

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF)	
KENTUCKY, INC. FOR ISSUANCE OF A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO BID ON A GAS)	2016-00375
DISTRIBUTION FRANCHISE IN THE)	
CORPORATION LIMITS OF THE CITY OF)	
HINDMAN, KENTUCKY)	

ORDER

On October 24, 2016, Columbia Gas of Kentucky, Inc. ("Columbia Gas") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity ("CPCN") to qualify it to bid on a franchise offered by the city of Hindman, Kentucky, for the transmission and distribution of natural gas. 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 Hindman'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 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. Columbia Gas is granted a CPCN that authorizes it to bid on a franchise offered by the city of Hindman, Kentucky, for the transmission and distribution of natural gas.

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

3. If Columbia Gas is the successful bidder, Columbia Gas 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 Columbia Gas is the successful bidder, Columbia Gas 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

ENTERED
OCT 31 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2016-00375

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