

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY,)	
INC. FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO BID)	2014-00173
ON A FRANCHISE TO SERVE THE CITY OF)	
LUDLOW, KENTUCKY)	

ORDER

On May 27, 2014, Duke Energy Kentucky, Inc. ("Duke Energy") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on franchises for electricity and natural gas distribution offered by the city of Ludlow, Kentucky. Under the provisions of KRS 278.020(4), no utility may apply for a franchise from any governmental agency until it has obtained a Certificate of Public Convenience and Necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

In light of the city of Ludlow's ordinance creating franchises for electricity and gas distribution, the Commission determines that there is evidence of a need and demand for electricity and gas distribution in the above-mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the qualifications of the bidder, the validity of any of the provisions of the franchises offered by said city, or the manner in which any franchise fees are to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Duke Energy is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on franchises for electricity and gas distribution offered by the city of Ludlow, Kentucky.

2. If Duke Energy is not the successful bidder, Duke Kentucky shall, within ten days of the award of the franchises at issue, file with the Commission a written notice stating that Duke Energy was not the successful bidder.

3. If Duke Energy is the successful bidder, Duke Energy shall, within ten days of the award of the franchises at issue, file with the Commission a copy of the executed franchise agreements and a statement disclosing the amount of the initial franchise fees.

4. If Duke Energy is the successful bidder, Duke Energy shall, within ten days of an increase or decrease in the amount of the initial franchise fees set forth in the franchise agreements, file with the Commission documentation setting forth the revised fees.

5. Any documents filed pursuant to ordering paragraphs 2, 3, or 4 of this Order shall reference the number of this case and shall be electronically submitted via the Commission's electronic Tariff Filing System.

6. This Order shall not be construed as granting a Certificate of Public Convenience and Necessity to construct utility facilities in said city.

By the Commission

ENTERED
JUN 04 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

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