COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF FLEMING-MASON ENERGY |) | |
|---|---|------------|
| COOPERATIVE, INC., FOR A CERTIFICATE OF |) | CASE NO. |
| PUBLIC CONVENIENCE AND NECESSITY TO |) | 2015-00158 |
| BID ON A FRANCHISE TO SERVE THE CITY |) | |
| OF MOREHEAD, KENTUCKY |) | |

ORDER

On May 19, 2015, Fleming-Mason Energy Cooperative, Inc. ("Fleming-Mason"), filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to authorize it to bid on a franchise offered by the city of Morehead, 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 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 Morehead'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:

- Fleming-Mason is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise offered by the city of Morehead, Kentucky, for electric transmission and distribution service.
- 2. If Fleming-Mason is not the successful bidder, Fleming-Mason shall, within ten days of the award of the franchise at issue, file with the Commission a written notice stating that Fleming-Mason was not the successful bidder.
- 3. If Fleming-Mason is the successful bidder, Fleming-Mason 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 Fleming-Mason is the successful bidder, Fleming-Mason 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.
- This Order shall not be construed as granting a Certificate of Public
 Convenience and Necessity to construct utility facilities in said city.

By the Commission

ENTERED

MAY 22 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

*Fleming-Mason Energy Cooperative, Inc. 1449 Elizaville Road P. O. Box 328 Flemingsburg, KY 41041

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