

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY)	CASE NO.
AUTHORIZING KU TO BID ON A FRANCHISE)	2011-00236
ESTABLISHED BY THE LEXINGTON-FAYETTE)	
URBAN COUNTY GOVERNMENT, KENTUCKY)	

O R D E R

On July 1, 2011, Kentucky Utilities Company ("KU") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for electric utility service offered by the Lexington-Fayette Urban County Government ("LFUCG"). 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 ordinance of the LFUCG creating an electric distribution franchise, the Commission determines that there is evidence of a need and demand for electric service within the corporate boundary of the LFUCG. 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 entity, or the manner in which any franchise fee is to be treated for rate purposes.

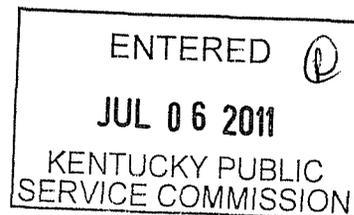
IT IS THEREFORE ORDERED that:

1. KU is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for electric service offered by LFUCG.

2. KU, if it becomes the successful bidder, shall file two copies of the franchise agreement with the Commission's tariff branch.

3. This Order shall not be construed as granting a Certificate of Public Convenience and Necessity to construct utility facilities within the corporate boundary of the LFUCG.

By the Commission



ATTEST:

Carol D. Brewster for
Executive Director

Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
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