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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE JOINT PETITION OF)
HANCOCK COUNTY RURAL ELECTRIC)
MEMBERSHIP CORPORATION D/B/A CENTRAL)
INDIANA POWER AND DUKE ENERGY INDIANA, INC.)
PURSUANT TO IND. CODE § 8-1-2.3-6 FOR APPROVAL)
OF AN AGREED CHANGE IN THE BOUNDARIES OF)
THEIR RESPECTIVE ASSIGNED SERVICE AREAS ON)
U.S.G.S. FACET NO. Q-17-1 IN HANCOCK COUNTY,)
INDIANA)

CAUSE NO. 43633

APPROVED: APR 22 2009

BY THE COMMISSION:

Aaron A. Schmoll, Administrative Law Judge

On January 26, 2009, Duke Energy of Indiana, Inc. (“Duke”) and Hancock County REMC d/b/a Central Indiana Power (“REMC”) (collectively “Joint Petitioners”) filed a *Verified Joint Petition to Modify Service Area Boundaries* (“Joint Petition”) with the Indiana Utility Regulatory Commission (“Commission”). Pursuant to Indiana Code 8-1-2.3-6(2), the Joint Petition seeks Commission approval of the electric service area boundary changes to which Duke and REMC have mutually agreed. Joint Petitioners’ mutual agreement is to change certain service area boundaries located on U.S.G.S. Facet Number Q-17-1 in Hancock County, Indiana. A copy of a portion of Facet Map Q-17-1 and verifications of Earl Martin Zearbaugh, Manager of Distribution Design for Duke, and Thomas N. Seng, President and CEO of REMC, were attached to the Joint Petition.

The Commission, having considered the evidence and applicable law, now finds:

1. **Commission Jurisdiction.** Joint Petitioner Duke is a corporation organized and existing under the laws of the State of Indiana. Duke qualifies as a “public utility” under Indiana Code 8-1-2-1 and is engaged in the business of distributing, furnishing and selling retail electric service to the public within the State of Indiana, including Hancock County, and has charter authority to do so.

Joint Petitioner REMC is a rural electric membership corporation organized and existing under the laws of the State of Indiana. It is engaged in the business of distributing, furnishing and selling retail electric service within the State of Indiana, including Hancock County, and has charter authority to do so. Each Joint Petitioner is an “electricity supplier” within the meaning of Indiana Code 8-1-2.3-2(b).

Joint Petitioners have sought the Commission’s approval to change their service area boundaries pursuant to Indiana Code 8-1-2.3-6(2), which provides that the assigned service area boundaries of electricity suppliers may be changed upon a mutual agreement of the affected electricity suppliers and approval of this Commission.

Accordingly, the Commission has jurisdiction over the Joint Petitioners and the subject matter of their Joint Petition.

2. **Relief Sought.** Joint Petitioners assert that since the initial approval of the service area boundaries in Cause No. 36299-S215(CB)(X), a change in circumstances has occurred involving the development of land located in Hancock County, Indiana.

Facet Map Q-17-1 currently shows the service area boundary between Duke and REMC. Joint Petitioners' mutual agreement would modify the existing boundary as depicted in Exhibit D, attached to the Joint Petition. This area is commonly known as the Waters Edge Subdivision. This modification would result in Duke gaining territory.

Joint Petitioners state that the proposed modification will not cause duplication of facilities, cause a waste of materials or resources, or cause uneconomic, inefficient or inadequate electric service to the public. There is no evidence to the contrary before the Commission in this proceeding.

3. **Notice.** Indiana Code 8-1-2.3-6(2) provides:

If notice of a verified request for a change of boundary lines by mutual agreement under this subdivision is published in a newspaper of general circulation in every county in which the boundary lines are located and an affected electricity customer does not request a hearing within twenty (20) days of the last date of publication, the commission may approve the change without a hearing.

The evidence shows that notice of Joint Petitioners' intent to file for a change of boundary line located on U.S.G.S. Facet Number Q-17-1 was published on March 19, 2009, in the *Daily Reporter*. This is a newspaper of general circulation in Hancock County, which is the county in which the affected boundary line is located. Proof of publication of the notice was filed with the Commission on April 6, 2009, and is hereby incorporated into the record of this Cause.

4. **Approval of Requested Boundary Modifications.** Based upon the foregoing findings, the Commission concludes that the agreed-upon change to Joint Petitioners' assigned service area boundary located on U.S.G.S. Facet Number Q-17-1, as specifically depicted in the Joint Petition and exhibits attached thereto, will promote economical, efficient and adequate electric service to the public consistent with the legislative policy set forth in Indiana Code 8-1-2.3-1 and, therefore, should be approved.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Joint Petitioners' agreed-upon service area boundary line change as set forth above and in the Joint Petition and exhibits attached thereto are hereby approved.
2. Within thirty (30) days of the date this Order is approved, Joint Petitioners shall coordinate with Commission Technical Staff to update the service territory mapping system to reflect the modified service area boundaries approved by this Order.
3. This Order shall be effective on and after the date of its approval.

GOLC, SERVER, AND ZIEGNER CONCUR; HARDY AND LANDIS ABSENT:

APPROVED: APR 22 2009

**I hereby certify that the above is a true
and correct copy of the Order as approved.**



**Brenda A. Howe
Secretary to the Commission**