



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

January 28, 2010

PARTIES OF RECORD

Re: Case No. 2009-00485

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. If you have any questions, please contact Richard Raff at 502/564-3940, Extension 263.

Sincerely,


A handwritten signature in cursive script, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

RR/ew

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File
FROM: Richard Raff, Staff Attorney 
DATE: January 28, 2010
SUBJECT: Case No. 2009-00485
Kentucky Power Company v. Grayson RECC

Pursuant to a Commission Staff notice dated December 17, 2009, an informal conference was held at the Commission's offices on December 22, 2009. A copy of the attendance list is attached hereto.

The parties discussed the need to provide new electric service to Mountain Materials for service to a rock crusher to be located in Carter County, Kentucky. More specifically, the facility will be in an area that is south and east of I-64 and north and west of U.S. 60. Mountain Materials had requested electric service from Grayson RECC on November 2, 2009. Grayson RECC determined that service could be provided from the Pelphry Substation, with a service extension requiring four poles, a total distance of less than 1,000 feet.

The parties discussed the official territorial boundary maps on file with the Commission, which show the area in which the rock crusher will be located to be totally within the boundaries certified to Grayson RECC. Kentucky Power indicated that, for many years prior to the drafting of the certified territorial boundary maps, it had electric facilities in this area and was serving customers in this area. Based on the date of its facilities and service to customers, Kentucky Power's position was that the official territorial map was in error.

Due to the need by Mountain Materials to have electric service by January 15, 2010 to begin its business operations, Kentucky Power and Grayson RECC agreed that Grayson RECC would extend electric service and begin serving Mountain Materials. The parties further agreed that the provision of electric service by Grayson RECC would be without prejudice to the rights of Kentucky Power to argue that the certified territorial boundary map on file with the Commission was drawn in error and that a revision should be made to reflect that Kentucky Power had facilities and customers in the vicinity of the new Mountain Materials rock crusher. Kentucky Power and Grayson RECC also agreed to work with each other to develop a procedural schedule, including discovery, for processing this case, and to file an agreed-upon procedural schedule with the Commission.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2009-00485

PETITION AND COMPLAINT OF KENTUCKY POWER COMPANY FOR A DECLARATION OF ITS RIGHT TO SERVE THE MOUNTAIN ENTERPRISES, INC. ASPHALT PLANT AND THE PROPOSED MOUNTAIN MATERIALS, INC. ROCK CRUSHERS AND QUARRY LOCATED IN CARTER COUNTY, KENTUCKY IN LIEU OF GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION; OR, ALTERNATIVELY, FOR AN ORDER CORRECTING THE CERTIFIED TERRITORY MAP OF THE AREA BOUNDED BY THE INTERSECTION I-64 AND U.S. 60 AND NEARBY VICINITY IN CARTER COUNTY, KENTUCKY TO INCLUDE THE SITES OF THE PROPOSED MOUNTAIN ENTERPRISES, INC. ASPHALT PLANT AND THE PROPOSED MOUNTAIN MATERIALS, INC.'S ROCK CRUSHERS AND QUARRIES IN KENTUCKY POWER COMPANY'S CERTIFIED TERRITORY

SIGN IN

December 22, 2009

PERSON

REPRESENTING

<u>RICHARD RAFF</u>	<u>PSC-LEGAC</u>
<u>Link B. LeMaster</u>	<u>Mt. Enterprises</u>
<u>MARK R. Overstreet</u>	<u>States' Harmon for Ky. Power</u>
<u>Errol K. Wagner</u>	<u>KPCO</u>
<u>Joe Pemberton</u>	<u>KPCO</u>
<u>Carroll Gray</u>	<u>Grayson Rec</u>
<u>W. J. Gray</u>	<u>GRECC</u>
<u>Reginald Chaney</u>	<u>PSC</u>
<u>JEFF JOHNSON</u>	<u>PSC</u>