COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF COLUMBIA GAS OF KENTUCKY,) INC. FOR ISSUANCE OF A CERTIFICATE OF PUBLIC) CONVENIENCE AND NECESSITY TO BID ON A GAS) CASE NO. DISTRIBUTION FRANCHISE IN THE CORPORATION) 9443 LIMITS OF THE CITY OF LOUISA, KENTUCKY)

ORDER

On October 10, 1985, Columbia Gas of Kentucky, Inc., ("Columbia Gas") filed with the Commission its Application seeking a certificate of convenience and necessity to qualify it to bid on a gas franchise in the city of Louisa, Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a certificate of convenience and necessity from this Commission based on our finding that there is a need and demand for the services sought to be rendered.

The Commission finds that there is a need and demand for gas service in the city of Louisa, Kentucky. 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 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 Columbia Gas be and it hereby is granted a certificate of convenience and necessity which authorizes it to bid on a gas franchise in the city of Louisa, Kentucky.

IT IS FURTHER ORDERED that Columbia Gas, if it becomes the successful bidder, shall file with this Commission copies of the said franchise.

IT IS FURTHER ORDERED that this Order shall not be construed as granting a certificate of convenience and necessity to construct utility facilities in said city.

Done at Frankfort, Kentucky, this 14th day of October, 1985.

PUBLIC SERVICE COMMISSION

Chairma ssioner

ATTEST:

Secretary