Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

June 1, 2010

David L. Armstrong Chairman

> James Gardner Vice Chairman

Charles R. Borders Commissioner

Anita M. Schafer Senior Paralegal Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201

RE: Case No. 2010-00203 Duke Energy Kentucky, Inc.

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Linda Faulkner

Filings Division Director

LF/rs Enclosure



Steven L. Beshear Governor

Leonard K. Peters Secretary **Energy and Environment Cabinet**



Commonwealth of Kentucky **Public Service Commission**

211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

June 1, 2010

David L. Armstrong Chairman

> James Gardner Vice Chairman

Charles R. Borders Commissioner

Amy B. Spiller Associate General Counsel Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201

RE: Case No. 2010-00203 Duke Energy Kentucky, Inc.

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Linda Faulkner

Filings Division Director

LF/rs Enclosure



BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

MAY 2 0 2010

PUBLIC SERVICE COMMISSION

In The Matter of:

Duke Energy Kentucky, Inc.'s Application for Approval)
To Transfer Functional Control of its Transmission Assets)
From the Midwest Independent Transmission System)
Operator to the PJM Interconnection Regional Transmission)
Organization And Request for Expedited Treatment)

Case No. 2010- 00203

FILED

MAY 2 0 2010

PUBLIC SERVICE
COMMISSION

DUKE ENERGY KENTUCKY, INC.'S APPLICATION FOR APPROVAL TO TRANSFER FUNCTIONAL CONTROL OF CERTAIN TRANSMISSION ASSETS FROM THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR TO THE PJM INTERCONNECTION REGIONAL TRANSMISSION ORGANIZATION AND REQUEST FOR EXPEDITED TREATMENT

Now comes Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), and hereby requests that the Kentucky Public Service Commission (Commission) approve the transfer of functional control over the Company's transmission assets consisting of eighteen 138 kV "high side" connections including breakers and switches (138 kV Connections) from the Midwest Independent System Transmission Operator Inc., (the Midwest ISO) Regional Transmission Organization (RTO) to the PJM Interconnection, L.L.C. This transfer is appropriate because Duke Energy Ohio, Inc., (Duke Energy Ohio) which owns and operates the 138 kV and above transmission delivery system by which Duke Energy Kentucky is currently interconnected to the Midwest ISO, will leave the Midwest ISO RTO and join the PJM RTO.

The transfer of control will not harm the Company's ratepayers and will not affect rates or prejudice the outcome of any future rate case. Moreover, the RTO realignment will not adversely affect the Company's ability to continue to provide safe and reliable electric service to customers. Further, Duke Energy Kentucky commits that it will not seek to recover through base

340709