# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

#### In the Matter of:

JOINT ELECTRONIC APPLICATION	)
OF BIG RIVERS ELECTRIC	)
CORPORATION AND KENTUCKY	) CASE NO. 2025-00323
UTILITIES COMPANY FOR	)
AUTHORITY TO TRANSFER THE	)
DAVIESS COUNTY ASSETS	)
PURSUANT TO KRS 278.218	)

## **JOINT APPLICATION**

Big Rivers Electric Corporation ("BREC") and Kentucky Utilities Company ("KU") (together the "Joint Applicants") respectfully jointly petition the Kentucky Public Service Commission ("Commission") by verified application pursuant to KRS 278.218 and 807 KAR 5:001 Section 8 to issue an order authorizing KU to sell to BREC a substation and associated facilities and equipment in Daviess County, Kentucky (collectively, "Daviess County Assets") pursuant to the Daviess County Assets Agreement dated June 16, 2025. (A copy of the Daviess County Assets Agreement is attached hereto as Application Exhibit 1.) In support of this Application, KU states as follows:

- 1. BREC is a rural electric cooperative corporation organized pursuant to KRS Chapter 279. Its full name is Big Rivers Electric Corporation. BREC's mailing address is P.O. Box 20015, Owensboro, Kentucky 42304, and its street address is 710 W. 2<sup>nd</sup> Street, Owensboro, Kentucky 42301. BREC's address for electronic mail service is regulatory@bigrivers.com.
- 2. BREC owns generating assets and purchases, transmits and sells electricity at wholesale. Its principal purpose is to provide the wholesale electricity requirement of its three distribution cooperative members: Jackson Purchase Energy Corporation, Kenergy Corp., and

Meade County Rural Electric Cooperative Corporation ("Meade County RECC") (collectively, the "Members"). The Members in turn provide retail electric service to approximately 121,000 consumer/retail members located in 22 western Kentucky counties: Ballard, Breckenridge, Caldwell, Carlisle, Crittenden, Daviess, Graves, Grayson, Hancock, Hardin, Henderson, Hopkins, Livingston, Lyon, Marshall, McCracken, Mclean, Meade, Muhlenberg, Ohio, Union and Webster.

- 3. BREC was incorporated in the Commonwealth of Kentucky on June 14, 1961, and hereby attests that it is currently in good standing in Kentucky.
- 4. KU's full name and business address are: Kentucky Utilities Company, One Quality Street, Lexington, Kentucky 40507. KU's mailing address is Kentucky Utilities Company c/o Louisville Gas and Electric Company, 2701 Eastpoint Parkway, Louisville, Kentucky 40223.

The Company may be reached by electronic mail at the electronic mail addresses of its counsel set forth below.

- 5. KU is incorporated in the Commonwealth of Kentucky and the Commonwealth of Virginia and attests it is in good corporate standing in both states. KU was incorporated in Kentucky on August 17, 1912, and in Virginia on November 26, 1991.
- 6. KU is a public utility, as defined in KRS 278.010(3)(a), engaged in the electric business. KU generates and purchases electricity, and it 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			

- 7. KU is wholly owned by LG&E and KU Energy LLC, a subsidiary of PPL Corporation.
- 8. Copies of all orders, pleadings, and other communications related to this proceeding should be directed to:

Tyson Kamuf General Counsel Big Rivers Electric Corporation 710 W. 2<sup>nd</sup> Street Owensboro, Kentucky 42301 regulatory@bigrivers.com

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- 9. KRS 278.218 requires prior approval for transfers of electric utility assets if the assets have an original book value of \$1,000,000 or more and are being transferred for reasons other than obsolescence or will continue to be used to provide the same or similar service to the utility or its customers. The Commission is required to grant approval if the transfer is for a proper purpose and consistent with the public interest.
- 10. KU owns and, with its sister utility, Louisville Gas and Electric Company ("LG&E"), operates a substation and associated facilities and equipment located at 5201 Roby Road, Philpot, KY 42366 in Daviess County, Kentucky (the "Substation Property"). BREC owns the real property on which the Substation Property resides.
- 11. In addition, KU owns and LG&E/KU operate a 345kV electric transmission line connecting the Substation Property to Owensboro Municipal Utilities' ("OMU") Elmer Smith substation as well as certain 138kV electric transmission lines. KU is the holder of several easements related to the Transmission Lines (the "Easements"). Descriptions of these assets are contained in the exhibits to the Daviess County Assets Agreement.
- 12. OMU is a city-owned utility and recipient of merger mitigation depandaking benefits from LG&E/KU under LG&E/KU Joint Rate Schedule No. 525.
- 13. OMU has requested that KU sell the Daviess County Assets to BREC to allow OMU to be physically interconnected with an existing Midcontinent Independent System

Operator, Inc. ("MISO") Transmission Owner in order to facilitate OMU's participation in MISO as a Transmission Owner and Transmission Operator.

- 14. BREC desires to purchase the Daviess County Assets from KU, and KU is willing to sell the Daviess County Assets, and assign the Easements, to BREC. LG&E/KU are willing to transfer operation of Daviess County Assets to BREC, pursuant to the terms and conditions of the Davies County Assets Agreement and subject to the Settlement Agreement executed by the LG&E/KU and OMU on June 16, 2025 ("Settlement Agreement") resulting in the termination of any further obligation for LG&E/KU to provide merger mitigation depancaking benefits to OMU. A copy of the Settlement Agreement is attached as Application Exhibit 2. For these reasons, the sale of the Daviess County Assets is for a proper purpose and in the public interest.
  - 15. The Daviess County Assets have an original book value of \$3,584,819,86.
- 16. Because the Daviess County Assets have an original book value greater than one million dollars and because KU expects to transfer the assets to BREC for reasons other than obsolescence, Commission approval under KRS 278.218 is required.

WHEREFORE, Big Rivers Electric Corporation and Kentucky Utilities Company respectfully ask the Commission to issue an Order (1) finding that the transfer of KU's Daviess County Assets to BREC is for a proper purpose and consistent with the public interest and (2) approving the transfer of the assets.

Dated: October 1, 2025 Respectfully submitted,

## Tyson Kamuf w/permission by AKS

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Counsel for Louisville Gas and Electric Company

## **VERIFICATION**

COMMONWEALTH OF KENTUCKY	)
	) SS:
COUNTY OF DAVIESS	)

The undersigned, **Chris Bradley**, being duly sworn, deposes and says he is VP System Operations, for Big Rivers Electric Corporation, and that he has personal knowledge of the matters set forth in the foregoing Verified Application, and that the content thereof is true and correct to the best of his information, knowledge, and belief.

Chris Bradley

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 29<sup>th</sup> day of September 2025.

My Commission Expires: 2/22/26

(SEAL)

TYSON KAMUF
Netary Public
Commonwealth of Kentucky
Commission Number KYNP43028
My Commission Expires Feb 22, 2026

**VERIFICATION** 

COMMONWEALTH OF KENTUCKY

) SS:

**COUNTY OF JEFFERSON** 

The undersigned, Elizabeth J. McFarland, being duly sworn, deposes and says she is Vice

President, Transmission, for LG&E and KU Services Company, and that she has personal

knowledge of the matters set forth in the foregoing Verified Application, and that the content

thereof is true and correct to the best of her information, knowledge, and belief.

Elizabeth J. McFarland

Subscribed and sworn to before me, a Notary Public in and before said County and State,

this 30th day of September 2025.

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

## **CERTIFICATE OF COMPLIANCE**

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on October 1, 2025, and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

Tyson Kamuf w/permission by AKS\_

Counsel for Big Rivers Electric Corporation

Counsel for Kentucky Utilities Company

allyon & Stringeon