

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC. FOR AUTHORIZATION OF)	CASE NO.
CHANGES IN SERVICE TERRITORY WITH)	2025-00371
OWEN ELECTRIC COOPERATIVE, INC.)	

ORDER

On November 19, 2025, Duke Energy Kentucky, Inc. (Duke Kentucky) filed an application pursuant to KRS 278.018(6) and 807 KAR 5:001 Section 14, for approval of changes in its certified service territories with Owen County Electric Cooperative (Owen Electric). The proposed change involves two parcels, 2835 Senour Road, Independence, Kentucky, and 2557 Highway 491, Demossville, Kentucky.¹

Duke Kentucky responded to two requests for information² and there were no requests for intervention, nor public comments filed. This matter is now before the Commission for a decision on the merits.

BACKGROUND

Property owners of both parcels requested electric service, which was evaluated by both Duke Kentucky and Owen Electric engineering teams with the conclusion being that a revision to the current territory boundary would benefit all parties.³ Neither

¹ Application (filed Nov. 19, 2025) at 2, paragraph 4.

² Duke Kentucky's Response to Commission Staff's First Request for Information (Staff's First Request) (filed Dec. 19, 2025) and Duke Kentucky's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed Feb. 6, 2026).

³ Application, Exhibit 2 at 2.

customer is currently located on the parcels, but both property owners are proposing to build a single-family home on each parcel.⁴ Owen Electric agreed to relinquish to Duke Kentucky 2835 Senour Road, Independence, Kentucky, an approximate 4-acre tract with woods and brush landscape,⁵ zoned R-LLS (residential large lot subdivision) via Kenton County zoning.⁶ Duke Kentucky agreed to relinquish to Owen Electric 2557 Kentucky Highway 491, Demossville, Kentucky, an approximate 23-acre tract with partially grassed and wooded landscape,⁷ zoned R (residential) via Pendleton County zoning.⁸

The estimated total cost of construction by Owen Electric to serve the territory it is proposing to relinquish to Duke Kentucky would have been \$18,880.89, while the estimated total cost of construction by Owen Electric to serve the territory it is proposing to acquire from Duke Kentucky is \$10,667.40.⁹ Likewise, the construction cost estimate of Duke Kentucky to serve the proposed territory it is agreeing to relinquish to Owen Electric is \$18,526.58, while the construction cost estimate of Duke Kentucky to serve the territory it is proposing to acquire from Owen Electric is \$2,619.35.¹⁰

⁴ Duke Kentucky's Response to Staff's First Request, Item 6.

⁵ Duke Kentucky's Response to Staff's First Request, Item 7.

⁶ Duke Kentucky's Response to Staff's First Request, Item 8.

⁷ Duke Kentucky's Response to Staff's First Request, Item 7.

⁸ Duke Kentucky's Response to Staff's First Request, Item 8.

⁹ Duke Kentucky's Response to Staff's First Request, Item 2 at 2.

¹⁰ Duke Kentucky's Response to Staff's First Request, Item 2 at 3.

Duke Kentucky stated that the re-alignment of the territory will serve the purposes of KRS 278.016 by avoiding unnecessary encumbering of the landscape and the wasteful duplication of facilities, as well as minimizing disputes between electric suppliers.¹¹

LEGAL STANDARD

Pursuant to KRS 278.016,

in order to encourage the orderly development of retail electric service, to avoid wasteful duplication of distribution facilities, to avoid unnecessary encumbering of the landscape, to prevent the waste of materials and natural resources, and to minimize disputes between retail electric suppliers which may result in inconvenience, diminished efficiency and higher costs in serving the consumer, Kentucky's legislature divided the state into geographical areas, and established within each area which retail electric supplier is to provide the retail electric service.¹²

In addition, no retail electric service supplier may furnish retail electric service in the certified territory of another retail electric supplier.¹³

However, pursuant to KRS 278.018(6), a retail electric supplier may contract with another retail electric supplier for the purpose of allocating territories and consumers and designating which territories and consumers are to be served by which retail electric supplier. This type of contract, between retail electric suppliers, must be approved by the Commission, and the Commission shall approve such a contract if the Commission finds that the contract will promote the purposes of KRS 278.016 and will provide adequate and reasonable service to all areas and consumers affected by the contract.¹⁴

¹¹ Application at 2, paragraph 4.

¹² KRS 278.016.

¹³ KRS 278.016.

¹⁴ KRS 278.018(6).

DISCUSSION AND FINDINGS

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that the proposed territorial boundary changes promote the purposes of KRS 278.016 and will allow the utilities to provide adequate and reasonable service to all areas and consumers affected; therefore, the Commission finds that the application should be granted and the agreement between the parties approved.

A copy of the agreement which describes the requested change in certified territories was provided in the application. The agreement is signed and dated by representatives of Duke Kentucky and Owen Electric.¹⁵ Two maps were provided by Duke Kentucky, a quadrant map, and a site map, showing the proposed changes to the service territory. Both maps were signed and dated by representatives of Duke Kentucky and Owen Electric.¹⁶

Duke Kentucky and Owen Electric have demonstrated that the proposal would avoid wasteful duplication of distribution facilities; would avoid unnecessary encumbering of the landscape of the Commonwealth of Kentucky; would prevent the waste of materials and natural resources; and would be for the public convenience and necessity to minimize disputes between retail suppliers which may result in inconvenience.

IT IS THEREFORE ORDERED that:

1. The boundary changes agreed upon by Duke Kentucky and Owen Electric for parcels at 2835 Senour Road, Independence, Kentucky, and 2557 Kentucky Highway 491, Demossville, Kentucky, are approved.

¹⁵ Application, Exhibit 4 at 2.

¹⁶ Duke Kentucky's Response to Staff's Second Request, Item 1 at 2-3.

2. The revised territorial maps, a copy of which was filed with the application, reflect the agreed upon boundary changes by Duke Kentucky and Owen Electric and shall be maintained by the Commission as the official territorial boundary.

3. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



Executive Director

ENTERED
APR 06 2026
AB
KENTUCKY PUBLIC
SERVICE COMMISSION

Service List for 2025-00371

- * Charlene Barlow
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- * Duke Energy Kentucky, Inc.
139 East Fourth Street
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- * Larisa M. Vaysman
Duke Energy Kentucky, Inc.
139 East Fourth Street
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- * Minna Sunderman
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