 32010 Louisville, KY 40232

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.)
COMPLAINANT)
vs.) CASE NO. 99-451
KENTUCKY UTILITIES COMPANY AND)) ·)
TAYLOR COUNTY RURAL ELECTRIC	ý
COOPERATIVE CORPORATION	ý
DECENDANTS) Y

ORDER

The Commission, on its own motion, HEREBY ORDERS that an informal conference shall be held on January 11, 2000, at 10:00 a.m., Eastern Standard Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of discussing the facts and legal theories upon which the Complainant seeks to modify the electric territorial boundary. Each party shall appear at the conference and bring copies of any maps which support its respective position in this case.

Done at Frankfort, Kentucky, this 29th day of December, 1999.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.

COMPLAINANT

VS.

)

KENTUCKY UTILITIES COMPANY AND TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

DEFENDANTS

DEC 0 8 1999
COLEMENT OF

CASE NO. 99-451

NOTICE OF COMPLIANCE

Defendant, Taylor County Rural Electric Cooperative Corporation, by counsel, hereby gives notice that, on November 18, 1999, it served and forwarded for filing herein a written Response to the Complaint of Campbellsville-Taylor County Industrial Foundation, Inc., and that it relies upon that Response by way of compliance with the Commission's Order entered herein on November 24, 1999.

SPRAGENS, SMITH & HIGDON, P.S.C.

Attorneys at Law

15 Court Square - P. O. Box 681

Lebanon, Kentucky 40033 Telephone (502) 692-3141

Robert Spragens, Mr.

Counsel for Taylor County

Rural Electric Cooperative

Corporation

I hereby certify that a true copy of the foregoing was mailed this ______ day of December, 1999, to:

Hon. John C. Miller Miller, Miller & Miller, PLC 225 East First Street Campbellsville, Kentucky 42718 Attorneys for Complainant

Hon. John R. McCall General Counsel Kentucky Utilities Company 220 West Main Street Louisville, Kentucky 40202

Ms. Stephanie Bell
Secretary of the Commission
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Robert Spragens,



Law Department

Louisville Gas and Electric Company 220 West Main Street P.O. Box 32010

Louisville, Kentucky 40232 502-627-3460 502-627-3367 FAX

December 7, 1999

Via Courier Service

Ms. Helen Helton
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, KY 40602



Re: Campbellsville-Taylor County Industrial Foundation vs. Kentucky Utilities

Company and Taylor County RECC, Case No. 99-451

Dear Ms. Helton:

You will find enclosed for filing in the above-referenced case an original and ten (10) copies of Kentucky Utility Company's Answer. Copies have been served on the parties of record.

Please add the undersigned as counsel of record for Kentucky Utilities to the official service list in this case, and remove John R. McCall from the same.

Thank you for your courtesies in this matter. Please contact the undersigned if you have any questions.

Sincerely yours,

Douglas M. Brooks

Senior Counsel Specialist, Regulatory

Way la M. Box

(502) 627-2557

Enclosures

cc: Counsel of Record

A SUBSIDIARY OF LG&LENIERGY,

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

OR OF THE COMMENT OF In the Matter of: CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC. COMPLAINANT VS. CASE NO. 99-451 KENTUCKY UTILITIES COMPANY and

ANSWER OF KENTUCKY UTILITIES COMPANY

TAYLOR COUNTY RURAL ELECTRIC

DEFENDANTS

COOPERATIVE CORPORATION

Kentucky Utilities Company ("KU"), Defendant herein, in compliance with the Commission's Order in this proceeding dated November 24, 1999, hereby provides its Answer to the Complaint filed in this proceeding.

- 1. KU admits the allegations contained in paragraphs numbered 1 through 4 inclusive, and paragraph numbered 6 of the Complaint.
- 2. KU admits that the Complainant is the owner of the real property in question, but is without information sufficient to form a belief as to the truth of the remaining allegations contained in the paragraph numbered 5 of the Complaint.
- 3. KU states that the statements contained in paragraph numbered 7 of the Complaint do not require an answer.
- 4. For further answer, KU states that Campbellsville-Taylor County Industrial Foundation, Inc., the Complainant herein, has requested through its Complaint that the

Commission determine which electric utility should supply electric service to the approximately 140 acre tract of land in Taylor County that is being developed by the Complainant into an industrial park. This request is reasonable and necessary so that the supplier of electricity can be known with certainty and the risk of disputes regarding the supplier can be minimized. Without a resolution, prospective businesses may locate elsewhere as the presence of such disputes would delay construction of facilities and operations of the businesses.

5. For further answer, KU states that the entire industrial site being developed by the Complainant is located in the adjacent certified territories of the Defendants. KU stands willing, able and ready to provide service to the entire site if so ordered by the Commission. KU presently provides electric service to a building located on that portion of the site that lies within KU's certificated territory.

WHEREFORE, KU respectfully requests that the Commission issue an order establishing a procedural schedule, including an informal conference, a hearing, and the opportunity to request information, and upon the conclusion of the hearing, grant the relief sought by the Complaint, and afford Kentucky Utilities all further relief to which it may be entitled.

Respectfully submitted,

Douglas M. Brooks

Senior Counsel Specialist, Regulatory

LG&E Energy Corp.

220 W. Main St.

P. O. Box 32010

Louisville, KY 40232

(502) 627-2557

Counsel for Defendant,

Kentucky Utilities Company

CERTIFICATE OF SERVICE

The undersigned certifies that a copy hereof was mailed on the 6th day of December, 1999 to:

William D. Harris
Taylor County Rural Electric Cooperative Corporation
West Main Street
P. O. Box 100
Campbellsville, KY. 42719

Honorable John C. Miller Attorney for Campbellsville-Taylor County Industrial Foundation, Inc. Miller, Miller & Miller, PLC 225 East First Street Campbellsville, KY. 42718

Honorable Robert Spragens Attorney for Taylor County RECC Spragens, Smith & Higdon, P.S.C. 15 Court Square - Box 681 Lebanon, KY. 40033

Douglas M. Brooks



COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY. 40602 (502) 564-3940

November 24, 1999

To: All parties of record

RE: Case No. 1999-451

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/hv Enclosure John R. McCall Kentucky Utilities Company 220 West Main Street Louisville, KY 40202

William D. Harris Taylor County Rural Electric Cooperative Corporation West Main Street P. O. Box 100 Campbellsville , KY 42719

Honorable John C. Miller
Attorney for Campbellsville-Taylor
County Industrial Foundation, Inc.
Miller, Miller & Miller, PLC
225 East First Street
Campbellsville , KY 42718

Honorable Robert Spragens Attorney for Taylor County RECC Spragens, Smith & Higdon, P.S.C. 15 Court Square - Box 681 Lebanon, KY 40033

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.))
COMPLAINANT)
v.)) CASE NO. 99-451
KENTUCKY UTILITIES COMPANY) }
and))
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION)))
DEFENDANTS	<i>)</i>)

ORDER TO SATISFY OR ANSWER

Kentucky Utilities Company ("KU") and Taylor County Rural Electric Cooperative Corporation ("Taylor County") are hereby notified that they have been named as defendants in a formal complaint filed on November 3, 1999, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, KU and Taylor County are HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 24th day of November, 1999.

By the Commission

ATTEST:

Executive Director



BEFORE THE PUBLIC SERVICE COMMISSION

NOV - 3 1990

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.)
COMPLAINANT))
vs.) No. <u>99-451</u>
KENTUCKY UTILITIES COMPANY Serve: John R. McCall 220 West Main Street Louisville, KY 40202	
AND)
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION Serve: William D. Harris West Main Street P.O. Box 100 Campbellsville, KY 42719	
DEFENDANTS)

COMPLAINT

The Complainant, Campbellsville-Taylor County Industrial Foundation, Inc., by counsel, requests that the Public Service Commission review and allocate territories and consumers pursuant to KRS 278.018 by revising the common certified territorial boundary between the Defendants, Kentucky Utilities Corporation and Taylor County Rural Electric

Cooperative Corporation. In support of this Complaint, Complainant states as follows:

- 1. The Complainant is the Campbellsville-Taylor County Industrial Foundation, Inc. ("Industrial Foundation"), a Kentucky corporation, with a mailing address of P.O. Box 161, Campbellsville, Kentucky 42719-0161.
- 2. The Defendant, Kentucky Utilities Company ("KU"), has its principal office located at One Quality Street, Lexington, Kentucky 40507.
- 3. The Defendant, Taylor County Rural Electric Cooperative Corporation ("Taylor County RECC"), has a mailing address of West Main Street, P.O. Box 100, Campbellsville, Kentucky 42718.
- 4. Both Defendants are engaged in the business of transmission or distribution of electricity to or for the public, for compensation, to provide light, heat, power or other purposes in Taylor County, Kentucky.
- 5. The Industrial Foundation owns certain real property in Taylor County, Kentucky consisting of approximately 140 acres founded by Kentucky Highway 68 and Kentucky Highway 70. Said property being the same property conveyed by deed to Campbellsville-Taylor County Industrial Foundation, Inc. by Wood T. Coppock and his wife, Gladys Coppock, which deed is dated the 24th day of December, 1962, recorded in Deed Book 86, page 136, records of the Taylor County Clerk's office, Kentucky, and also being a portion of the same property conveyed by deed to Campbellsville-Taylor County Industrial Foundation, Inc. by Woodrow Grimes which deed is dated the 31st day of December, 1986, recorded in Deed Book 159, page 634, records of the Taylor County Clerk's office, Kentucky.

6. This property is within the certified territorial service area of the Defendants.

A copy of the property evidencing the existing service areas of both Defendants is attached hereto and marked for purpose of identification as Exhibit A.

7. Pursuant to KRS 278.018, and in accordance with the provision stated in 278.017(3) in order to avoid waste of material, natural resources, and duplication of facilities, as well as to provide dependable and high quality retail service at a reasonable cost, the Complainant seeks modification of the existing certified territorial boundaries between the Defendants servicing the Industrial Foundation property.

8. The Complainant requests that Kentucky Utilities Company be permitted to service the entire area depicted on the plat identified as Exhibit A.

WHEREFORE, the Complainant respectfully requests that the Public Service Commission of the Commonwealth of Kentucky review the property in question and find that the proposed territorial service boundary changes will promote the purposes of KRS 278.018 and will provide adequate and reasonable service to all areas and consumers affected thereby.

Dated this day of Novemen, 1999.

Respectfully Submitted,

John C. Miller

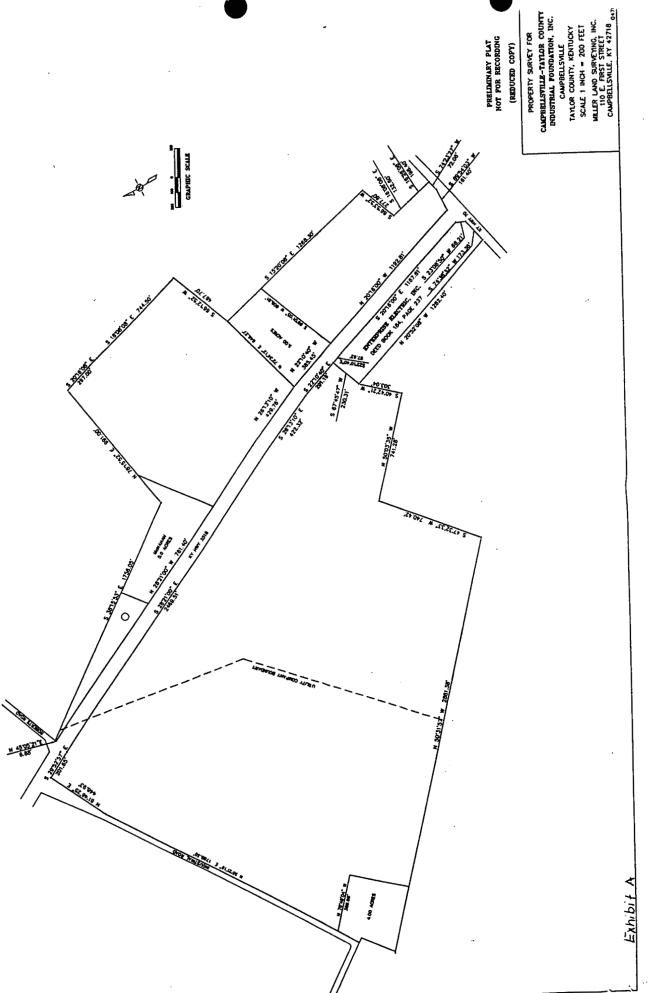
Miller, Miller & Miller, PLC

225 E. First Street

Campbellsville, Kentucky 42718

(502) 465-6111

ATTORNEYS FOR COMPLAINANT



SPRAGENS, SMITH & HIGDON, P.S.C.

ATTORNEYS AT LAW

15 COURT SQUARE - BOX 681

LEBANON, KENTUCKY 40033

TELEPHONE: (502) 692-3141

FACSIMILE: (502) 692-6693
ELECTRONIC MAIL: ssh@kih.net

November 19, 1999

OF COUNSEL: ROBERT M. SPRAGENS



Hon. John C. Miller Miller, Miller & Miller, PLC 225 East First Street Campbellsville, Kentucky 42718

Hon. John R. McCall, General Counsel Kentucky Utilities Company 220 West Main Street Louisville, Kentucky 40202

Dear Counsel:

ROBERT SPRAGENS, JR.*

FREDERICK A. HIGDON

ALSO ADMITTED IN GEORGIA

JOHN'S SMITH

Re: PSC Case No. 99-451; Campbellsville-Taylor County Industrial Foundation, Inc. vs. Taylor County RECC, et al.

My manager at Taylor County RECC, Barry Myers, called this morning to tell me that, in reviewing my Response in this PSC proceeding, he had discovered what he believed to be a clerical misprision therein.

On page two of the Response, and in discussing the *Owen County case*, I spoke, near the bottom of that page, of the territorial line separating "...the territory of Kentucky Utilities...". Quite obviously, that reference should be to ULHP, as K.U. had nothing to do with that case.

I thus call your attention to something which you have probably already noted, and remain,

Very truly yours,

SPRAGENS, SMITH & HIGDON, P.S.C.

Robert Spragens

RS,JR:js

√cc: Ms. Stephanie Bell

Secretary of the Public Service Commission

SPRAGENS, SMITH & HIGDON, P.S.C.

ATTORNEYS AT LAW

15 COURT SQUARE - BOX 681

LEBANON, KENTUCKY 40033

TELEPHONE: (502) 692-3141

FACSIMILE: (502) 692-6693
ELECTRONIC MAIL: ssh@kih.net

November 18, 1999

OF COUNSEL: ROBERT M. SPRAGENS

AND TO BOOK OF THE PARTY OF THE

Commonwealth of Kentucky Public Service Commission 730 Schenkel Lane P.O. Box 615 Frankfort, Kentucky 40602

Frankfort, Kentucky 40002

Attention: Stephanie Bell, Secretary of the Commission

Dear Ms. Bell:

ROBERT SPRAGENS, JR.*

ALSO ADMITTED IN GEORGIA

FREDERICK A. HIGDON

JOHN S. SMITH

Re: Case No. 99-451;

Taylor County Rural Electric Cooperative Corporation

Enclosed herewith please find ten (10) copies (actually one original with a non-reproducible exhibit, and nine copies with a reduction copy of that exhibit) of Taylor County's response to what is delineated herein as the "Complaint" of Campbellsville-Taylor County Industrial Foundation, Inc.

With kind regards I remain,

Very truly yours,

SPRAGENS, SMITH & HIGDON, P.S.C.

Róbert Spragens,

RS,JR:jm Enclosures

BEFORE THE PUBLIC SERVICE COMMISSION OF THE COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVIOR OF THE COMMONWEALTH		Not Style
CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.)	Sales de la company de la comp
COMPLAINANT)	10 K.
VS.) CASE NO.	99-451
KENTUCKY UTILITIES COMPANY AND TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION))))	
DEFENDANTS	,)	

RESPONSE OF TAYLOR COUNTY RURAL ELECTRIC **COOPERATIVE CORPORATION**

Defendant, Taylor County Rural Electric Cooperative Corporation, by counsel, offers the Commission this Response to the Complaint made herein upon behalf of Campbellsville-Taylor County Industrial Foundation, Inc.:

- The Complainant, Campbellsville-Taylor County Industrial Foundation, Inc., 1. has filed herein a document which is captioned as a "Complaint", and which appears to follow the form set forth in 807 KAR 5:001, section 15, (1). That document is thus presumptively intended to be a Formal Complaint filed pursuant to section 12 of the referenced administrative regulation. However, it is apparent that this "Complaint" neither alleges nor claims any "violation"; and that Complaint sets forth no "prima facie case" consistent with 807 KAR 5:001, section 12, (4)(a), which circumstance would require that the Complaint proceed no further.
- 2. It is more likely that the Complainant intended its filing to be in the form of an application permitted under 807 KAR 5:001, section 8, whereby Campbellsville-Taylor

County Industrial Foundation, Inc., apparently acting independent of the Co-Defendant, Kentucky Utilities Company, might seek relocation of an established and certified boundary line depicting the respective service territories of these Defendants. Assuming that to be the case, Complainant perhaps envisions that its application, including the relief sought therein, falls within the purview of Owen County Rural Electric Cooperative Corporation vs. Public Service Commission of Kentucky, Ky, App., 689 S.W.2d 599 (1985). However, reliance upon that authority, if any, would be misplaced. Owen County determined that, for purposes of KRS 278.018(1), the term "electric-consuming facility" is sufficiently broad in scope to include an entire industrial park, rather than the specific business units which may be situated therein. In Owen County, the Court of Appeals dealt with a 77-acre tract which had been purchased and developed as an industrial park subsequent to the adoption in 1972 of Kentucky's Territorial Law (KRS 278.016 et seq.). That 77-acre tract was a part of an 87-acre tract which had, at the time of the enactment of territorial legislation and thereafter, been operated as a family farm; and that farm tract had, upon the establishment of territorial boundaries, been placed within the certified territory of Owen County RECC. When part of the farm property was sold and converted to an industrial park, that facility itself became a "new electric-consuming facility" which straddled the boundary line dividing the territory of Kentucky Utilities from the territory of Owen County RECC. That circumstance then required this Commission's determination, consistent with the last sentence of KRS 278.018(1), as to whether one or both retail suppliers should serve the industrial park. The problem with applying the Owen County logic to Campbellsville-Taylor County Industrial Foundation's claim is that, from numerical paragraph 5 of the Complaint, we can discern that some portion of what the

Complainant would now describe as its industrial park was acquired by Campbellsville-Taylor County Industrial Foundation for its purposes in 1962, ten years prior to the establishment of certified territories. Thus, the park can hardly be characterized as a "new electric-consuming facility" and there is thus no justiciable controversy presented. If the broader definition of "electric-consuming facility" approved in *Owen County* permits reference to the undeveloped park, then the facility does not become "new" with the addition of actual industrial tenants.

3. This Defendant would further point out that, in the Owen County case, it was apparent that Union Light, Heat, & Power Company had in place, at the time of the application of the Campbell County Fiscal Court, existing three-phase service immediately adjacent to the western boundary of the park. On the other hand, Owen County RECC's nearest three-phase service (the sort of service naturally required in an industrial park), was located some 2 ½ miles south of the park. The Commission then decided that, in order to eliminate the need for Owen RECC's construction in the area of what would amount to duplicative service facilities, the entire industrial park should be served by Union Light, Heat, & Power. It was that determination of this Commission that was ultimately affirmed upon appeal. The Complaint does not allege the nature of this system which KU has in place at and near the subject industrial park. There is, to the Defendant's knowledge, one spec building located within the industrial park, and within KU's certified territory, and we will thus assume that KU has in place adequate facilities to serve its territory within the park. On the other hand, and in direct contrast to the factual circumstance in Owen County, the Complaint does not, and cannot, allege that Taylor County RECC does not already have in place perfectly adequate systems and facilities from which to serve its portion of the industrial park. The

Complaint has attached thereto, as "Exhibit A", a reduction copy of a plat which depicts the industrial park, and the location therein of the territorial boundary line. This Defendant thus attaches to this Answer that same plat of the Campbellsville-Taylor County Industrial Foundation property, except that there is superimposed thereupon the present location of Taylor County's existing facilities. In order to depict with more exactitude the location in the area of the Taylor County system, Taylor County has utilized an actual scale copy of the plat from which Complainant's "Exhibit A" derives, and Taylor County's service lines and poles are depicted thereupon as indicated in the legend. That full-scale plat, (only one of which is readily available to Taylor County), will be referred to as "Exhibit B", and is attached to the original copy of this Answer which is filled with the Commission, and reduced copies thereof are appended to the remaining copies of this filling, as well as the copies thereof served upon other parties to this proceeding.

4. The Commission will thus be able to determine, from reference to "Exhibit B", that Taylor County now has three-phase service located directly across Kentucky Highway 3518 from the subject industrial park, and that such service includes extensions of two separate lines which approach the area immediately adjacent to the industrial park from opposite directions. Thus, if and when the portion of the industrial park in Taylor County's certified territory is developed, Taylor County already stands ready, willing, and able to serve those customers in its territory. In fact, it may well be that Taylor County is best positioned to serve the entirety of this industrial park, but Taylor County certainly does not suggest any modification of the certified territorial boundary, and does not attribute to its Co-Defendant, KU, the effort herein to accomplish that result.

5. The within application, if that is what it is, is nothing more than an effort at enforcing, through the processes of this Commission, owner preference as between retail suppliers. It is that sort of selection process which the Territorial Law was designed to avoid and prohibit. Taylor County has planned the installation and development of its system in reliance upon the establishment of certified territories, and KU has presumably done likewise. The Complainant herein presents no basis upon which the existing territorial boundary should be made subject to modification.

WHEREFORE, Defendant, Taylor County Rural Electric Cooperative Corporation, respectfully suggests that the within Complaint be dismissed.

SPRAGENS, SMITH & HIGDON, P.S.C. Attorneys at Law 15 Court Square - P. O. Box 681

Lebanon, Kentucky 40033 Telephone (502) 692-3141

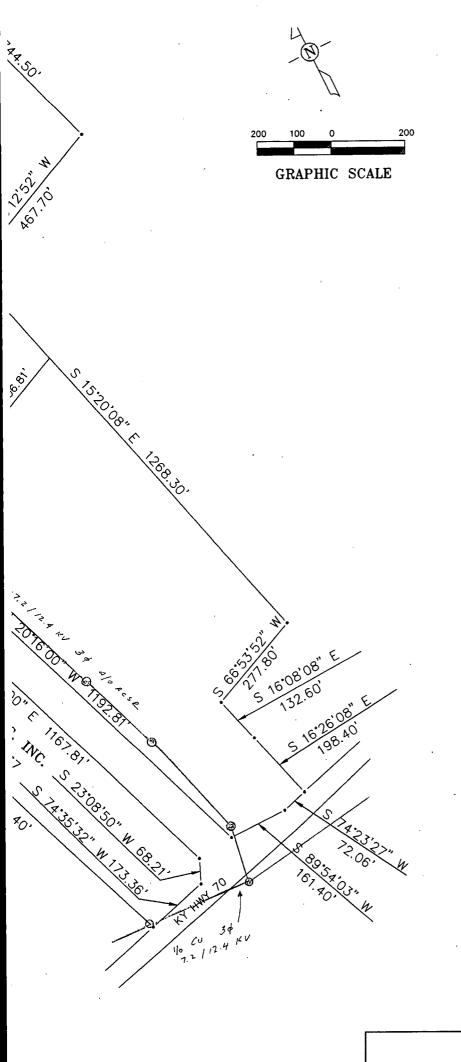
Robert Spragens for.

Counsel for Taylor County Rural Electric Cooperative

Corporation

Hon. John C. Miller Miller, Miller & Miller, PLC 225 East First Street Campbellsville, Kentucky 42718 Attorneys for Complainant

Hon. John R. McCall General Counsel Kentucky Utilities Company 220 West Main Street Louisville, Kentucky 40202



TAYLOR COUNTY RECC LIGEND POLE LOCAT DN LINE LOCATION

PRELIMINARY PLAT NOT FOR RECORDING

PROPERTY SURVEY FOR

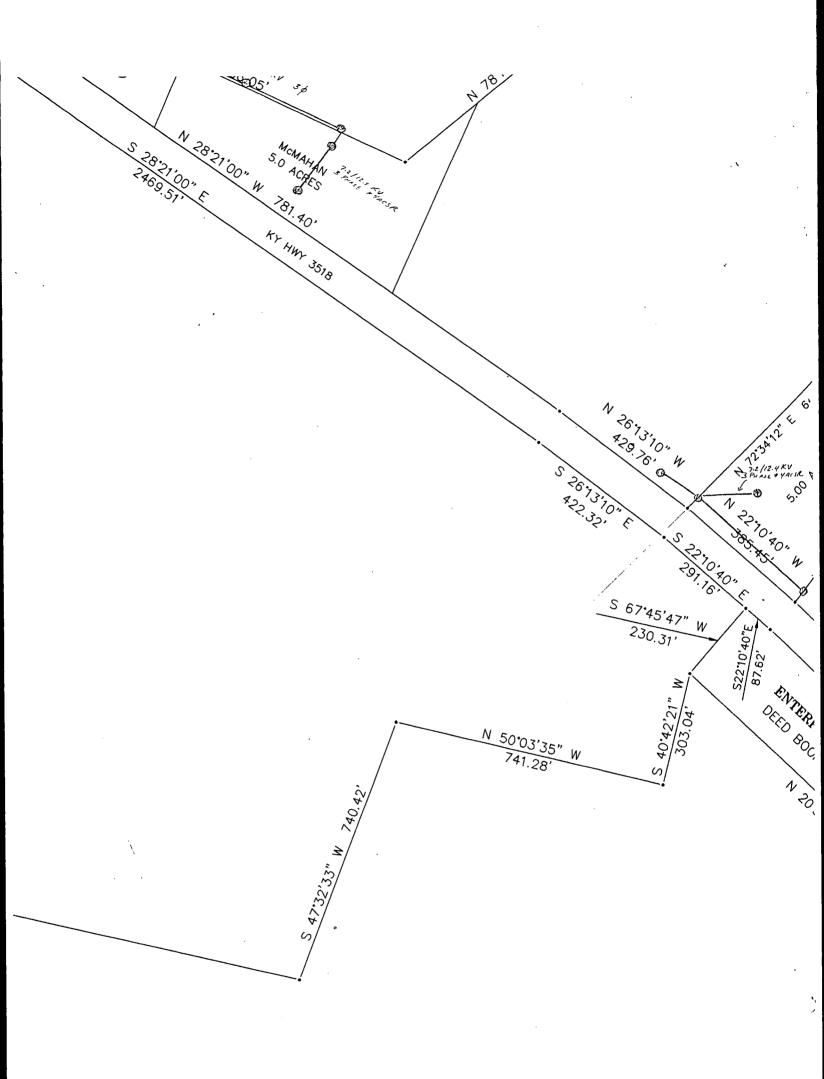
CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.

CAMPBELLSVILLE TAYLOR COUNTY, KENTUCKY SCALE 1 INCH = 200 FEET

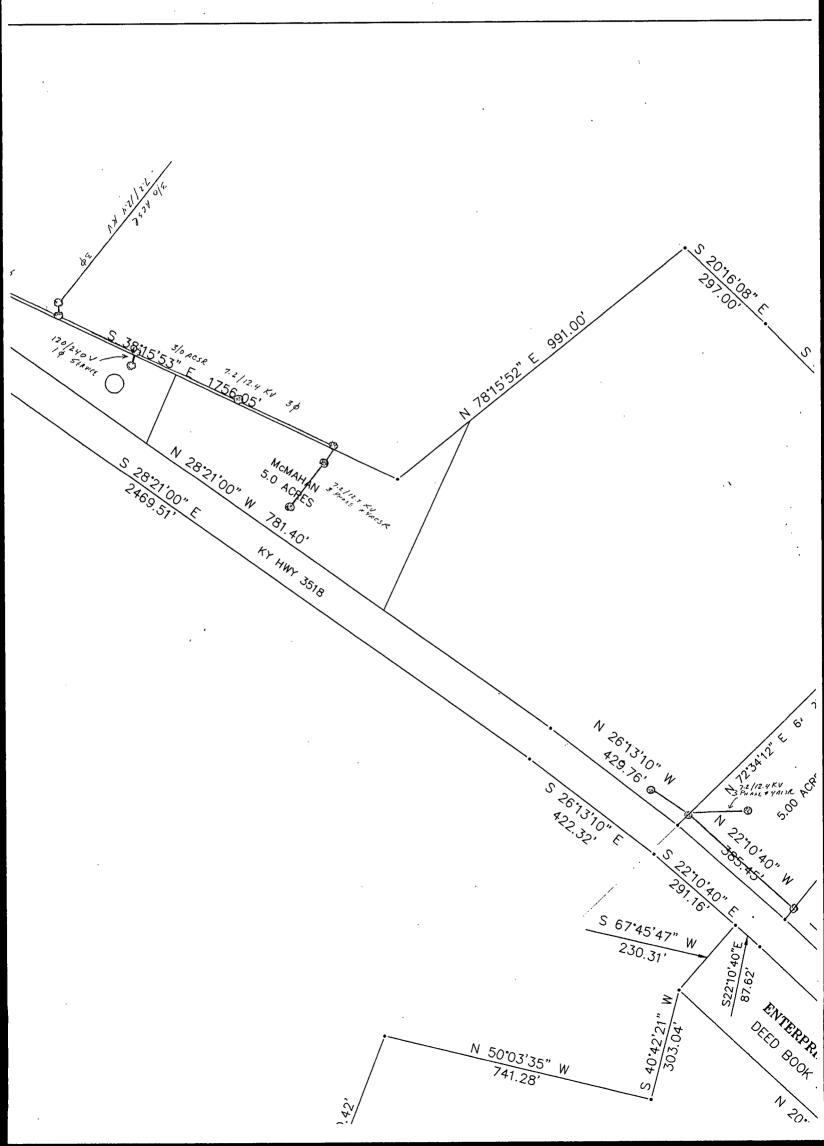
MILLER LAND SURVEYING, INC. 110 E. FIRST STREET CAMPBELLSVILLE, KY 42718 047IP91B

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COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
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FRANKFORT, KENTUCKY 40602
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Fax (502) 564-3460

November 10, 1999

Ronald B. McCloud, Secretary Public Protection and Regulation Cabinet

Helen Helton Executive Director Public Service Commission

Paul E. Patton Governor

John R. McCall Kentucky Utilities Company 220 West Main Street Louisville, KY 40202

William D. Harris
Taylor County Rural Electric
Cooperative Corporation
West Main Street
P. O. Box 100
Campbellsville, KY 42719

Honorable John c. Miller Attorney for Campbellsville-Taylor County Industrial Foundation, Inc. Miller, Miller & Miller, PLC 225 East First Street Campbellsville, KY 42718

RE: Case No. 99-451

Kentucky Utilities Company & Taylor County R.E.C.C. (Complaint - Service) Of Campbellsville-Taylor County Industrial Foundation, Inc.

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received November 3, 1999 and has been assigned Case No. 99-451. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie Bell

Secretary of the Commission

SB/jc



MILLER, MILLER & MILLER, PLC

ATTORNEYS AT LAW

225 E. FIRST STREET
CAMPBELLSVILLE, KENTUCKY 42718
TELEPHONE (270) 465-6111
FAX (270) 465-6100



JOHN C. MILLER, PSC john@millerplc.com

SHELLY S. MILLER, PSC shelly@millerplc.com JAMES C. MILLER, PSC james@millerple.com

November 1, 1999

Ms. Susan Hutcherson Public Service Commission Division of Filings 730 Schenkel Lane, P.O. Box 615 Frankfort, Kentucky 40602

Re: Campbellsville-Taylor County Industrial Foundation, Inc. v.

Kentucky Utilities Company and Taylor County Rural Electric Cooperative Corporation, Before the Public Service Commission

CASE 99-451

Dear Ms. Hutcherson:

Please find enclosed an original and eleven copies of the Complaint which I would like to file in the above referenced matter. Ten copies of the Complaint are for the Commission pursuant to the Kentucky Administrative Regulations. Please file stamp the remaining copy and return it to this office in the enclosed self-addressed stamped envelope.

Should you need any further information or need any changes, please advise.

Very truly yours,

Miller, Miller & Miller, PLC

John C. Miller

JCM/smv Enclosures

cc: Mr. William G. Chandler

By

BEFORE THE PUBLIC SERVICE COMMISSION

CAMPBELLSVILLE-TAYLOR COUNTY INDUSTRIAL FOUNDATION, INC.) NOV = \$ 1559
COMPLAINANT	
vs.) No. <u>00-451</u>
KENTUCKY UTILITIES COMPANY Serve: John R. McCall 220 West Main Street Louisville, KY 40202))))
AND)
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION Serve: William D. Harris West Main Street P.O. Box 100 Campbellsville, KY 42719))))))
DEFENDANTS	<i>)</i>)

COMPLAINT

The Complainant, Campbellsville-Taylor County Industrial Foundation, Inc., by counsel, requests that the Public Service Commission review and allocate territories and consumers pursuant to KRS 278.018 by revising the common certified territorial boundary between the Defendants, Kentucky Utilities Corporation and Taylor County Rural Electric

Cooperative Corporation. In support of this Complaint, Complainant states as follows:

1. The Complainant is the Campbellsville-Taylor County Industrial Foundation, Inc. ("Industrial Foundation"), a Kentucky corporation, with a mailing address of P.O. Box 161, Campbellsville, Kentucky 42719-0161.

- 2. The Defendant, Kentucky Utilities Company ("KU"), has its principal office located at One Quality Street, Lexington, Kentucky 40507.
- 3. The Defendant, Taylor County Rural Electric Cooperative Corporation ("Taylor County RECC"), has a mailing address of West Main Street, P.O. Box 100, Campbellsville, Kentucky 42718.
- 4. Both Defendants are engaged in the business of transmission or distribution of electricity to or for the public, for compensation, to provide light, heat, power or other purposes in Taylor County, Kentucky.
- 5. The Industrial Foundation owns certain real property in Taylor County, Kentucky consisting of approximately 140 acres founded by Kentucky Highway 68 and Kentucky Highway 70. Said property being the same property conveyed by deed to Campbellsville-Taylor County Industrial Foundation, Inc. by Wood T. Coppock and his wife, Gladys Coppock, which deed is dated the 24th day of December, 1962, recorded in Deed Book 86, page 136, records of the Taylor County Clerk's office, Kentucky, and also being a portion of the same property conveyed by deed to Campbellsville-Taylor County Industrial Foundation, Inc. by Woodrow Grimes which deed is dated the 31st day of December, 1986, recorded in Deed Book 159, page 634, records of the Taylor County Clerk's office, Kentucky.

6. This property is within the certified territorial service area of the Defendants.

A copy of the property evidencing the existing service areas of both Defendants is attached hereto and marked for purpose of identification as Exhibit A.

7. Pursuant to KRS 278.018, and in accordance with the provision stated in 278.017(3) in order to avoid waste of material, natural resources, and duplication of facilities, as well as to provide dependable and high quality retail service at a reasonable cost, the Complainant seeks modification of the existing certified territorial boundaries between the Defendants servicing the Industrial Foundation property.

8. The Complainant requests that Kentucky Utilities Company be permitted to service the entire area depicted on the plat identified as Exhibit A.

WHEREFORE, the Complainant respectfully requests that the Public Service Commission of the Commonwealth of Kentucky review the property in question and find that the proposed territorial service boundary changes will promote the purposes of KRS 278.018 and will provide adequate and reasonable service to all areas and consumers affected thereby.

Dated this day of Novel, 1999.

Respectfully Submitted,

John C. Miller

Miller, Miller & Miller, PLC

225 E. First Street

Campbellsville, Kentucky 42718

(502) 465-6111

ATTORNEYS FOR COMPLAINANT

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