

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BLUEGRASS RURAL )  
ELECTRIC COOPERATIVE CORPORATION )  
FOR A CERTIFICATE OF CONVENIENCE AND )  
NECESSITY TO APPLY FOR AND OBTAIN A ) CASE NO. 96-381  
FRANCHISE IN THE TERRITORIAL LIMITS )  
OF THE CITY OF NICHOLASVILLE FOR )  
ELECTRIC UTILITY SERVICE )

O R D E R

On August 14, 1996, Bluegrass Rural Electric Cooperative Corporation ("Bluegrass") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on an electric franchise in the city of Nicholasville, 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 service sought to be rendered.

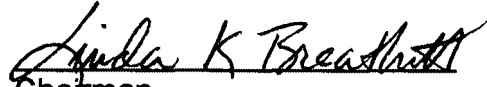
The Commission determines that there is evidence of a need and demand for electric service in the above-mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination 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:

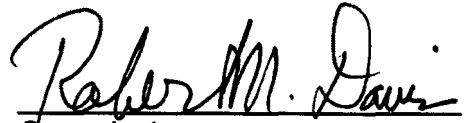
1. Bluegrass is granted a Certificate of Convenience and Necessity which authorizes it to bid on an electric franchise in the above-mentioned city.
2. Bluegrass, if it becomes the successful bidder, shall file with this Commission two copies of the franchise agreement.
3. This Order shall not be construed as granting a Certificate of Convenience and Necessity to construct utility facilities in the said city.

Done at Frankfort, Kentucky, this 21st day of August, 1996.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director