Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection

Honorable Frank N. King, Jr. Attorney at Law Dorsey, King, Gray, Norment & Hopgood 318 Second Street Henderson, KY 42420



Commonwealth of Kentucky

Public Service Commission 211 Sower Blvd.

P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky gov

September 27, 2007

Mark David Goss Chairman

John W. Clay Vice Chairman

Caroline Pitt Clark Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2007-00411 Kenergy Corp.

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on September 27, 2007.

Executive Director

BOD/tw Enclosure



Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection

Sanford Novick President and CEO Kenergy Corp. 3111 Fairview Drive P. O. Box 1389 Owensboro, KY 42302



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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR A)
CERTIFICATE OF CONVENIENCE AND) CASE NO.
NECESSITY TO APPLY FOR A FRANCHISE) 2007-0041
FROM THE CITY OF OWENSBORO)

ORDER

On September 17, 2007, Kenergy Corp. ("Kenergy") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on a franchise for electric service offered by the city of Owensboro, Kentucky. Under the provisions of KRS 278.020(4), 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.

In light of the ordinance of the city of Owensboro creating an electric distribution franchise, 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 franchises 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. Kenergy is granted a Certificate of Convenience and Necessity that authorizes it to bid on a franchise for electric service offered by the above-mentioned city.
- 2. Kenergy, 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 said city.

Done at Frankfort, Kentucky, this 27th day of September, 2007.

By the Commission

Executive Director