

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BLUEGRASS DEVELOPMENT CO.)	
)	
COMPLAINANT)	
)	
VS.)	CASE NO. 95-061
)	
KENTUCKY UTILITIES COMPANY)	
AND)	
OWEN ELECTRIC COOPERATIVE, INC.)	
)	
DEFENDANTS)	

O R D E R

On February 14, 1995, Bluegrass Development Company ("Bluegrass") filed a complaint against Kentucky Utilities Company ("KU") and Owen Electric Cooperative, Inc. ("Owen Electric") requesting a modification of the existing electric territorial boundary in the Colony Subdivision, Scott County, Kentucky. The subdivision is a planned residential subdivision consisting of six phases and was filed of record in the Scott County Clerk's office in July 1986.

Phases 1 through 4 of the Colony have been developed and are within KU's territory except for a portion of Phase 4 which is within Owen Electric's territory. Bluegrass recently purchased the property in Phase 5 and has an option to purchase Phase 6.

The existing territorial boundary bisects Phase 5, resulting in most of that property being within Owen Electric's service territory. The remaining portion of Phase 5 and all of Phase 6 are

within KU's service territory. Bluegrass requests the Commission determine that the Colony Subdivision is an electric consuming facility as defined in KRS 278.010(8), and authorize KU to serve the entire subdivision.

An informal conference attended by all parties was held on April 6, 1995. As a result of discussion initiated at that time, the parties have filed a joint motion requesting a minor change in the territorial boundary and dismissal of this case. As set forth in the motion, KU and Owen Electric have agreed, pursuant to KRS 278.018(6), to allocate territories and customers between themselves to promote the purposes for which the electric territorial boundaries were established and to provide adequate and reasonable service to all affected customers. Specifically, the parties have agreed to realign the territorial boundary in Phase 5 of the Colony Subdivision so that the new boundary coincides with the center of Colony Boulevard and no residential lot is located in more than one territory. KU's territory will include all areas south of Colony Boulevard and Owen Electric will serve all areas to the north.

Based on the joint motion, the agreement for allocating territories, and being otherwise sufficiently advised, the Commission hereby finds that the allocation agreement will achieve the purpose and goals set forth in KRS 278.016, is in the public interest, and should be approved.

IT IS THEREFORE ORDERED that:

1. The joint motion of the parties is granted and the agreement to allocate territories between KU and Owen Electric is approved.

2. Within 30 days from the date of this Order, KU and Owen Electric shall file a new original United States Geological Map reflecting the agreed boundary and the signatures of both utilities.

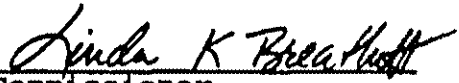
3. This case is dismissed.

Done at Frankfort, Kentucky, this 18th day of September, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director