

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF)	
KENTUCKY, INC. FOR ISSUANCE OF A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO BID ON A GAS)	2011-00234
DISTRIBUTION FRANCHISE IN THE)	
CORPORATION LIMITS OF THE LEXINGTON-)	
FAYETTE URBAN COUNTY GOVERNMENT)	

O R D E R

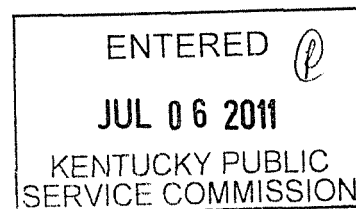
On July 1, 2011, Columbia Gas of Kentucky, Inc. ("Columbia Gas") filed with the Commission its application seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for gas service offered by the Lexington-Fayette Urban County Government ("LFUCG"). Under the provisions of KRS 278.020(4), no utility may apply for a franchise from any governmental agency until it has obtained a Certificate of Public 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 LFUCG creating a gas distribution franchise, the Commission determines that there is evidence of a need and demand for gas service within the corporate boundary of the LFUCG. 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 entity, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Columbia Gas is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for natural gas service offered by LFUCG.
2. Columbia Gas, 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 Public Convenience and Necessity to construct utility facilities within the corporate boundary of the LFUCG.

By the Commission



ATTEST:

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Executive Director

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