

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF OWEN ELECTRIC</b>	)	
<b>COOPERATIVE, INC. FOR AUTHORIZATION</b>	)	<b>CASE NO. 2023-00020</b>
<b>OF CHANGES IN SERVICE TERRITORY WITH</b>	)	
<b>DUKE ENERGY KENTUCKY, INC.</b>	)	

**APPLICATION**

Comes now Owen Electric Cooperative, Inc. (“Owen Electric”), by counsel, pursuant to 278.018(6) and 807 KAR 5:001, Section 14, hereby applies for approval of changes in certified service territory as agreed with Duke Energy Kentucky, Inc. (“DEK”).

1. Owen Electric is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Owen Electric is engaged in the business of distributing retail electric power to approximately 64,600 members in the Kentucky counties of Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, Pendleton, and Scott.

2. Pursuant to 807 KAR 5:001, Section 14(1), the applicant’s full name is Owen Electric Cooperative, Inc. and mailing address is 8205 Highway 127 North, P.O. Box 400, Owenton, Kentucky 40359-0400. Its electronic mail address is [psc@owenelectric.com](mailto:psc@owenelectric.com).

3. Pursuant to 807 KAR 5:001, Section 14(2), Owen Electric is a Kentucky corporation that was incorporated on June 9, 1937 and is currently in good standing to conduct business within the Commonwealth of Kentucky.

4. Pursuant to 807 KAR 5:001 Section 8, on January 13, 2023, Owen Electric filed with the Commission notice of its election of the use of electronic filing procedures in this proceeding.

5. Description of Changes in Service Territory: As explained in this application and the attached exhibits, Owen Electric and DEK have individually agreed to the requested territorial change, for the tract of land. The proposed territorial boundary change serve the purposes of KRS 278.016. The change promotes the orderly development of retail electric service, avoids the wasteful duplication of facilities and the unnecessary encumbrance of the landscape, and minimizes disputes between retail electric suppliers.

This proposed territorial change stems from a request for electric service from [REDACTED] [REDACTED] [REDACTED] for a new home at 10422 Madonna Drive, Alexandria, Kentucky in Campbell County. The tract of land currently falls within Owen Electric's certified territory. DEK currently serves houses within DEK territory along Madonna Drive and can extend service from their primary distribution line to serve [REDACTED] new home. Owen Electric's nearest primary distribution line is over 1,790 feet away through a heavily wooded area. The proposed route from Owen Electric would also have to cross underground beneath a large O.V.E.C. transmission line. Additionally, the cost required of [REDACTED] would be substantially higher in having Owen Electric to serve the site compared to DEK. Therefore, Owen Electric and DEK agree to this requested territorial change and pending final Commission approval, DEK has agreed to provide electric service to the site.

During the information gathering process related to this application, Owen Electric and DEK discovered that DEK has been inadvertently serving four homes within the OEC territory, the first dating back to 1976. The residences identified are as follows:

10005 Cedar Ln., Alexandria, KY 41001 owned by [REDACTED]

10008 Morvue Dr., Alexandria, KY 41001 owned by [REDACTED]

10020 Morvue Dr., Alexandria, KY 41001 owned by [REDACTED]

10001 Morvue Dr., Alexandria, KY 41001 owned by [REDACTED]

Both utilities agreed to include these properties in this territorial change request so that the service territorial boundary will accurately reflect the current state of affairs. Errors like this have historically

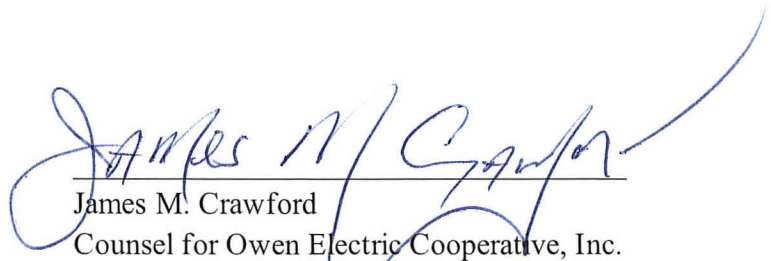
occurred when the service locations were close to the boundary. Whenever these types of mistakes are discovered both utilities seek the opportunity to correct the territory boundaries to reflect the actual circumstances.

The territorial maps and other attachments provided constitute the entire agreement between Owen Electric and DEK.

1. Agreement and Maps: Attached as Application Exhibit 1 of this filing includes the summary list identifying Owen Electric and DEK personnel familiar with the specifics of the facilities available, the reason for the change and purposes served under KRS 278.016 and agreement signed by both parties for the property involved. Application Exhibit 2 includes the line extension charges to serve the site for each utility. Application Exhibit 3 includes the signed territorial (quadrant) map. Application Exhibit 4 includes the signed detailed site map.

WHEREFORE, Owen Electric Cooperative, Inc. hereby requests, pursuant to KRS 278.018 that the Commission enter an Order approving the service territory changes and Agreements allocating these electric services as agreed to by the parties.

Dated at Owenton, Kentucky, this 25<sup>th</sup> of January, 2023.



James M. Crawford  
Counsel for Owen Electric Cooperative, Inc.  
Crawford & Baxter, P.S.C.  
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Carrollton, Kentucky 41008  
Phone: (502) 732-6688  
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# **APPLICATION**

## **EXHIBIT 1**

Summary and  
Agreement

**TERRITORIAL CHANGE INFORMATION**Affected Property: **10422 Madonna Drive**Foreign Utility: **Duke Energy**Quadrant Map: **31-B-1**Agreement Date: **1/23/2023***(Date of last signature)*

1.  Utility Signed copies of quadrant (Key) map showing revised territorial line with a note referencing the property/customer, and date of territorial agreement. **(2 paper copies required for filing)**
2.  Utility Signed Copies of site map (Plat) and/or territorial agreement showing original and revised territorial boundary.  
**(2 paper copies required for filing)**  
This map must include coordinates accurate to within three (3) meters for at least four (4) points on the territorial line. It is preferable that these points include the beginning and ending points of the change. Must also provide the coordinate system used: This will be utilizing Global Positioning System (GPS) with the coordinates based upon WGS84.
3.  Copies of all agreements (1 needed – not original)
4.  Name of employee who would serve as Owen Electric Cooperative, Inc.'s witness if a hearing is required:  
**Jennifer Taylor**
5.  Name and mailing address of the foreign utility, and the name and title of their official who is to receive the Commission stamped quadrant map:  
  
**Duke Energy Kentucky, Inc.**  
**Sandy Connley, Lead Engineering Technologist**  
**1262 Cox Rd.**  
**Erlanger, KY 41018**
6.  The reason(s) for the boundary change (realignment with lot/property lines, closest utility (give details), it is the least cost of providing service to the customer(s), etc.):  
  
**Least cost of providing service due to location of electric facilities.**  
**Duke facilities are the closest and most accessible facilities.**
7. How does this boundary change promote the Purpose of KRS 278.016? (check all the apply)
  - Promotes the orderly development of retail electric service
  - Avoids wasteful duplication of facilities
  - Avoids unnecessary encumbering of the landscape
  - Prevents waste of materials and natural resources
  - Is necessary for the public convenience and necessity
  - Minimizes disputes between retail electric suppliers which may result in inconvenience, diminished efficiency, and higher cost to the consumer
8. Will any retail customer change electric supplier as the result of this boundary change?
  - No (Check if no retail customer were receiving service in affected territory prior to the boundary change.)
  - Yes (If yes, provide the information on Attachment 1 for each customer affected)



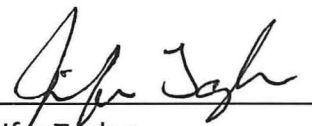
**PSC BOUNDARY CHANGE AGREEMENT**

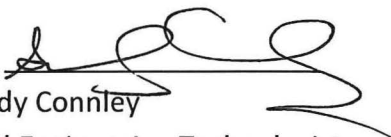
Owen Electric Cooperative (Owen Electric) and Duke Energy Kentucky, Inc. (DEK) hereby agree to a territorial boundary change that allows DEK to provide electric service to a tract of land at 10422 Madonna Drive, Alexandria, Kentucky in Campbell County in accordance with 807 KAR 5:001 Section 14.

This tract will include the future home of [REDACTED] [REDACTED]. DEK has existing electric facilities in the area, which avoids the duplication of facilities and higher cost to the property owner that would occur if Owen Electric extended its electric facilities.

Also as part of this agreement OEC and DEK agree to adjust the territory boundary to accurately reflect service to four existing residents currently served by DEK.

Sincerely,

By:   
Jennifer Taylor  
Manager of Engineering  
Owen Electric Cooperative  
Date: 1/23/23

By:   
Sandy Conrley  
Lead Engineering Technologist  
Duke Energy Kentucky, Inc.  
Date: 1/23/23

**APPLICATION**

**EXHIBIT 2**

**Cost Comparison**



**Cost Estimate for [REDACTED] Property**

**10422 Madonna Drive, Alexandria, Kentucky**

**Scope of Work: Build a 1,790' primary line extension to serve a single residential member**

<b>Materials and Construction Labor</b>	<b>\$19,308.17</b>
<b>ROW Clearing</b>	<b>\$60,000.00</b>
<b>Engineering</b>	<b>\$1,312.20</b>
<b>Contingency (20% for possible easement or ROW issues)</b>	<b>\$12,093.06</b>
<b>Estimated Final Cost for Construction</b>	<b>\$92,713.43</b>
<b>Amount paid by Property Owner (Per line extension policy)</b>	<b>\$12,932.20</b>
<b>Total cost to Owen Electric</b>	<b>\$79,781.23</b>





**Duke Energy Kentucky, Inc**  
**1262 Cox Rd**  
**Erlanger, KY 41018**  
**Office: 859-534-4348**  
**Cell: 513-582-9952**

January 23, 2023

Jennifer Taylor  
Owen Electric  
Owenton Office: 502-563-3569  
Cell: 859-468-4102

Dear Ms. Taylor:

Subject: Owen Release to Duke for 10422 Madonna Dr, Claryville

The cost for the Duke Energy electric extension to provide electric service to this customer is \$12,054.17. Per our Rider X – Line Extension Policy, this customer will not have any upfront out-of-pocket expenses. Instead he has been required to guarantee, for a period of five years, a monthly bill of one percent of the line extension cost. His minimum monthly bill for sixty months is required to be \$120.54.

Sincerely,

A handwritten signature in cursive script that reads "Sandy Connley".

Sandy Connley  
Senior Engineering Technologist – Erlanger Operations Support  
Customer Delivery – Duke Energy KY

**APPLICATION**  
**EXHIBIT 3**

31-B-1

Quadrant Map

The attachment is being  
provided in a separate  
file

**APPLICATION**

**EXHIBIT 4**

Madonna Drive

Site Maps

The attachment is being  
provided in a separate  
file