COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GTE SOUTH INCORPORATED) FOR A CERTIFICTE THAT PUBLIC CONVENIENCE) AND NECESSITY REQUIRE THE ACQUISITION CASE NO.) BY IT OF FRANCHISES FOR THE USE OF PUBLIC 89-047 } STREETS IN THE TERRITORIAL LIMITS OF THE) CITIES OF NICHOLASVILLE AND WILMORE,) KENTUCKY ¥

<u>ORDER</u>

On March 3, 1989, GTE South Incorporated ("GTE") filed with Commission applications seeking Certificates of the two Convenience and Necessity to gualify it to bid on telephone franchises. One application related to a franchise in the city of Nicholasville and the second application was for Wilmore, 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 its 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 telephone service in the above-mentioned cities. Because 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 franchises offered by said cities or the manner in which any franchise fee is to be treated for rate purposes. IT IS THEREFORE ORDERED that:

1. GTE hereby is granted Certificates of Convenience and Necessity which authorize it to bid on telephone franchises in the above-mentioned cities.

2. GTE, if it becomes the successful bidder, shall file with this Commission two copies of the said franchises.

3. This Order shall not be construed as granting a Certificate of Convenience and Necessity to construct utility facilities in the said cities.

Done at Frankfort, Kentucky, this 14th day of March, 1989.

PUBLIC SERVICE COMMISSION Chairman ce Chäł

ATTEST:

Executive Director