

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION FOR A)	CASE NO.
CERTIFICATE OF CONVENIENCE AND)	2016-00273
NECESSITY TO APPLY FOR AND OBTAIN A)	
FRANCHISE IN THE TERRITORIAL LIMITS OF)	
CITY OF NICHOLASVILLE, KENTUCKY FOR)	
ELECTRIC UTILITY SERVICE)	

ORDER

On July 26, 2016, Blue Grass Energy Cooperative Corporation (“Blue Grass Energy”) 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 Nicholasville, Kentucky, for electric transmission and distribution service. 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 Nicholasville’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. Blue Grass Energy is granted a CPCN that authorizes it to bid on a franchise offered by the city of Nicholasville, Kentucky, for electric transmission and distribution service.

2. If Blue Grass Energy is not the successful bidder, Blue Grass Energy 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 Blue Grass Energy is the successful bidder, Blue Grass Energy 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 Blue Grass Energy is the successful bidder, Blue Grass Energy 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
JUL 29 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Amos D. Greenwell
Executive Director *for*

Case No. 2016-00273

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