COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO BID ON A FRANCHISE TO SERVE THE CITY OF CRITTENDEN, KENTUCKY

CASE NO. 2017-00221

<u>ORDER</u>

On May 26, 2017, Duke Energy Kentucky, Inc. ("Duke Energy") 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 Crittenden, Kentucky, for an electric and natural gas 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 Crittenden's ordinance creating a franchise for an electric and natural gas transmission and distribution service, the Commission determines that there is evidence of a need and demand for an electric and natural gas 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 franchises offered by said city, or the manner in which any franchise fees are to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Duke Energy is granted a CPCN that authorizes it to bid on a franchise offered by the city of Crittenden, Kentucky, for an electric and natural gas transmission and distribution service.

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

3. If Duke Energy is the successful bidder, Duke 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 Duke Energy is the successful bidder, Duke 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.

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By the Commission

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ATTEST: theus **Executive** Director

Case No. 2017-00221

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