COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AUTHORIZATION OF)	CASE NO.
CHANGES IN SERVICE TERRITORY WITH)	2009-00208
OWEN ELECTRIC COOPERATIVE)	

ORDER

On June 8, 2009, Duke Energy Kentucky, Inc. ("Duke Energy Kentucky") filed an application for approval of an agreement with Owen Electric Cooperative, Inc. ("Owen Electric") to change the electric territorial boundary for the Hickory Valley Subdivision Phase B and Claiborne Subdivision Phase 5A in Kenton County, Kentucky. Duke Energy Kentucky also requests permission to deviate from 807 KAR 5:001, Section 8(2), 1 to allow it to file only two complete sets of maps due to the bulk of the maps.

KRS 278.018(6) allows a retail electric supplier to contract with another retail electric supplier for the purpose of allocating consumers between such retail electric suppliers.

The proposed changes will realign the electric boundary due to the proximity of the two utilities performing installation of utility service within the subdivisions. Duke Energy Kentucky filed an agreement and map signed by Duke Energy Kentucky and Owen Electric describing the boundary changes. The signed map includes a list of Global Positioning System points (latitude and longitude) that define the new territorial boundary. The boundary changes occur on the 1:24,000 United States Geological Survey quadrangle for Independence, Kentucky. Duke Energy Kentucky states that no

¹ 807 KAR 5:001, Section 8(2), requires 10 additional copies of the application to be filed with the Commission.

customers will be affected by the proposed changes because the subdivisions are currently under construction.

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that Duke Energy Kentucky has shown good cause to deviate from the requirements of 807 KAR 5:001, Section 8(2). The Commission further finds that the proposed boundary changes will prevent wasteful duplication of facilities, avoid unnecessary encumbering of the landscape, minimize disputes between Duke Energy Kentucky and Owen Electric, and provide adequate and reasonable service to all affected areas.

IT IS THEREFORE ORDERED that:

- 1. Duke Energy Kentucky's request to deviate from 807 KAR 5:001, Section 8(2), is granted.
- 2. The boundary changes agreed upon by Duke Energy Kentucky and Owen Electric for the Hickory Valley Subdivision Phase B and Claiborne Subdivision Phase 5A in Kenton County, Kentucky are approved.

By the Commission

ENTERED

NOV - 2 2009

SERVICE COMMISSION

ATTEST:

Executive Director

Rocco O D'Ascenzo Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201

Dianne Kuhnell Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201

Mark Stallons President/CEO Owen Electric Cooperative, Inc. 8205 Highway 127 North P. O. Box 400 Owenton, KY 40359