

2021
Economic
Development
Annual Report

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."

Bouncing back from the pandemic, 2021 became a year that showed the rural economies were still running strong across our the communities served by Kentucky's Touchstone Energy Cooperatives communities were still running strong. In fact, 2021 tallied ended up being the second- largest investment year on record for our cooperatives since 2015.

Our cooperatives continued to be recognized globally for the game-changing initiatives implemented to bring investment and opportunities to our served communities. From the Site Selectors Guild to the

International Economic Development Council, professional economic development organizations continue to award our Kentucky's Touchstone Energy Cooperatives for projects and innovative ways we promote our rural communities.

In 2022 we look to build on the success our cooperatives have seen over the last seven years and we anticipate even more prosperity coming to our rural Kentucky communities.

www.DataIsPower.org



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.DatalsPower.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."



Transformational Success

** From Jan. 1, 2015 to Dec. 31, 2021*



17,311
jobs created



\$8.4 billion
in investments



204
industry expansions



128
new facilities



Kentucky's
Touchstone Energy
Cooperatives[®]

Top Economic
Development
Stories of 2021

1

Over \$2 Billion in Investments and Over 2,500 Jobs Announced with 30 Projects in 2021

2021 proved to be another stellar year for the cooperatives in the world of economic development. 30 projects were announced across the Kentucky's Touchstone Energy Cooperatives service territories in 2021 resulting in announced investments of over \$2 Billion and the creation of over 2,500 jobs.





2

Wieland North America : *Empowering Success*

Wieland North America announced a new \$250 million dollar copper facility planned for a greenfield site in Shelbyville, Kentucky. One of the largest copper products producers in the world, Wieland selected to locate their state-of-the-art facility on the Norfolk Southern Site within the Shelby Energy service territory over sites from across the country. The company is expected to hire 225 once fully operational and construction is slated to start in Spring 2022.

3

KCC Manufacturing : *Greenfield industrial facility*

KCC Manufacturing announced a new \$200 million greenfield industrial air conditioning manufacturing facility along with a research and development center in Simpsonville, Kentucky. The facilities will house over 700 jobs and will be part of an 81 acre complex known as Simpsonville Commons and is scheduled to be operation in 2023.



DIAGEO

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Site Selectors Guild's Inaugural "Project With A Purpose" Award

The Site Selectors Guild, the professional association of the world's leading corporate location advisors, announced the Diageo Lebanon Distillery as the inaugural winner of the *Projects with a Purpose* award. The award, presented for the first time during the Guild's 2021 Annual Conference in Orlando, Florida, recognized exemplary initiatives addressing social and environmental issues and building healthier environments for business. The distillery served by Inter-County Energy is the first bourbon distillery designed to be served with 100% renewable energy.

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Diageo Lebanon Distillery Opens *World's First Carbon Neutral Bourbon*

The Diageo Lebanon Distillery began operations in Lebanon, Kentucky in 2021. Designed and built as the first carbon-neutral bourbon distillery, the \$130 million distillery is part of the Inter-County Energy cooperative family and distills Bulleit Bourbon and other bourbons brands owned by Diageo.

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IEDC's Gold Award for Co-opAPaLooza

The International Economic Development Council presented the Gold Award for Special Events to KTEC's for their Co-opAPaLooza Event held in March of 2020. Co-opAPaLooza was a first-of-its-kind rural economic development event in Frankfort, Kentucky that brought together 250 participants from the 87 counties served by Kentucky's Touchstone Energy Cooperatives for a day of learning, interacting and strategic alignment for transforming the economies of our local communities. More rock concert and circus performance than stuffy economic development conference, the six-hour 'PaLooza focused on nationally recognized speakers in a high energy setting that included fire juggling and a jamming soundtrack while detailing a brighter future for our rural communities.



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Pitman Creek Grand Opening

Pitman Creek Wholesale, the nation's leading fishing tackle distributor cut the ribbon on their new 205,000 sf distribution center built in the Lincoln County Industrial Park located in Stanford, Kentucky. Powered by Inter-County Energy, Pitman Creek provides fishing tackle for more than 5,000 retail stores across the U.S. and 10 countries.





AppHarvest Somerset Announcement

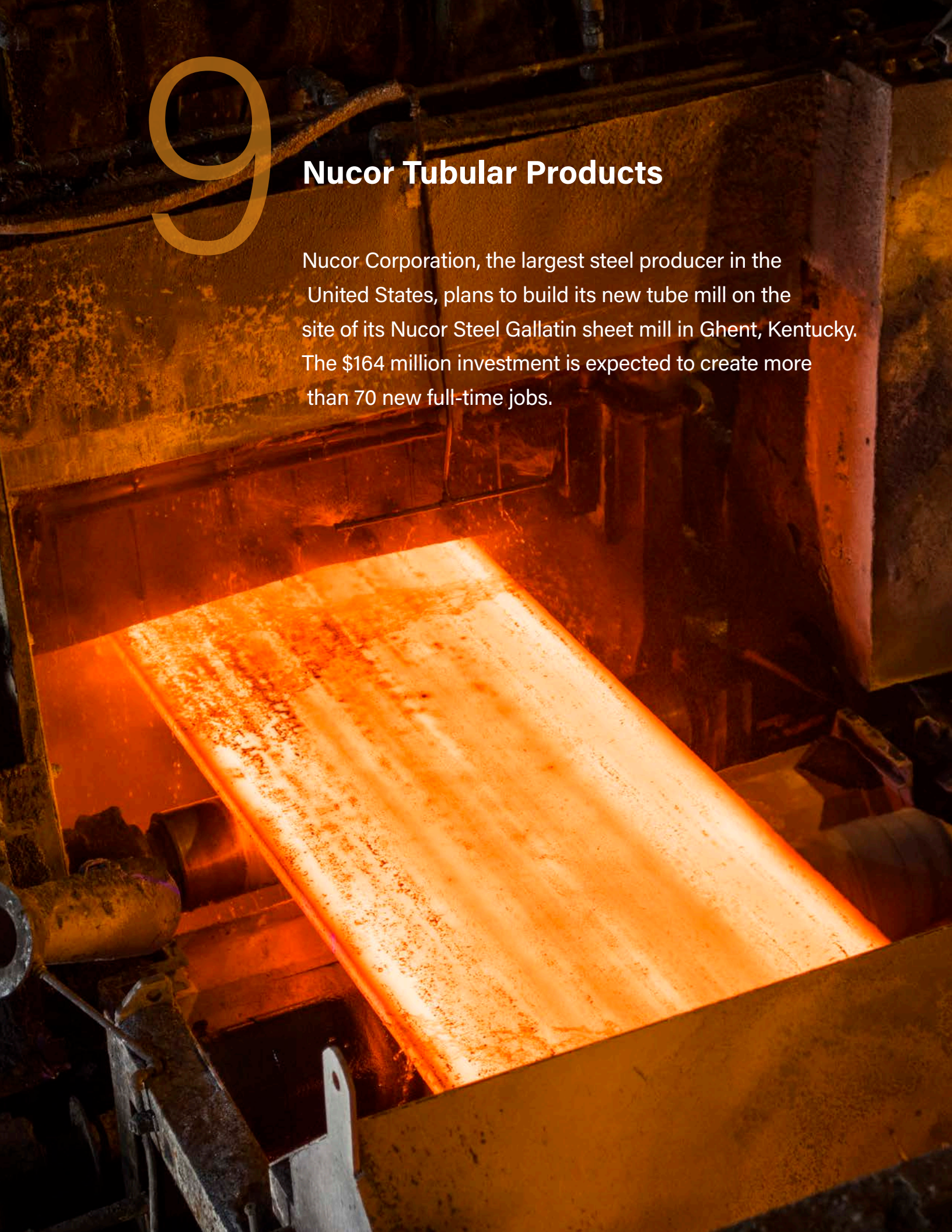
Appharvest, a leading ag-tech company on a mission to feed the world from the heart of Appalachia announced today it will build a 30-acre indoor farm in Somerset-Pulaski County. This facility will be focused on growing strawberries and cucumbers and join four other greenhouse projects in Rowan and Madison Counties all operating with rural electricity from the KTECS.

 **AppHarvest**

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Nucor Tubular Products

Nucor Corporation, the largest steel producer in the United States, plans to build its new tube mill on the site of its Nucor Steel Gallatin sheet mill in Ghent, Kentucky. The \$164 million investment is expected to create more than 70 new full-time jobs.





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Summit Packaging Solutions

Manufacturing packaging company Summit Packaging Solutions LLC will locate its first Kentucky facility in Boone County with a more than \$18.3 million investment that will create 250 jobs in Northern Kentucky.

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Nemak Expansion – Farmers RECC

Nemak USA Inc., a manufacturer of innovative lightweight products for powertrain, e-mobility and structure applications, will create 170 well-paying jobs with a \$27 million expansion of its Nemak Kentucky operation in Glasgow to support future electric vehicle-related business.



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NREDA comes to Kentucky

National Rural Economic Developers Association brought their 2021 Annual Conference to Louisville, KY. The event featured participants from around the country and showcased rural economic development initiatives and projects coming to fruition in Kentucky.



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Lorie Vincent working with Big Sandy RECC and Jackson Energy

Internationally recognized rural economic developer Lorie Vincent worked with Big Sandy RECC and Jackson Energy on initiatives to tell the cooperative story in developing economic development opportunities in their rural communities. Vincent will be working with all of the Kentucky's Touchstone Energy Cooperatives over the next few years on tailored economic development initiatives to promote regions across our service territories.

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Stand Up Rural America Conference coming to Somerset in 2022

Lorie Vincent brings her rural economic development conference Stand Up Rural America to Somerset, KY in 2022. The award winning conference focused on creating opportunities in rural communities selected Somerset out of numerous cities across the United States. The conference is slated to be held at the Center for Rural Development during July.



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Bourbon Expansions

The world keeps drinking bourbon and the chosen location to make the best bourbon continues to be in Rural Kentucky. Distillers such as Bardstown Bourbon Company; LuxRow Distillers and Heaven Hill continued making multimillion dollar investments to create America's Only Native Spirit.





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Behemoth Speculative Buildings Announced - Owen Electric; Salt River Electric; and Shelby Energy

Buildings over a million square feet continue to be planned and constructed along the interstate corridors of Rural Kentucky. The behemoth structures are providing warehousing opportunities for companies leveraging the UPS, DHL and Amazon world ports located in the state. Currently six buildings over a million square feet are planned or under construction across our cooperative service territories.



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Bitcoin Projects

Bitcoin miners are searching for sites across the United States to locate mining operations for bitcoins. The former coal mining regions located in the Big Sandy RECC; Grayson RECC; Cumberland Valley RECC; Licking Valley RECC; and Jackson Energy service territories are now seeing a different kind of mining coming to the region and utilizing existing electric infrastructure that is being underutilized in the former coal fields.



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New PowerVision drone flights for Taylor County RECC and South Kentucky RECC

PowerVision drone flights have been crucial to the success Kentucky's Touchstone Energy Cooperatives are realizing in the world of economic development. The drone flights capture Hollywood level video of the site but also provide digital terrain models of the site to help would be companies looking for a new site for an industrial project have the right site.





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eKAMI Training Center coming to West Liberty – Licking Valley RECC

eKAMI's new facility at the East Kentucky Correctional Complex seeks to expand opportunities for those incarcerated. eKAMI CEO Kathy Walker previously has brought opportunities for students in Eastern Kentucky to train on state-of-the-art CNC equipment, learning to program, set-up and operate machines that produce parts for industries including aerospace and automotive.



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Chapin International Expansion – Jackson Energy

Following the successful startup of its Mount Vernon facility in 2020, Chapin International needed to further expand operations in order to meet continued demand for their garden sprayers. Jackson Energy worked closely with the New York based company to meet the needs of the fast growing Kentucky operations.



Sustainability – POWERING THE GOOD

Sustainability is critically important to Kentucky's Touchstone Energy Cooperatives. In 2020, their power supplier, East Kentucky Power Cooperative (EKPC), approved a Sustainability Plan to increase EKPC's use of renewable resources to 15 percent of energy and to reduce carbon emissions 35 percent by 2035. The plan establishes guiding principles to better serve the owner-member cooperatives, improve the environment, increase fuel diversity, attract and retain the best employees, ensure reliable service and maintain financial stability. For more information about the plan, please go to www.ekpc.coop.



SUSTAINABILITY
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