COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR CERTIFICATE OF CONVENIENCE AND NECESSITY TO APPLY FOR A FRANCHISE FROM THE CITY OF WHITESVILLE

CASE NO. 2013-00412

<u>ORDER</u>

On November 20, 2013, Kenergy Corp. ("Kenergy") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for electric service offered by the city of Whitesville, 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 Whitesville's ordinance creating an electric distribution franchise, the Commission determines that there is evidence of a need and demand for electric 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 franchises 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. Kenergy is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for electric service offered by the city of Whitesville, Kentucky.

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

3. If Kenergy is the successful bidder, Kenergy 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 Kenergy is the successful bidder, Kenergy 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 Certificate of Public Convenience and Necessity to construct utility facilities in said city.

ATTEST: Executive Director

By the Commission

ENTERED NOV 2 5 2013 KENTUCKY PUBLIC

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J. Christopher Hopgood Dorsey, King, Gray, Norment & Hopgood 318 Second Street Henderson, KENTUCKY 42420

Gregory Starheim President & CEO Kenergy Corp. 6402 Old Carydon Road P. O. Box 18 Henderson, KY 42419