

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR A CERTIFICATE)	CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY)	2017-00157
AUTHORIZING LG&E TO BID ON A)	
FRANCHISE ESTABLISHED BY THE CITY OF)	
HODGENVILLE, KENTUCKY)	

ORDER

On March 30, 2017, Louisville Gas and Electric Company ("LGE") 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 Hodgenville, Kentucky, for the transmission and distribution of natural gas. LG&E filed a supplemental application on April 11, 2017. Under the provisions of KRS 278.020(5), 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 Hodgenville's ordinance creating a natural gas transmission and distribution franchise, the Commission determines that there is evidence of a need and demand for natural gas 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. LGE is granted a CPCN that authorizes it to bid on a franchise offered by the city of Hodgenville, Kentucky, for the transmission and distribution of natural gas.

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

3. If LGE is the successful bidder, LGE 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 LGE is the successful bidder, LGE 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.

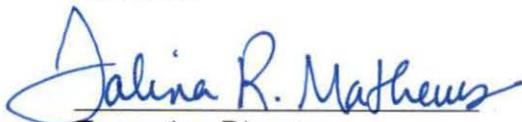
5. Any documents filed pursuant to ordering paragraphs 2, 3, or 4 of this Order shall reference the number of this case and shall be electronically submitted via the Commission's electronic Tariff Filing System.

6. This Order shall not be construed as granting a CPCN to construct utility facilities in said city.

By the Commission



ATTEST:


Executive Director

*Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010