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RAIL, ROADS AND OPPORTUNITIES IN KENTUCKY

If you had the opportunity to design the perfect site in the United States for a European-based industrial development project, you would begin with a wish list of features and attributes. That comprehensive list would include features to ensure speed to market for the goods produced but also would minimize risks and create production synergies as well as overall cost savings.

The site would have to be in the center of the continent or at least the center of the continent's population. The site would have international deep-water port access or the ability to move raw materials easily from a port through either rail or intermodal facilities directly to the site. The site would have access to large amounts of water, natural gas and electricity including from renewable sources to allow for heavy levels of production. The site would need to be on a relatively flat, stable bedrock area with little terrain undulation that would benefit the development and construction of the facility with minimal land contouring or disturbance.

Road access would be paramount and access to the United States interstate highway network would be necessary to move people and products in and out of the site on daily basis. It would have to be close to an international airport to ensure staff movement between the European headquarters and the U.S. production facility would be seamless to ensure worldwide coordination.

The climate of the community housing the site would also be important, especially if the temperature swings were mild and the seasons were recognizable and distinct, similar to the European continent. Housing affordability, recreational facilities and access to nature would be important in designing the perfect location to live, work and play. The community would need a skilled workforce and schools in alignment with potential

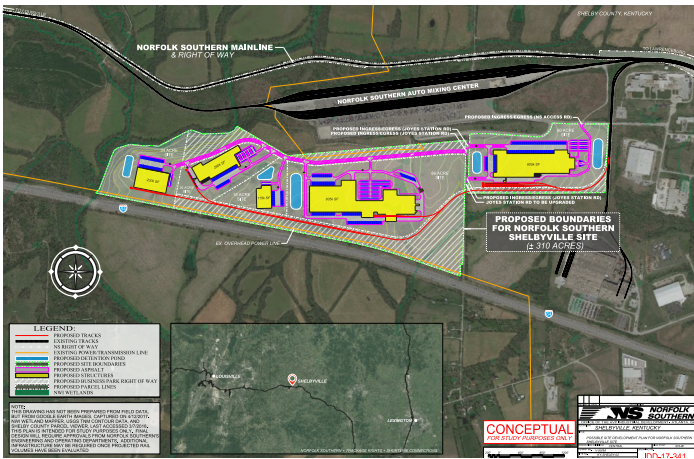
employer's career paths and needs. The population would be artisans and craftsmen that would take time in creating handmade items as well as having community pride that would be unmistakable as you visit the local shops, restaurants and pubs. People would be moving to the area, creating an organic energy that would reach all corners of the community.

If I were tasked with taking all of these attributes and constructing the perfect industrial site for a European company to locate a new advanced manufacturing facility, I would look no further than the Norfolk Southern Site located in Shelbyville, Kentucky.

Shelbyville, Kentucky is located within a day's drive of over two-thirds of the United States population and minutes from Louisville, Kentucky, the home of the Kentucky Derby as well as Kentucky Fried Chicken's corporate headquarters. Kentucky is situated in a unique section of the United States, where the climate is similar to the southern areas of Germany, particularly the Bavaria and Baden-Württemberg States. Of course, Kentucky is famous for large quantities of limestone-filtered water crucial in the distillation of the native spirit bourbon.

As Ray Leathers, head of the Shelby County Industrial and Development Foundation says, "Shelbyville/Shelby County is the center of manufacturing in the United States. We can reach two-thirds of this country's commerce centers within a day's drive. And with access to rail, interstates, waterways and cargo airports, I can't think of a better place for a company to invest in manufacturing than here."

The Shelbyville area is one of the fastest growing population areas of Kentucky during the last decade, with more than 2,000 houses currently



planned for construction. This population growth is triggering a resurgence in the Main Street corridor of this rural community. This influx is generating ripples of opportunity, leading to further public and private investments, including in a new convention center as well as investments in schools and training programs for local industries. More significantly, the growth has created an abundance of skilled workforce, especially in the metals sector, with a majority of the largest industrial employers in Shelbyville specializing in metals for the aerospace and automotive industries.

The Norfolk Southern Site in Shelbyville has been an undeveloped industrial site since the initial purchase of 600 acres by the railroad company in 1996. The site located directly off Interstate 64 is home to a 100-acre railyard mixing center built to store and ship vehicles for Ford Motor Company, with the remaining acres left for development of rail-served industrial projects. The site has been unused for over twenty years. However, the Norfolk Southern Site and the future of Shelby County took a positive turn in 2017, when local partners, including the railroad and local elected officials, began working together to change how the site was perceived across the site-selection world. From zoning changes to sewer plans to marketing strategies and upgrades to water and electricity at the site, the Norfolk Southern Site was changing and the opportunities for the community reflected this new look that has resulted in site selectors taking notice of this once-forgotten site.

Jacob Weir, Industrial Development Manager for Norfolk Southern in Kentucky, credits the cooperation within the community and the enhanced marketing efforts across different channels as the key to the activity he is seeing. Weir stated, "It wasn't until we truly partnered with the community and began to market our site in a different manner did we begin to see activity and site visits increase. By taking care of perceived issues like zoning and sewers as well utilizing drones to capture the site with video and create digital terrain models, we were able to step up our direct marketing campaigns to site selectors and companies around the world."

Besides the marketing changes, the story the community began telling about themselves changed as well for site visits. From discussing the Main Street renaissance to discussions of the school system and creation of a future skilled workforce, Shelby County had a new, fresh story to tell the world. Shelby Energy CEO Jack Bragg, who also serves on the Shelby County Industrial and Development Foundation, states, "As someone who newly relocated to Shelby County a few years ago, I recognized all this community has to offer to a company looking for a new manufacturing location." With Shelby Energy as the electricity provider to the site, Jack also knows that at some point in the site-selection discussions with a potential company, the conversation will turn towards a discussion of sustainability and renewables. Bragg states, "Almost every project we

are seeing in Kentucky asks about renewable energy. I always am proud to say, regardless of the size of the electric need; Shelby Energy stands ready to provide access to renewable energy sources to assist the project in meeting their sustainability initiatives."


In early 2021, after twenty-plus years of sitting idle, the Norfolk Southern Site was finally able to see the first announced plans for development when the Ulm, Germany-based Wieland Group chose a 78-acre track to develop a state-of-the-art copper recycling center and foundry. Wieland, founded in 1820, chose the Shelbyville area and the Norfolk Southern Site for their project because of the logistical advantages the site offers as well as the support the project received from all facets of the community. The community has stepped up to address concerns of the company in record time and has welcomed the opportunity to work cooperatively with the company on initiatives concerning roads and workforce development and attraction initiatives.

Shelbyville and the Shelby County area, including the City of Simpsonville, are seeing unprecedented opportunities that are leading to billion-dollar investments across the community. Shelby County Judge Executive Dan Ison thinks the community is merely scratching the surface on their economic development opportunities. "We are seeing investments and job creation numbers that only a few years ago we would have thought were impossible to even consider. With numerous buildings starting construction across Shelby County representing billions of dollars of investments and the creation of thousands of jobs, we know we are ready for even more economic development opportunities in the near term, especially on the Norfolk Southern Site."


By pulling all of its local partners together to work cooperatively, including water, sewer, natural gas and electric utilities; planning and zoning administrators; government officials; and education and training providers, Shelbyville, Kentucky began telling their story in a different way. The story of cooperation and the pursuit of a brighter future for the community has become the new mantra of Shelby County and all of its residents.



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