

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF SOUTH)	
KENTUCKY RURAL ELECTRIC)	CASE NO.
COOPERATIVE CORPORATION FOR A)	2026-00087
DECLARATORY ORDER REGARDING)	
CONSTRUCTION OF A WAREHOUSE)	

VERIFIED APPLICATION

Comes now South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”), by and through the undersigned counsel, pursuant to 807 KAR 5:001 Section 19 and other applicable law, and does hereby submit its Application for the Commission to declare that South Kentucky RECC does not need a Certificate of Public Convenience and Necessity (“CPCN”) to build a warehouse. South Kentucky RECC is respectfully requesting the Commission to issue its decision as expeditiously as possible, before **May 31, 2026**, because South Kentucky would like to begin construction in the summer so it completed before winter. As grounds for this Application, South Kentucky RECC respectfully states as follows:

INTRODUCTION AND FILING REQUIRMENTS

1. South Kentucky is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. South Kentucky is engaged in the business of distributing retail electric power to approximately 52,000 members in the Kentucky counties of Adair, Casey, Clinton, Cumberland, Laurel, Lincoln, McCreary, Pulaski, Rockcastle, Russell, and Wayne. It owns approximately 7,100 circuit miles of distribution line in its service territory. South Kentucky purchases its power requirements from East Kentucky Power Cooperative, Inc., pursuant to a Wholesale Power Contract dated October 1, 1964, and subsequent amendments.

2. Pursuant to 807 KAR 5:001 Section 14(1), South Kentucky's mailing address is 200 Electric Avenue, Somerset, Kentucky 42501 and its electronic mailing address is skrecc@skrecc.com. South Kentucky's telephone number is (606) 678-4121 and the fax number is (606) 679-8279. South Kentucky requests that the following individuals be included on the service list:

Kevin Newton, South Kentucky's President & Chief Executive Officer:

kevinn@skrecc.com

Carrie Bessinger, South Kentucky's Chief Financial Officer:

carrieb@skrecc.com

Counsel for South Kentucky, L. Allyson Honaker, Heather S. Temple, and Meredith Cave:

allyson@hloky.com

heather@hloky.com

meredith@hloky.com

3. Pursuant to 807 KAR 5:001, Section 14(2), South Kentucky is a Kentucky corporation, in good standing, and was incorporated on October 13, 1938. A copy of the Certificate of Good Standing is attached as **Exhibit 1**.

REQUEST FOR DECLARATORY ORDER

4. KRS 278.020(1)(a) states a utility cannot start construction of plant, equipment, or property, or a facility for furnishing to the public any of those services without obtaining a Certificate of Public Convenience and Necessity ("CPCN") from the Commission. KRS 278.020(1)(a)(1) provides an exemption from the requirement of obtaining a CPCN for ordinary extensions of existing systems in the usual course of business.

5. On July 24, 1961, South Kentucky purchased a 69-acre farm in Pulaski County for \$1.00. Until 2017, South Kentucky's Annual Meeting was held at the location. After 2017, the Annual Meeting has been held at South Kentucky's headquarters with a virtual option. The property currently does not serve a purpose for South Kentucky. A copy of the deed is attached as **Exhibit 2**.

6. South Kentucky plans to sell the property in Pulaski County in the summer at an auction on June 6, 2026. Pursuant to KRS 278.218, South Kentucky is not required to seek Commission approval for the sale of the property since the original book value was less than \$1 million. Based on land sales in the area, South Kentucky expects to sell this property for over \$1 million.

7. Currently, in Wayne County, in its Monticello District, South Kentucky has been using an old tobacco barn as a temporary warehouse. South Kentucky has been utilizing the old barn since 2008. Photographs of the temporary warehouse are contained in **Exhibit 3**.

8. At this time, South Kentucky can no longer use the old barn for its warehouse due to its size and condition. South Kentucky is proposing to demolish the old tobacco barn and replace it with a new warehouse. This warehouse will be approximately 100 feet x 140 feet. The warehouse will include 1,500 square feet of office space, a small kitchenette, and restrooms.

9. South Kentucky plans to build the new warehouse with the proceeds of the sale of the property in Pulaski County. South Kentucky anticipates that amount will be sufficient to pay for the labor and materials of the new warehouse, however if it is not South Kentucky will utilize general funds for the remainder. South Kentucky will not require financing from any lender for the project. Therefore no approvals pursuant to KRS 278.300 are required.

10. South Kentucky does not anticipate ongoing operations and maintenance costs will be materially different than the current operation and maintenance costs for the old barn. Even if there are small incremental increased costs, the costs would not of the magnitude that would require a rate proceeding.

CONCLUSION

For the foregoing reasons, South Kentucky respectfully requests that the Commission enter a declaratory order declaring that South Kentucky does not need a CPCN for its planned new warehouse. The warehouse will not be financed and will not create increased operation and maintenance costs.

This the 1st day of April 2026.

Respectfully submitted,

Heather S. Temple

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Heather S. Temple
Meredith L. Cave
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Counsel for South Kentucky RECC

CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on April 1, 2026 that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.

Heather S. Temple

Counsel for South Kentucky RECC

Exhibit 1

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 327678

Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is October 13, 1938 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 29th day of January, 2025, in the 233rd year of the Commonwealth.



Michael G. Adams

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
327678/0047666

Exhibit 2

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THIS DEED OF CONVEYANCE MADE AND ENTERED INTO THIS
24TH DAY OF JULY 1961, BY AND BETWEEN ELLA MAY PLEASANT AND
ROBERT PLEASANT, HER HUSBAND, OF SOMERSET, PULASKI COUNTY,
KENTUCKY, PARTIES OF THE FIRST PART, AND SOUTH KENTUCKY RURAL
ELECTRIC COOPERATIVE CORPORATION OF SOMERSET, KENTUCKY, PARTY
OF THE SECOND PART, WITNESSETH: THAT FOR AND IN CONSIDERATION
OF ONE (\$1.00) DOLLAR, AND OTHER GOOD AND VALUABLE CONSIDERATION
THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED IN FULL, THE PARTIES
OF THE FIRST PART DO BY THIS INSTRUMENT AND THESE PRESENTS,
GRANT, SELL, BARGAIN AND CONVEY UNTO THE PARTY OF THE SECOND
PART, ITS SUCCESSORS AND ASSIGNS, THE FOLLOWING DESCRIBED
REAL ESTATE, TO-WIT:

CONSISTING OF 74.6 ACRES, MORE OR LESS, LOCATED
IN PULASKI COUNTY, KENTUCKY, SIX MILES WEST FROM
SOMERSET AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON A STONE, ELBERT MUSE'S CORNER
NEAR THE INTERSECTION OF HIGHWAY No. 80 ON THE SOUTH
LINE OF THE COUNTY ROAD; THENCE WITH SAID ROAD SOUTH
72 DEGREES 30 MINUTES WEST 51.3 POLES TO A STONE ON
SAME, EDD SHEPPARD'S CORNER; THENCE WITH HIS LINE
SOUTH 18 DEGREES EAST 16 POLES TO A STONE; THENCE
SOUTH 10 DEGREES WEST 43 POLES TO A BLACK OAK; SOUTH
45 DEGREES WEST 37.2 POLES TO A STONE AT DRY BRANCH,
SHEPPARD'S CORNER; THENCE LEAVING SHEPPARD'S LINES
WITH THE BRANCH AND ELBERT MUSE'S LINES AS FOLLOWS:
SOUTH 56 DEGREES 30 MINUTES EAST 11 POLES; SOUTH 48
DEGREES 30 MINUTES EAST 12 POLES; SOUTH 42 DEGREES
EAST 17.2 POLES; SOUTH 16 DEGREES 30 MINUTES EAST 9
POLES TO A STONE IN SAID BRANCH, WAYNE KEENEY'S CORNER;
LEAVING THE BRANCH WITH WAYNE KEENEY'S LINES AS FOLLOWS:
NORTH 73 DEGREES EAST 42 POLES TO A STONE, HIS CORNER
AT THE GARNER LANE; THENCE WITH SAME AND KEENEY'S LINE
NORTH 72 DEGREES EAST 6 POLES TO A STONE, HIS CORNER;
THENCE NORTH 27 DEGREES 30 MINUTES WEST 2 POLES TO A
STONE, HIS CORNER; NORTH 72 DEGREES EAST 79.25 POLES
TO A STONE, HIS CORNER AT HIS DRIVEWAY; THENCE WITH
THE WEST LINE OF SAME AND KEENEY'S LINE NORTH 11
DEGREES WEST 49.1 POLES TO A STONE IN KEENEY'S LINE,
BILLY PLEASANT'S CORNER; THENCE WITH HIS LINE SOUTH
74 DEGREES WEST 12 POLES TO A STONE, HIS CORNER; THENCE
WITH HIS LINE NORTH 11 DEGREES WEST 18-2/3 POLES TO A
STONE, HIS CORNER IN WAYNE KEENEY'S AND BAKE YANDER'S

LINE; THENCE WITH SAME SOUTH 74 DEGREES WEST 33.5 POLES TO A CEDAR, HIS CORNER; THENCE WITH THEIR LINE NORTH 16 DEGREES 30 MINUTES WEST 11.2 POLES TO A STONE, ELBERT MUSE'S CORNER; THENCE WITH HIS LINE SOUTH 76 DEGREES 30 MINUTES WEST 9.1 POLES TO A STONE, HIS CORNER; THENCE WITH HIS LINE NORTH 16 DEGREES 30 MINUTES WEST 12.1 POLES TO THE BEGINNING, CONTAINING 73.2 ACRES TO BE THE SAME MORE OR LESS AS SURVEYED BY CLAUD JASPER.

SECOND TRACT: BEGINNING ON WAYNE KEENEY ROAD AT THE INTERSECTION OF THE COUNTY ROAD WITH KEENEY'S LINE, THENCE SOUTH 11 DEGREES EAST 18-2/3 POLES TO A STONE IN HIS LINE; THENCE SOUTH 74 DEGREES 00 MINUTES WEST 12 POLES TO A STONE; THENCE NORTH 11 DEGREES 00 MINUTES WEST 18-2/3 POLES TO A STONE IN KEENEY'S AND YANDER'S LINE; THENCE NORTH 74 DEGREES 00 MINUTES EAST 12 POLES TO THE BEGINNING, CONTAINING 1.4 ACRES, MORE OR LESS.

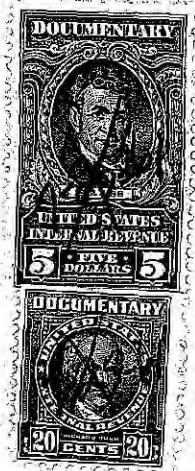
IT IS UNDERSTOOD THAT JOHN S. GOVER HAS A RIGHT OF WAY ACROSS SAID LANDS TO THE CRACKER NECK ROAD, RECORDED IN DEED BOOK 110, PAGE 442, PULASKI COUNTY COURT CLERK'S OFFICE, KENTUCKY.

BEING A PART OF THE SAME PROPERTY CONVEYED TO W. S. BROWN BY DEED DATED SEPTEMBER 18, 1908 FROM EMBERSON SMITH, ET AL, RECORDED IN DEED BOOK 68, PAGE 628, PULASKI COUNTY COURT CLERK'S OFFICE, KENTUCKY; THE SAID W. S. BROWN HAVING DIED INTESTATE ON MARCH 2, 1922 LEAVING AS HIS WIDOW, WILMOUTH BROWN, WHO IS NOW DECEASED, AND ELLA MAY PLEASANT, FIRST PARTY HEREIN, AS HIS ONLY HEIRS AT LAW, SEE AFFIDAVIT OF DESCENT OF RECORD IN DEED BOOK 107, PAGE 632, PULASKI COUNTY COURT CLERK'S OFFICE, KENTUCKY.

TO HAVE AND TO HOLD THE SAME, TOGETHER WITH ALL APPURTENANCES THEREUNTO BELONGING, UNTO THE PARTY OF THE SECOND PART, ITS SUCCESSORS AND ASSIGNS FOREVER, WITH COVENANT OF GENERAL WARRANTY.

IN TESTIMONY WHEREOF, WITNESS THE SIGNATURES OF FIRST PARTIES, THIS THE DAY AND YEAR FIRST ABOVE WRITTEN.

Ellen May Pleasant
Ralph Pleasant

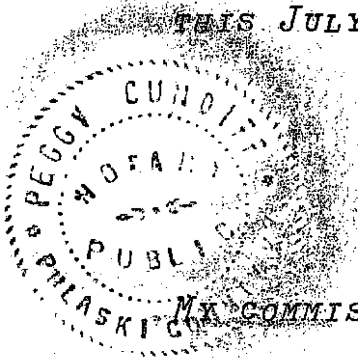


STATE OF KENTUCKY)
COUNTY OF PULASKI) SCT.

I, PEGGY CUNDIFF, A NOTARY PUBLIC WITHIN AND FOR THE ABOVE COUNTY AND STATE, HEREBY CERTIFY THAT THE FOREGOING DEED OF CONVEYANCE FROM ELLA MAY PLEASANT AND ROBERT PLEASANT, HER HUSBAND, TO SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION, WAS THIS DAY PRODUCED TO ME BY THE SAID ELLA MAY PLEASANT AND ROBERT PLEASANT, HER HUSBAND, AND BY EACH OF THEM SIGNED AND ACKNOWLEDGED TO BE THEIR ACT AND DEED.

IN TESTIMONY WHEREOF, WITNESS MY SIGNATURE AND SEAL,

THIS JULY 24, 1961.



Peggy Cundiff
NOTARY PUBLIC, PULASKI Co., KY.

STATE OF KENTUCKY
PULASKI COUNTY SCT.

I, Darrell Hall, Clerk of Pulaski County Court, certify that the foregoing *Deed* was this 24 day of July, 1961, produced to me certified as above and filed for record. Wherefore I have recorded same, the foregoing and this certificate in my said office this 25 day of July, 1961, in *Deed* Book No. 236 Page 397.

Att: DARRELL HALL, Clerk

By Gladys Hall D.C.

Exhibit 3





