

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AUTHORIZATION)	CASE NO.
OF CHANGES IN SERVICE TERRITORY)	2021-00121
WITH SHELBY ENERGY COOPERATIVE, INC.)	

ORDER

On March, 9, 2021, Kentucky Utilities Company (KU) filed an application, pursuant to KRS 278.018(6), for approval of an agreement with Shelby Energy Cooperative, Inc. (Shelby Energy) to change the certified territorial boundary at 7730 and 7732, Highway 55, Campbellsburg, Kentucky.

Stephen and Virginia Whitlow requested electric service for their new home at 7730 Highway 55, Campbellsburg, Kentucky, which currently falls within Shelby Energy's certified territory. However, KU has existing electric distribution facilities in the area, while Shelby Energy would have to construct new facilities spanning over 2,300 feet to serve the new home.¹ Shelby Energy would need to construct facilities to serve the request of the Whitlow family at a total estimated cost of \$17,384, including cost of clearing right-of-way. Of this amount the Whitlow family would be responsible for \$14,312 prior to construction of the facilities.² KU's cost estimate is \$6,376 of which the Whitlow's

¹ Application at 3.

² KU's Response to Commission Staff's First Request for Information (filed Apr. 9, 2021), Item 3.

responsibility is \$1,679.72 for the footage in excess of 1,000 feet per KU's line extension policy.³

While completing this application, KU and Shelby Energy discovered that KU has been inadvertently serving the home of John and Karen Lewis at 7732 Highway 55, Campbellsburg, Kentucky for over 14 years. KU and Shelby Energy, as part of this agreement, will include the Lewis land in the requested territorial change so that the service territorial boundary will accurately reflect the current state of affairs.⁴

KU has provided a copy of the agreement that described the requested change in certified territories that was signed and dated by representatives of KU and Shelby Energy. Also, KU has provided two maps showing the proposed changes to the service territory (1) Campbellsburg Quadrangle signed by Shelby Energy on April 7, 2021, and by KU on April 9, 2021, and (2) a detailed survey, Campbellsburg Site Map, signed by both utilities on April 9, 2021.⁵

³ *Id.*

⁴ Application at 3.

⁵ The boundary change is on the topographic map of Campbellsburg, KY, 1:24,000 United States Geological Survey, and is defined by the following Kentucky State Plane Coordinates, North Zone (North American Datum 1983):

KRS 278.018(6) permits retail electric suppliers to contract with one another, subject to Commission approval, for the purpose of allocating territories and consumers between them, and designating which territories and consumers each provider will serve. The Commission is required to approve such a contract “if it finds that the contract will promote the purposes of KRS 278.016 and will provide adequate and reasonable service

1 = N=397526.48 E=1366840.95	13 = N=397701.41 E=1364039.07	25 = N=399314.84 E=1363935.09	37 = N=398701.69 E=1365412.59
2 = N=397572.25 E=1366514.89	14 = N=397714.05 E=1363995.18	26 = N=399333.44 E=1363965.23	38 = N=398679.58 E=1365799.95
3 = N=397621.51 E=1366124.63	15 = N=397752.45 E=1363940.10	27 = N=399368.17 E=1364021.52	39 = N=399010.05 E=1365684.03
4 = N=397692.92 E=1365782.08	16 = N=397762.58 E=1363931.40	28 = N=399399.83 E=1364145.85	40 = N=399390.68 E=1365459.07
5 = N=397688.27 E=1365750.04	17 = N=397818.24 E=1363883.59	29 = N=399378.34 E=1364422.40	41 = N=399409.07 E=1365856.12
6 = N=397619.63 E=1365310.32	18 = N=398164.52 E=1363765.47	30 = N=399265.73 E=1364650.81	42 = N=399415.25 E=1366370.14
7 = N=397602.09 E=1365023.83	19 = N=398304.53 E=1363754.01	31 = N=399249.10 E=1364759.09	43 = N=399409.06 E=1366987.72
8 = N=397666.78 E=1364833.20	20 = N=398460.75 E=1363766.66	32 = N=399226.71 E=1364834.37	44 = N=398480.26 E=1366883.29
9 = N=397680.97 E=1364759.20	21 = N=398559.50 E=1363774.65	33 = N=399225.44 E=1364857.03	45 = N=398450.44 E=1366880.00
10 = N=397676.69 E=1364580.61	22 = N=398652.66 E=1363809.56	34 = N=399205.90 E=1364883.11	46 = N=398339.91 E=1367653.85
11 = N=397708.07 E=1364312.42	23 = N=398825.90 E=1363877.51	35 = N=398966.85 E=1365170.63	
12 = N=397684.13 E=1364099.29	24 = N=399014.14 E=1363967.18	36 = N=398825.17 E=1365306.72	

to all areas and consumers affected thereby.” The purposes of KRS 278.016, which authorizes exclusive service territories for retail electric suppliers, are (1) to promote the orderly development of retail electric service; (2) to avoid wasteful duplication and unnecessary encumbering of the land; (3) to prevent the waste of materials and natural resources; (4) to minimize disputes between retail electric suppliers; and (5) for public convenience and necessity.

The Commission finds that the proposed territorial boundary change promotes the purposes of KRS 278.016. The agreement between KU and Shelby Energy to change the certified territorial boundary minimizes a potential dispute between retail electric suppliers, which may have resulted in inconvenience, diminished efficiency, higher cost to the consumer, avoids wasteful duplication of facilities, avoids unnecessary encumbering of the landscape, and provides adequate and reasonable service to all areas and property owners affected.

IT IS THEREFORE ORDERED that:

1. The boundary changes agreed upon by KU and Shelby Energy at 7730 and 7732 Highway 55, Campbellsburg, Kentucky, are approved.
2. This case is closed and removed from the Commission’s docket.

By the Commission

ENTERED
MAY 14 2021 rcs
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2021-00121

*Honorable Allyson K Sturgeon
Managing Senior Counsel - Regulatory &
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

*Rick LoveKamp
Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40202

*Sara Judd
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010