

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES	)	
COMPANY FOR A CERTIFICATE OF PUBLIC	)	CASE NO.
CONVENIENCE AND NECESSITY	)	2016-00032
AUTHORIZING KU TO BID ON A FRANCHISE	)	
ESTABLISHED BY THE CITY OF FREDONIA,	)	
KENTUCKY	)	

ORDER

On January 6, 2016, Kentucky Utilities Company (“KU”) filed its application with the Commission seeking a Certificate of Public Convenience and Necessity (“CPCN”) to authorize it to bid on a franchise offered by the city of Fredonia, Kentucky, for electric transmission and distribution service. Under the provisions of KRS 278.020(4), no utility may apply for a franchise from any governmental agency until it has obtained a CPCN 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 Fredonia’s ordinance creating a franchise for electric transmission and distribution service, the Commission determines that there is evidence of a need and demand for electric transmission and distribution service 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 franchise offered by said city, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. KU is granted a CPCN that authorizes it to bid on a franchise offered by the city of Fredonia, Kentucky, for electric transmission and distribution service.

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

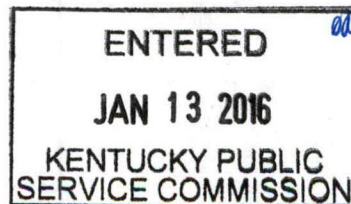
3. If KU is the successful bidder, KU shall, within ten days of the award of the franchise at issue, file with the Commission a copy of the executed franchise agreement and a statement disclosing the amount of the initial franchise fee.

4. If KU is the successful bidder, KU 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 fee.

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 CPCN to construct utility facilities in said city.

By the Commission



ATTEST:

  
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Executive Director

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\*Honorable Allyson K Sturgeon  
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