COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF LOUISVILLE GAS AND |) | |
|-------------------------------------|---|------------|
| ELECTRIC COMPANY FOR A CERTIFICATE |) | |
| OF PUBLIC CONVENIENCE AND NECESSITY |) | |
| AUTHORIZING LG&E TO BID ON A GAS |) | CASE NO. |
| FRANCHISE ESTABLISHED BY THE |) | 2014-00202 |
| LEGISLATIVE COUNCIL OF |) | |
| LOUISVILLE/JEFFERSON COUNTY METRO | j | |
| GOVERNMENT |) | |
| | • | |

ORDER

On June 13, 2014, Louisville Gas and Electric Company ("LG&E") filed its Application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for gas distribution offered by the Louisville/Jefferson County Metro Government. 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 Louisville/Jefferson County Metro Government's ordinance creating a franchise for gas distribution, the Commission determines that there is evidence of a need and demand for a gas distribution for the Louisville/Jefferson County Metro Government. 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 the Louisville/Jefferson County Metro Government, or the manner in which any franchise fees are to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

- LG&E is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for gas distribution offered by the Louisville/Jefferson County Metro Government.
- 2. If LG&E is not the successful bidder, LG&E shall, within ten days of the award of the franchise at issue, file with the Commission a written notice stating that LG&E was not the successful bidder.
- 3. If LG&E is the successful bidder, LG&E shall, within ten days of the award of the franchise at issue, file with the Commission a copy of the executed franchise agreement and a statement disclosing the amount of the initial franchise fee.
- 4. If LG&E is the successful bidder, LG&E shall, within ten days of an increase or decrease in the amount of the initial franchise fee set forth in the franchise agreement, 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 for the Louisville/Jefferson County Metro Government.

By the Commission

ENTERED

JUN 17 2014

KENTUCKY PUBLIC SERVICE COMMISSION