

2020  
Economic  
Development  
Annual Report

preparation  
& execution



Kentucky's  
Touchstone Energy  
Cooperatives®



# Year in Review

Kentucky's Touchstone Energy Cooperatives



*"We got local economic development and government officials together with internationally known leaders to talk about new ways to bring jobs to our communities," said Director of Economic Development Rodney Hitch. "New jobs dramatically improve quality of life, and that's what co-ops are all about."*

## Co-ops and national leaders discuss new ways to attract jobs at Co-opAPaLooza

Kentucky's Touchstone Energy Cooperatives welcomed hundreds of state, national and local economic development leaders to Frankfort in February. Attendees learned about strategies to increase business development while having fun at Co-opAPaLooza.

Nationally acclaimed guest speakers included Didi Caldwell and Lorie Vincent, along with Jim Rasberry and Josh Nowell, who star on the HGTV show "Home Town."

Caldwell, who founded Global Location Strategies, said rural communities can take advantage of changes in

technology, demographics and policy. Lorie Vincent, author of "Stand Up Rural America — Get Yourself a Seat at the Big Table," inspired guests with stories of how economic development leaders can meet the unique needs of rural Kentucky. The HGTV team shared entertaining stories of helping to revitalize their hometown of Laurel, Mississippi.

At the meeting, the co-ops also unveiled their updated economic development website: [www.DataIsPower.org](http://www.DataIsPower.org).

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Technology Leads to Success

Even though international passenger travel stopped, the following cutting edge technologies kept co-op service areas under consideration for business projects:

- PowerVision, the app that provides high-definition drone footage of co-op industrial locations. It enabled the co-ops to tell a story of new opportunities to the world.
- PowerMap, the first mobile economic development app in the country. It was built to show the co-op service territory boundaries and provide important economic development information.
- StateBook International, an online source of 63,000 data points of information to improve location analysis. StateBook helps businesses identify opportunities for new projects, and showcases many local communities and economic development agencies.

One of America’s most respected site selectors said these digital technologies have put Kentucky’s Touchstone Energy Cooperatives ahead of the competition.

This technology has been instrumental in getting site selectors to consider our top industrial sites which feature direct rail access; interstate proximity; workforce availability and utility infrastructure. Check out our tools through our PowerMap app or at [www.DataIsPower.org](http://www.DataIsPower.org).

*“Investing in these types of digital tools will continue to put these locations in the forefront of industrial development, attraction and expansion opportunities that rural America so desperately needs and will continue to pay dividends moving forward,” said Lorie Vincent, author of “Stand Up Rural America — Get Yourself a Seat at the Big Table.”*



Five Years of Success\*

\* From Jan. 1, 2015 to Dec. 31, 2020



14,715  
jobs created



\$6.1 billion  
in investments



191  
industry expansions



115  
new facilities



Kentucky's  
Touchstone Energy  
Cooperatives®

Top Economic  
Development  
Stories of 2020

1

Diageo: World’s First Carbon  
Neutral Distillery

Diageo, served by Inter-County Energy announced in June 2020 that their Lebanon, KY distillery currently under construction will be powered with 100% renewable energy. The project will be the first carbon-neutral project in Kentucky and is also a first for the bourbon world.

DIAGEO





# 2

## **AppHarvest:** *Redefining Agriculture*

AppHarvest, served by Fleming-Mason Energy, broke ground on one of the world's largest high-tech greenhouses. Located in Appalachia, the 2.76-million-square-foot high-tech greenhouse in Morehead, Ky. is the first of a series of facilities that are redefining American agriculture, and growing pesticide-free fruits and vegetables for people across the Eastern United States.

# 3

## **AppHarvest:** *Two Additional Sites to Come*

AppHarvest held ribbon cutting ceremonies on their second and third high-tech greenhouses in Madison County, Ky. The locations in Speedwell and Berea are served by Blue Grass Energy. The Speedwell greenhouse will be similar in design and purpose as Morehead, while the Berea site will specialize in growing leafy green vegetables.



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## Team Modern: New Valley Oak Distribution Center

Team Modern, served by South Kentucky RECC, constructed a 115,000-square-foot distribution center at the Valley Oak Technology Complex near Somerset. The distribution center increased freezer/cooler capacity for Team Modern's growing food service business and enabled automation of product movement and sorting.

**TEAM  
MODERN**

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## Transmission Reliability Strengthens

East Kentucky Power Cooperative's construction team continued to buildout new substations in Morehead, Lebanon and Richmond, Ky. to support growing industrial projects. These projects also are bringing enhanced reliability to owner-members across the Kentucky's Touchstone Energy Cooperatives 87-county service territory.



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## PowerMap App: Adds Features and Drone Sites

The award-winning PowerMap economic development mobile app was updated by the software development team at Interapt to add more features and additional PowerVision industrial sites. These updates include up-to-the-minute details on electric generation fuel mix, reflecting renewables and other fuel sources provided by the PJM Interconnection.



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## FDI Alliance Magazine Quarterly Articles Published

Kentucky's Touchstone Energy Cooperatives team provided quarterly articles for the international economic development site selection magazine FDI Alliance International. The magazine requested articles focused on Economic Development strategies, responding to COVID-19, and diversity and inclusion strategies for publication in the United Kingdom. The articles target C-Suite executives across Europe and go to more than 350,000 readers.





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## Hitachi Automotive: Motors for the Electric Vehicle Era

Hitachi Automotive Electric Motor Systems announced they will develop and produce electric vehicle motors at their existing plant in Berea, KY. The plant, which is served by Blue Grass Energy, will result in 175 new jobs and a \$96-million-dollar investment.



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## Shepherdsville Site Houses COVID-19 vaccines

McKesson Healthcare, served by Salt River Electric, leased 1-million-square feet in Shepherdsville, Ky. to distribute COVID-19 vaccines as a part of Operation Warp Speed. McKesson is in partnership with the U.S. Centers for Disease Control and Prevention to distribute the vaccines and plans to create over 1,200 jobs.







# 10

## **SPEDA Commerce Center Created in Somerset**

The SPEDA Commerce Center in Somerset, served by and created in partnership with South Kentucky RECC, is a 142-acre development that will offer certified build-ready sites to industrial prospects. The park's first tenant, the Kentucky National Guard, announced in August its intentions to build a new regional readiness center and field maintenance shop on 18 acres.



# 11

## **Barren County Gets South Cooper Industrial Park**

The South Cooper Industrial Park, served by Farmers RECC, is a 152-acre park with quick access to the Western Kentucky Parkway and Interstate 65. Both South Cooper and the SPEDA Conference Center announced funding for road improvements in coordination of the new industrial park developments.





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## **Dollar General to Open New Distribution Center**

Dollar General announced a new 630,000 square foot distribution center served by Owen Electric in Walton, Ky. The new \$65 million facility is expected to employ 250 people and serve 800 stores across the Midwest.



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## **Post-It Notes Expands**

Served by Blue Grass Energy, the 3M plant in Cynthiana, Ky. which manufactures the iconic Post-it Notes, Post-It Easels and Scotch package-protection tapes is spending \$50.6 million to add new production lines and upgrade its Post-it Note and Scotch tape production lines. 3M also plans to add 20 new jobs as a result of the expansion.



# 14

## Bourbon Boom Continues

The bourbon boom continued in 2020 with more distilleries being announced while existing producers expanded production and aging capacities. Members of the cooperative family with expansions included: Lux Row Distillers (Bardstown); Heaven Hill Distilleries (Bardstown and Cox's Creek); Boone County Distilling Company (Walton); and Maker's Mark Distillery (Loretto). New distilleries starting construction included: Diageo (Lebanon); Clermont Distillery (Clermont) and Old Samuels Distillery (Deatsville). These iconic distilleries are served by Salt River Electric, Inter-County Energy and Owen Electric.

# 15

## Feralloy Locates Plant Near Ghent

Feralloy announced plans to locate a 30-job, \$17.5 million facility on Nucor Steel Gallatin's campus near Ghent, Ky. to level and cut steel for customers throughout the Ohio Valley region. The company will lease a 60,000-square-foot facility, served by Owen Electric, at Nucor's steel mill in Gallatin. Feralloy will receive steel coils directly from the mill, then cut and level them into high-quality sheets.



# 16

## Chapin Adds Rockcastle Plant

Chapin International Inc., a manufacturer of metal compressed air sprayers, announced plans to locate a production operation in an existing facility in Mount Vernon, Ky. with a \$5.5 million investment creating 100 full-time jobs. The plant will be served by Jackson Energy.

# 17

## Digital Tools Position Co-ops for Success

With prior investments in technology including, PowerMap, PowerVision and our DatalsPower.org website, the transition to the virtual side of COVID economic development was not a difficult one for the Kentucky's Touchstone Energy Cooperatives team. From drone flights to mobile app to StateBook data and our DatalsPower website, our communities were well positioned for no contact economic development and our final numbers prove it.



# 18

## Thomas Elected to National Economic Development Board

National Rural Economic Developers Association (NREDA) held a nationwide election and Brad Thomas, Manager of the Economic Development team for Kentucky's Touchstone Energy Cooperatives, was elected to serve a four-year term. The board meets monthly and is focused on creating synergies across rural America that leads to opportunities for growth and investment. The 2021 Annual Conference is scheduled for November 9-11th in Louisville.



# 19

## Green Tariffs Bring Success

2020 saw East Kentucky Power Cooperative expand its existing Renewable Energy Program through the approval of a Green Energy Tariff by the Kentucky Public Service Commission. The tariff meets end-use members' growing expectations to source renewable energy at fair, just and reasonable rates. The green tariff was carefully designed to offer end-use members the flexibility they desire without causing harm to other customers.





# 20

**One of the Most Successful Years  
Ever Completed**

Kentucky's Touchstone Energy Cooperatives realized a 146 percent increase in investment and a 205 percent increase in jobs created in owner-member service territories in 2020 compared with the previous year. With 32 projects spread across ten cooperatives, almost \$735 million is projected to be invested creating over 3,200 jobs in our cooperative territories, the rural communities served are poised for a fast recovery from the impacts of COVID.



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