

**ORIGINAL**

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

| Commissioner | Yes | No | Not Participating |
|--------------|-----|----|-------------------|
| Zay          | √   |    |                   |
| Deig         | √   |    |                   |
| Swinger      | √   |    |                   |
| Veleta       | √   |    |                   |
| Ziegner      | √   |    |                   |

**IN THE MATTER OF THE JOINT PETITION OF )**  
**DUKE ENERGY INDIANA, LLC AND CITY OF )**  
**FRANKFORT, INDIANA MUNICIPAL UTILITIES ) CAUSE NO. 46343**  
**FOR APPROVAL OF THE TRANSFER OF ASSETS )**  
**FROM DUKE ENERGY INDIANA, LLC TO CITY OF ) APPROVED: MAR 25 2026**  
**FRANKFORT, INDIANA MUNICIPAL UTILITIES )**  
**PURSUANT TO IND. CODE § 8-1-2-84. )**

**ORDER OF THE COMMISSION**

**Presiding Officers:**

**Anthony F. Swinger, Commissioner**  
**Steve Henke, Administrative Law Judge**

On December 18, 2025, Duke Energy Indiana, LLC (“Duke Energy Indiana”) and City of Frankfort, Indiana Municipal Utilities (“FMU”) (together, “Joint Petitioners”) filed their Verified Joint Petition with the Indiana Utility Regulatory Commission (“Commission”) for approval of the sale and transfer of an asset from Duke Energy Indiana to FMU. On December 18, 2025, Joint Petitioners also prefiled the direct testimony of Timothy J. Hohenstatt, Duke Energy Indiana’s Director of Power Grid Planning.

On February 9, 2026, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed its Notice of Intent Not to File Testimony.

The Commission held an evidentiary hearing in this Cause on February 23, 2026, at 10:00 a.m. in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Notice of the hearing was given as published by the Commission as required. At the hearing, the testimony and exhibits of Joint Petitioners were admitted into the record without objection.

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

**1. Commission Jurisdiction.** Duke Energy Indiana is a public utility organized and existing under the laws of the State of Indiana and has its principal office at 1000 East Main Street, Plainfield, Indiana. It is a wholly owned subsidiary of Duke Energy Indiana Holdco, LLC and an affiliate of Duke Energy Business Services LLC and Duke Energy Corporation. Duke Energy Indiana provides electric service in 69 counties of Indiana, is a “public utility” as that term is used in Ind. Code § 8-1-2-1.

FMU is a municipally owned electric utility organized under the laws of the State of Indiana and is a member of the Indiana Municipal Power Agency (“IMPA”). Its principal office is located at 1000 Washington Avenue, Frankfort, Indiana. FMU provides electric service to customers within the City of Frankfort, Indiana and other surrounding areas in Clinton County,

Indiana. It is certified and authorized by the Commission to operate as a public utility.

Under Ind. Code § 8-1-2-84, the Commission has jurisdiction over transfers of public utility property. Therefore, the Commission has jurisdiction over the Joint Petitioners and the subject matter of this Cause.

**2. Requested Relief.** Joint Petitioners seek Commission approval of the transfer from Duke Energy Indiana to FMU of a 65-foot wood pole. Duke Energy Indiana has no need to retain ownership of the pole and proposes to sell it to FMU for use in their distribution system. Therefore, Joint Petitioners believe it is functionally prudent for the pole to be owned by FMU.

**3. Joint Petitioners' Case-In-Chief.** Mr. Hohenstatt testified that during a 69kV line rebuild, Duke Energy Indiana removed transmission assets from the wood pole included in this proposed asset transfer. FMU has distribution assets on the pole. Therefore, Duke Energy Indiana has no need to retain ownership of the pole and proposes to sell it for use in FMU's distribution system.

Mr. Hohenstatt testified that the total net book value cost of this asset, as of November 30, 2025, is \$324.98, and attached the journal entries to record the transfer in Duke Energy Indiana's records. This total will be adjusted, if needed, for any additional accumulated depreciation at the time of the final closing and transfer of the asset. The impact of this proposed asset transfer on Duke Energy Indiana ratemaking is *de minimis* and Duke Energy Indiana will appropriately remove the book value of the transferred asset from its accounting records. The removed asset value and any accumulated depreciation will not be taken into consideration in Duke Energy Indiana's next base rate case.

Mr. Hohenstatt testified that the sale and transfer of this asset is in the public interest and will be used in the provision of electric service by FMU. As such, Joint Petitioners agree its maintenance, operation, and capital investment need not be the responsibility of Duke Energy Indiana.

**4. Commission Discussion and Findings.** Ind. Code § 8-1-2-84 provides that any public utility may sell its used or useful property, plant, or business, or any part thereof, to any other public utility at a price and on terms approved by the Commission.

The evidence confirms that the net book value of the asset proposed for transfer is \$324.98, that the impact of the proposed asset transfer on Duke Energy Indiana ratemaking is *de minimis*, and that Joint Petitioners will make appropriate and related internal accounting changes. The evidence demonstrates that the OUCC does not oppose this transaction and that the sale and transfer of this asset is in the public interest.

Based on the foregoing, we approve Joint Petitioners' proposed transfer of the asset.

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

1. The proposed sale and transfer of an asset from Duke Energy Indiana to FMU is approved.
2. This Order shall be effective on and after the date of its approval.

**ZAY, DEIG, SWINGER, VELETA, AND ZIEGNER CONCUR:**

**APPROVED: MAR 25 2026**

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

\_\_\_\_\_ on behalf of  
**Dana Kosco**  
**Secretary of the Commission**