

**BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC APPLICATION OF BLUE GRASS)	
ENERGY COOPERATIVE CORPORATION FOR)	
AUTHORIZATION OF CHANGES IN)	CASE NO.
CERTIFIED SERVICE TERRITORY)	2024-00356
WITH SALT RIVER ELECTRIC)	
COOPERATIVE CORPORATION)	

**RESPONSE OF BLUE GRASS ENERGY COOPERATIVE CORPORATION
TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
DATED DECEMBER 4, 2024**

FILED: DECEMBER 13, 2024

BLUE GRASS ENERGY

**Response to Commission Staff's First Request for Information
Dated December 4, 2024**

Case No. 2024-00356

Responding Witness: Chris Brewer, Blue Grass Energy

REQUEST NO. 1

1. Refer to the Application, paragraph 7.

a. Confirm that no existing customer of Salt River Electric take service within the 1.38 square mile area proposed under this boundary change.

RESPONSE 1-a: Salt River Electric does not have any customers with the 1.38 square mile area.

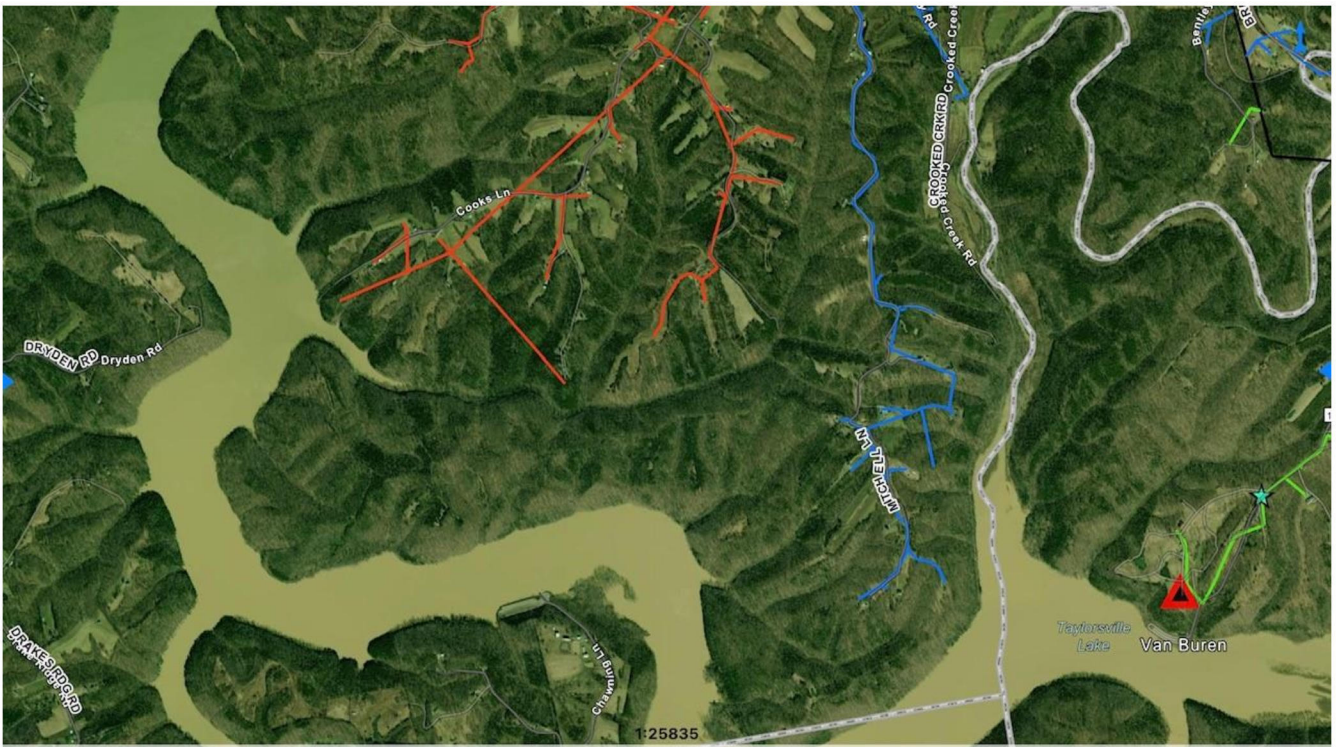
b. If not confirmed, provide the number of existing customers taking service within this parcel and which utility will provide service, if approved.

RESPONSE 1-b: Not applicable. See Response to Request 1.a. above.

c. Identify the existing Blue Grass Energy facilities that will be utilized to extend service to the new customer.

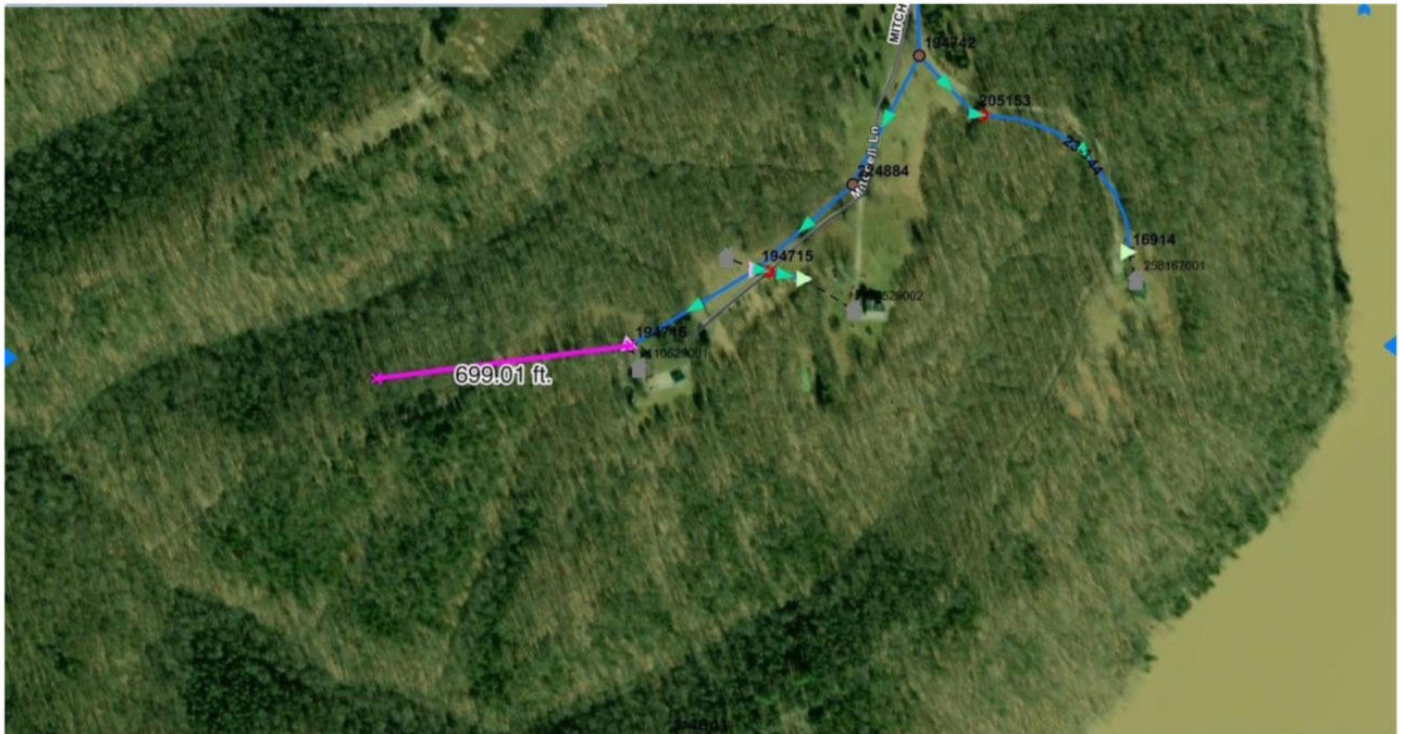
RESPONSE 1-c: Reference is made to the diagrams below. Blue Grass Energy would serve the new area from the lines shown in Green, Blue, and Red. These lines are located on Old Briar Ridge Rd, Cooks Ln, and Mitchell Lane.

(DIAGRAMS FOR RESPONSE 1-C)



d. Identify any additional lines and facilities Blue Grass Energy would need to build to extend service to the new customer.

RESPONSE 1-d: The new customer is working on building a house approximately 700' beyond Blue Grass Energy's existing facilities on Mitchell Lane. Please see diagram below.



e. Provide an estimate of cost to construct any new lines and facilities.

RESPONSE 1-e: The cost estimate to serve the new home is \$15,300.

f. Explain what facilities Salt River Electric would have to build to provide electric service to any new customers in that area.

RESPONSE 1-f: Upon consultation with Salt River Electric, it was determined that the nearest Salt River Electric distribution lines are located across Taylorsville Lake near the end of Chowning Ln. Salt River Electric advised that construction of a distribution line

from this location to serve this customer would require construction of over 4,500' of single-phase primary. This route would require Salt River Electric to seek a permit to install a 1,500' span across the lake, easements across Taylorsville State Park and individual properties, and significant right-of-way clearing through dense forest. Assuming permits and easements could be acquired, Salt River Electric has estimated that this line would cost in excess of \$100,000. Alternately, Salt River Electric could construct a line beginning at the intersection of Park Rd. and Briar Ridge Rd (Highway 248). This route would require the construction of 6+ miles of single-phase distribution crossing Blue Grass Energy's' existing territory. Salt River estimates the construction cost for this alternative would exceed \$500,000. Neither of these options are practical or economical.

g. Provide an estimate of cost to construct facilities to support service in this parcel.

RESPONSE 1-g: To provide services to potential new homes near points 7 through 15 on Exhibit 3 to the Application would likely be similar to the cost provided in section E above, approximately \$15,000. The area near points 1 through 6 on Exhibit 3 to the Application is farther away from existing facilities and would require approximately 2 miles of line to be built. The cost estimate for this project would be \$150,000 depending on terrain and right of way clearing.

BLUE GRASS ENERGY

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REQUEST NO. 2

2. Refer to the Application, Exhibit 2. Explain why the map refers to the boundary as Fox Creek RECC.

RESPONSE 2: Blue Grass RECC merged with Fox Creek RECC to form Blue Grass Energy in 1998. The referenced quadrant map pre-dates the merger.

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REQUEST NO. 3

3. Refer to the Application, paragraph 5. Explain how the service territory change would minimize disputes between electric providers.

RESPONSE 3: It is believed that the service territory lines were developed prior to the construction of Taylorsville Lake. (The dam was completed and the Lake flooded by the U.S. Army Corps of Engineers in 1983.) Prior to the construction of the lake, Salt River Electric would have been able to serve the territory that is now on the northeastern side of Taylorsville Lake. However, with the lake in place, Blue Grass Energy now has existing facilities that are much closer and more feasible to extend than Salt River Electric for the area in question. Please also see Responses to Request Numbers 1.f and g above.

VERIFICATION

The undersigned, Chris Brewer, being duly sworn, deposes and says that he is Vice President, Engineering for Blue Grass Energy Cooperative Corporation, 1201 Lexington Road, Nicholasville, Kentucky, 40356, and that he has personal knowledge of the matters set forth in the above responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief formed after reasonable inquiry.



Chris Brewer
V.P. Engineering, Blue Grass Energy

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JESSAMINE)

Subscribed and sworn to before me by Chris Brewer in his role as Vice President, Engineering, for Blue Grass Energy Cooperative Corporation, on this 13th day of December, 2024.


NOTARY PUBLIC

ID Number: KYNP84720

My Commission Expires: Jan. 26, 2028

