COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GTE SOUTH INCORPORATED) FOR A CERTIFICATE THAT PUBLIC CONVENIENCE) AND NECESSITY REQUIRE THE ACQUISITION) CASE NO. BY IT OF A FRANCHISE FOR THE USE OF PUBLIC) 89-227 STREETS IN THE TERRITORIAL LIMITS OF THE) CITY OF VERSAILLES, KENTUCKY)

<u>O R D E R</u>

On August 14, 1989, GTE South Incorporated ("GTE") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on a telephone franchise in the city of Versailles, 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 service sought to be rendered.

The Commission finds that there is a need and demand for telephone service in the above-mentioned city. 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 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. IT IS THEREFORE ORDERED that:

1. GTE hereby is granted a Certificate of Convenience and Necessity which authorizes it to bid on a telephone franchise in the above-mentioned city.

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

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

Done at Frankfort, Kentucky, this 24th day of August, 1989.

PUBLIC SERVICE COMMISSION

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10.00.

ATTEST:

Executive Director