COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY TO APPLY) CASE NO. 91-325
FOR A FRANCHISE FROM THE CITIES OF)
CYNTHIANA, JUNCTION CITY AND BARDSTOWN)

O R D E R

On September 4, 1991, Kentucky Utilities Company ("KU") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on an electric franchise in the cities of Cynthiana, Junction City and Bardstown. 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 electric service in the above-mentioned cities. 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 cities, or the manner in which any franchise fee is to be treated for rate purposes.
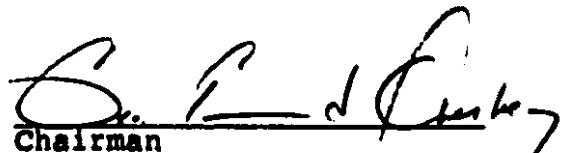
IT IS THEREFORE ORDERED that:

1. KU hereby is granted a Certificate of Convenience and Necessity which authorizes it to bid on an electric franchise in the above-mentioned cities.

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

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 20th day of September, 1991.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director