

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY)	2022-00130
AUTHORIZING KU TO BID ON A FRANCHISE)	
ESTABLISHED BY THE CITY OF HODGENVILLE)	

ORDER

On May 5, 2022, Kentucky Utilities Company (KU) 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 Hodgenville, Kentucky, for electric transmission and distribution service. The application seeks an order from this Commission granting the CPCN on or before May 5, 2022. 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 Hodgenville'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.

The Commission puts KU on notice that the Commission may not have an opportunity to honor requests seeking an Order to be issued with little or no time after an application is filed. Here, the ordinance was approved on March 14, 2022, but the application was not filed until May 5, 2022, with a request for an Order that same day. This is the second time this has occurred in recent months. KU's affiliate, Louisville Gas & Electric Company, made a similar request for an Order by December 31, 2021, for an application that was filed on December 28, 2021, with only one business day to act upon the request.¹ It is unreasonable to expect the Commission to accommodate a utility's inability to timely file an application and the Commission will unlikely be able to accommodate such recurring requests in the future.

The Commission directs KU to the Commission's July 22, 2021 Order in Case No. 2020-00085² regarding filings with the Commission.

IT IS THEREFORE ORDERED that:

1. KU is granted a CPCN that authorizes it to bid on a franchise offered by the city of Hodgenville, Kentucky, for electric transmission and distribution service.

¹ Case No. 2021-00460, *Electronic Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity Authorizing Louisville Gas & Electric to Bid on a Franchise Established by the City of Douglass Hills* (Jan. 4, 2022).

² Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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

3. If KU is the successful bidder, KU shall file with the Commission, within ten days of the award of the franchise at issue, a copy of the executed franchise agreement and a statement disclosing the amount of the initial franchise fee.

4. If KU is the successful bidder, KU shall file with the Commission, within ten days of an increase or decrease in the amount of the initial franchise fee set forth in the franchise agreement, 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.

7. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION



Chairman

Vice Chairman

Commissioner



ATTEST:



Executive Director

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