

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR)
CERTIFICATE OF CONVENIENCE AND NECESSITY) CASE NO.
TO APPLY FOR A FRANCHISE FROM THE CITIES) 2003-00487
OF LEWISPORT AND WHITESVILLE)

O R D E R

On December 18, 2003, Kenergy Corp. ("Kenergy") filed with the Commission its application seeking Certificates of Convenience and Necessity to qualify it to bid on electric franchises in the Kentucky cities of Lewisport and Whitesville. 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 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 franchises 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. Kenergy is granted Certificates of Convenience and Necessity that authorize it to bid on electric franchises in the above-mentioned cities.

2. Kenergy, if it becomes the successful bidder, shall file with this Commission two copies of each franchise agreement.

3. This Order shall not be construed as granting Certificates of Convenience and Necessity to construct utility facilities in said cities.

Done at Frankfort, Kentucky, this 8th day of January, 2004.

By the Commission

ATTEST:


Executive Director

Case No. 2003-00487