COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

| ELECTRONIC APPLICATION OF DUKE ENERGY |) | |
|--|---|---------------------|
| KENTUCKY, INC. FOR A DECLARATORY ORDER |) | CASE NO. 2025-00142 |
| REGARDING RECOVERY OF COSTS TO |) | |
| TO CONVERT CUSTOMERS TO ALTERNATE |) | |
| SOURCE OF FUEL |) | |

MOTION TO INTERVENE OF MORNING SCOTT, LLC

Pursuant to 807 KAR 5:001, Section 4(11), KRS 278.310, and KRS 278.040(2), Morning Scott, LLC ("Scott") requests that it be granted full intervenor status in the above-captioned proceeding(s) and state in support thereof as follows:

- 1. 807 KAR 5:001, Section 4(11)(a)(1) requires that a person requesting leave to intervene as a party to a case before the Kentucky Public Service Commission ("Commission"), by timely motion, must state his or her interest in the case and how intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.
- 2. 807 KAR 5:001, Section 4(11)(b) provides that the Commission shall grant a person leave to intervene if the Commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.
- 3. Morning Scott, LLC owns residential property located at 2895 Baynum Hill Road, California, Kentucky, 41007 (the "Property") and has natural gas utility service through Duke Energy Kentucky ("Duke"). On information and belief, the Property is among the twenty-seven

properties referenced in Duke's June 3, 2025 Verified Application for Declaratory Order (the "Application"), and is one of the twenty-five properties referenced therein whose natural gas service Duke anticipates terminating. (Verified Application, pp. 1-2). As stated in the Application at all times Duke has treated Scott as a utility customer. Duke has informed the owners of Morning Scott, LLC that its natural gas utility service at the Property will be discontinued.

4. The attorney for Scott authorized to represent it in this proceeding and to take service of all documents is:

Mickey T. Webster

mwebster@wyattfirm.com

WYATT, TARRANT & COMBS, LLP
250 West Main Street, Suite 1600

Lexington, KY 40507-1746

- 5. Scott filed a timely motion to intervene in this proceeding.
- 6. Scott has a special interest in this case. As stated above, and by Duke's own admission in the Application, Scott is a utility customer of Duke. Duke's Application is essentially asking this body to allow Duke to abandon Scott and its duty to provide service as a utility. See KRS 278.030 ("Every utility shall furnish adequate, efficient and reasonable service"); see also 807 KAR 5:006 ("a utility service shall not deny or refuse service to a customer who has complied with all the conditions of service"). Scott should not be allowed to abandon the service they provide to customers like Scott. Instead Duke should be required to take appropriate actions as determined by the Commission in order to ensure that there remains "adequate, efficient and reasonable service." If the Commission was to order such action, Duke will likely attempt to pass through the costs onto the twenty-five properties Duke seeks to abandon. Given the low number of customers in the area, this pass through cost liability would be astronomical. As such, the Commission should use its authority "to require the cost of a particular kind of service in a particular area to be borne

system-wide rather than by the patrons of the particular area." *Marshall Cnty. v. S. Cent. Bell Tel. Co.*, 519 S.W.2d 616, 618 (Ky. 1975)

- 7. On information and belief, Scott is one of the twenty-five properties identified by Duke where Duke proposes to discontinue service and to whom Duke proposes to pay \$25,000.00 "to convert to an alternate fuel source and waive their right to request Duke Energy Kentucky provide them with natural gas service." If Duke is allowed to abandon's its obligation to provide service to Scott, Scott will incur substantially more expense than \$25,000.00 to convert to any alternate fuel. For example, preliminary estimates obtained by Scott indicate that if it is required to utilized propane, then modification and replacement of existing HVAC equipment and natural gas appliances would cost nearly twice the \$25,000.00 amount¹ proposed by Duke. Likewise, Scott has been informed that given the circumstances present on its property, any switch to electric HVAC equipment would be even more expensive, cost prohibitive and economically unfeasible. With such an increase in the cost of service, Duke's proposed path would also severely impact the cost of utility service, maintenance costs of the property, and have a corresponding negative effect on the marketability of the property. Duke should not be allowed to abandon its duty as a utility to provide adequate and reasonable service. But Scott respectfully submits that it Duke is allowed to take such action, there is no Kentucky law that would support the prospect of an affected utility customer being required to bear tens of thousands of dollars in expense as a result.
- 8. Scott's special interest cannot be adequately represented by any existing party. It appears from the record that Duke has submitted to the Commission some information detailing particular expenses that it would incur if it is required to extend transmission lines, or if it is required to negotiate conversion with particular customers. However, Scott is the only party with

 $^{^1}$ This estimate <u>does not</u> include the separate expense of propane infrastructure, such as tanks, lines, and the installation cost of such infrastructure.

sufficient information to provide the Commission with particulars about its property and the

associated costs for conversion.

9. For essentially the same reasons as stated in the preceding paragraphs, Scott's

intervention is likely to present issues or develop facts that will assist the Commission in fully

considering the matters at hand. Scott is in the unique position to present information to the

Commission that would reflect the actual cost of conversion to an alternate fuel source on the

Property. Hence, Scott will be a helpful and active participant should its request to intervene be

granted.

10. Scott intends to play a constructive role in the Commission's decision-making

process.

11. Scott's intervention will not unduly complicate or disrupt the proceedings.

WHEREFORE, Morning Scott, LLC requests that it be granted full intervenor status in the

above-captioned proceeding.

Respectfully submitted,

/s/ Mickey T. Webster

Mickey T. Webster

mwebster@wyattfirm.com WYATT, TARRANT & COMBS, LLP

250 West Main Street, Suite 1600

Lexington, KY 40507-1746

(859) 288.7639

Counsel for Morning Scott, LLC

4

CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on December 5, 2025, and that it has been served upon the following counsel of record by electronic means in compliance with 805 KAR 5:001(4)(8):

L. Allyson Honaker

allyson@hloky.com

Heather S. Temple

heather@hloky.com

Meredith L. Cave

meredith@hloky.com

Honaker Law Office, PLLC

1795 Alysheba Way, Suite 1203

Lexington, KY 40509

Counsel for Duke Energy Kentucky, Inc.

Mickey T. Webster
Counsel for Morning Scott, LLC

102204870.2