COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR CERTIFICATE OF CONVENIENCE AND NECESSITY TO APPLY FOR A FRANCHISE FROM THE CITY OF BEAVER DAM

CASE NO. 2009-00194

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

On May 26, 2009, Kenergy Corp. ("Kenergy") filed an application with the Commission seeking a Certificate of Convenience and Necessity to qualify it to bid on a franchise for electric service offered by the city of Beaver Dam, 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.

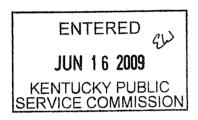
In light of the ordinance of the city of Beaver Dam creating an electric distribution franchise, the Commission determines that there is evidence of a need and demand for electric service in Beaver Dam. Since the Commission's authority in such matters is limited by statute to finding only whether there 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 city of Beaver Dam.

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.

By the Commission



ATTEST:

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

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