COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CLARK ENERGY) COOPERATIVE, INC. FOR A CERTIFICATE OF) PUBLIC CONVENIENCE AND NECESSITY TO CASE NO.) 2013-00116 APPLY FOR AND OBTAIN A FRANCHISE IN) THE TERRITORIAL LIMITS OF LEXINGTON-) FAYETTE URBAN COUNTY GOVERNMENT OF) FAYETTE COUNTY, KENTUCKY FOR) ELECTRIC UTILITY SERVICE)

ORDER

On March 26, 2013, Clark Energy Cooperative, Inc. ("Clark Energy") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for electric services offered by the Lexington-Fayette Urban County Government. 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 Lexington-Fayette Urban County Government's ordinance creating an electric distribution franchise, the Commission determines that there is evidence of a need and demand for electric services for the Lexington-Fayette Urban County Government. 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 the Lexington-Fayette Urban County Government, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Clark Energy is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for electric services offered by the Lexington-Fayette Urban County Government.

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

3. If Clark Energy is the successful bidder, Clark Energy shall, within ten days of the award of the franchise at issue, file with the Commission a copy of the executed franchise agreement.

4. Any documents filed pursuant to ordering paragraphs 2 or 3 of this Order shall reference the number of this case and shall be electronically submitted via the Commission's electronic Tariff Filing System.

5. This Order shall not be construed as granting a Certificate of Public Convenience and Necessity to construct utility facilities for the Lexington-Fayette Urban County Government.

ATTES Executive

By the Commission

ENTERED APR 0 1 2013 KENTUCKY PUBLIC

Case No. 2013-00116

John S Pumphrey Grant, Rose & Pumphrey 51 South Main Street Winchester, KENTUCKY 40391