

Goss ■ Samford PLLC



Attorneys at Law

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May 18, 2015

RECEIVED

MAY 18 2015

PUBLIC SERVICE
COMMISSION

Via Hand-Delivery

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

Case No. 2015-00158

Re: In the Matter of the Application of Fleming-Mason Energy Cooperative, Inc., for a Certificate of Public Convenience and Necessity to Bid on a Franchise to Serve the City of Morehead, Kentucky

Dear Mr. Derouen:

Enclosed for filing is an CPCN application and all necessary attachments on behalf of Fleming-Mason Energy Cooperative, Inc., to bid on a franchise to serve the City of Morehead, Kentucky.

Please file these documents in the record and return a copy to me. Feel free to contact me should you have any questions.

Sincerely,

L. Allyson Honaker

Enclosures

RECEIVED

MAY 18 2015

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF FLEMING-MASON)
ENERGY COOPERATIVE, INC.,)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO BID)
ON A FRANCHISE TO SERVE THE CITY)
OF MOREHEAD, KENTUCKY)

CASE NO. 2015-00158

APPLICATION

Comes now Fleming-Mason Energy Cooperative, Inc. ("Fleming-Mason"), by counsel, pursuant to KRS 278.020(4), 807 KAR 5:001, Section 15(1), 807 KAR 5:001 Section 14 and other applicable law, and tenders hereby its application for a certificate of public convenience and necessity to apply for and obtain a franchise from the city of Morehead, in Rowan County, Kentucky ("Morehead"), to provide electricity distribution service, respectfully stating as follows:

1. Fleming-Mason is a nonprofit membership cooperative corporation without capital stock, duly organized and existing under KRS Chapter 279, originally incorporated on March 12, 1938, that is in good standing. Fleming-Mason supplies electricity to approximately 23,691 member-consumers in eight Kentucky counties. Fleming-Mason's business address is 1449 Elizaville Road, P.O. Box 328, Flemingsburg, Kentucky 41041.
2. Fleming-Mason proposes to bid upon a new municipal franchise to place electric transmission and distribution facilities in public streets and places of

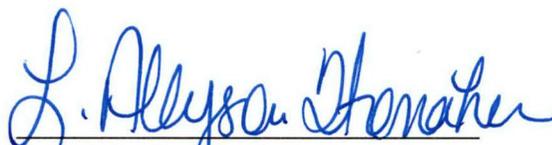
Morehead and to provide related service to Morehead. The new franchise will be awarded by the Morehead City Council.

3. The Morehead City Council has passed an Ordinance setting forth the requirements and deadlines for submitting a bid to secure a new franchise. Morehead has directed that bids shall be received on or before June 9, 2015. A copy of the Ordinance is attached hereto as Exhibit A and incorporated herein by reference. A copy of the Legal Notice that was published in The Morehead News on May 15, 2015, regarding said new franchise is attached hereto as Exhibit B and incorporated herein by reference.
4. As evidenced by the Ordinance, there is, and will continue to be, a demand and need for the facilities and services sought to be rendered by Fleming-Mason pursuant to the franchise.
5. Upon obtaining a franchise from Morehead, Fleming-Mason will file a true and correct copy of same with the Commission.

WHEREFORE, on the basis of the foregoing, Fleming-Mason respectfully requests the Commission to approve this application and to issue to Fleming-Mason a certificate of public convenience and necessity authorizing it to apply for and obtain a franchise from Morehead, as set forth herein.

This the 18th day of MAY, 2015.

Respectfully Submitted,



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Counsel for Fleming-Mason Energy Cooperative, Inc.

ORDINANCE NO 10:2015

CITY OF MOREHEAD
I hereby certify that this document is a true
and correct copy of the original document
on file in my office. This the 11th day
of May, 2015

Signed Gorri Mays, City Clerk

AN ORDINANCE CREATING A FRANCHISE FOR THE ERECTION, LAYING AND MAINTENANCE OF ELECTRIC FACILITIES AND APPURTENANT FACILITIES AND EQUIPMENT IN, ALONG AND ACROSS THE PUBLIC WAYS, ROADS, STREETS, ALLEYS AND OTHER PUBLIC PLACES IN THE CITY OF MOREHEAD, KENTUCKY CURRENTLY SERVED BY FLEMING MASON ENERGY; FOR FURNISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE

WHEREAS, the City of Morehead ("City") wishes to ensure that electric service continues to be furnished to its citizens in a reliable and efficient manner;

WHEREAS, the City is aware that the provision of such service requires the continued use of public streets, ways, alleys and other public places;

WHEREAS, the City wishes to provide for the sale of a new franchise for the benefit of its citizenry currently served by Fleming Mason Energy, in accordance with section 96.010 of the Kentucky Revised Statutes;

NOW, THEREFORE, BE IT ORDAINED as follows:

Section 1. An exclusive franchise ("Franchise") to use the City's public rights-of-way, as described in the proposed Franchise Agreement attached to this Ordinance, is hereby created.

Section 2. The Franchise created by this Ordinance shall be bid in accordance with the applicable requirements of the Constitution of the Commonwealth of Kentucky and Chapter 424 of the Kentucky Revised Statutes, as well as any applicable City ordinances.

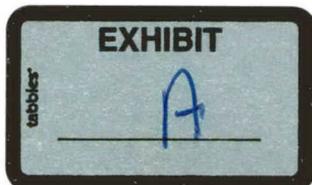
Section 3. The Franchise created by this Ordinance shall be awarded to the highest and best bidder as shall be determined by the City in its sole discretion. In awarding the Franchise, the City shall consider the technical, managerial, and financial qualifications of the bidder to perform its obligations under the Franchise.

Section 4. The winning bidder and the City shall negotiate, execute and be bound by a Franchise Agreement, such Agreement to contain terms that are "fair and reasonable to the City, to the purchaser of the Franchise and to the patrons of the utility" in accordance with the Kentucky Revised Statutes. Such Franchise Agreement shall take effect no earlier than 90 days after its execution, to allow the City and the winning bidder to develop appropriate procedures for identifying and reviewing the electric-consuming entities within the City's corporate limits.

Section 5. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 6. Should any section, clause, line, paragraph, or part of this Ordinance or attached Franchise Agreement be held unconstitutional or invalid for any reason, the same shall not affect the remainder of this Ordinance or the attached Franchise Agreement, as applicable.

Section 7. Time is of the essence in carrying out the terms and the provisions of this Ordinance and the Franchise created herein.



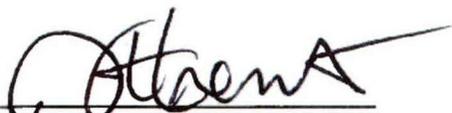
Section 8. This Ordinance shall become effective from and after its passage and publication.

INTRODUCED, SECONDED, AND GIVEN FIRST READING at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this 13th day of April 2015.

INTRODUCED, SECONDED AND GIVEN SECOND READING at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this 11th day of May 2015.

APPROVED:

ATTESTED:



JAMES THOMAS TRENT, MAYOR



JONI MRAZ, CITY CLERK

Morehead News Group

Newspaper Holdings, Inc.

722 W. First St., Morehead, KY 40351
606-784-4116 or 800-247-6142

Affidavit of Publication

STATE OF KENTUCKY

COUNTY OF ROWAN

I, Alyssa Dulen, Advertising Coordinator of The Morehead News Group, in the aforesaid State and County, hereby certify that the attached advertisement appeared on May 15, 2015 in The Morehead News.

Alyssa Dulen
Alyssa Dulen, Advertising Coordinator

May 15, 2015
Date

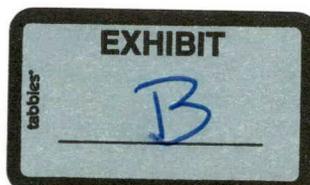
Subscribed and sworn to before me, a Notary Public, within and for the State and County aforesaid, by Alyssa Dulen on the above date.

Candice S. Baldrige
Notary Public, State at Large, Kentucky

525924
Notary Number



My Commission Expires: *Jan. 12, 2019*



ORDINANCE SUMMARY
ORDINANCE NUMBER
10:2015

An Ordinance of City of Morehead, Kentucky creating a franchise for the erection, laying and maintenance of electric facilities and appurtenant facilities and equipment in, along and across the public ways, roads, streets, alleys and other public places in the City of Morehead, Kentucky currently served by Fleming Mason Energy, for furnishing and selling electricity by means of said facilities and providing for the sale of said franchise was given first reading on Monday, April 13, 2015 and second reading on Monday, May 11, 2015. The full text of this Ordinance may be reviewed by any interested citizen at the Administrative Offices Building, 314 Bridge Street, Morehead, Kentucky, Office of the City Clerk, Monday through Friday 8:00 a.m. to 4:30 p.m. This is to certify that the foregoing is a true summary of the ordinance for the City of Morehead, Kentucky. This the 12th day of May 2015. Joyce Planck Stevens, City Attorney

Published on May 15, 2015