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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DELTA NATURAL

GAS COMPANY, INC. FOR A CERTIFICATE

OF CONVENIENCE AND NECESSITY TO BID

ON A FRANCHISE OFFERED BY RICHMOND,

KENTUCKY

CASE NO. 90-072

ORDER

On March 28, 1990, Delta Natural Gas Company, Inc. ("Delta") 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 Richmond, 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 determines that there is evidence of a need and demand for gas 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.

IT IS THEREFORE ORDERED that:

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- 1. Delta hereby is granted a Certificate of Convenience and Necessity which authorizes it to bid on a gas franchise in the above-mentioned city.
- 2. Delta, 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 6th day of April, 1990.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

Lu M Mulruben

Executive Director