

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
KUEHNE CHEMICAL COMPANY, INC., FOR A)
CERTIFICATE TO PROVIDE ELECTRIC) PSC DOCKET NO. 06-201
SUPPLY SERVICES WITHIN THE STATE OF)
DELAWARE (FILED JUNE 20, 2006))

ORDER NO. 7005

ELECTRIC SUPPLIER CERTIFICATE

This 22nd day of August, 2006, the Commission determines and Orders the following:

1. In the Electric Restructuring Act of 1999 (72 Del. Laws Ch. 10), the General Assembly instituted a new regime to govern the generation, supply, and sale of electricity within this State. Regulation of the supply of electricity will, at various times, end and be replaced with the opportunity for retail customers to purchase electric supply from a supplier competing in an essentially non-supervised market. Thus, beginning on October 1, 1999, the generation, supply, and sale of electricity (including all related facilities and assets) is, and will be, no longer regulated by the Commission as a public utility service or function. 26 Del. C. § 1003(a).

2. Under the Act, every Electric Supplier seeking to provide Electric Supply Service under this new regime must obtain an Electric Supplier certificate from the Commission. 26 Del. C. § 1012(a). Pursuant to the authority granted by 26 Del. C. § 1012(a) and (b), the Commission has adopted, in Regulation Docket No. 49, "Rules for the Certification and Regulation of Electric Suppliers" ("ES Rules"). See PSC Order No. 5207 (Aug. 31, 1999) (adopting initial ES Rules). The

ES Rules set forth the criteria for Electric Supplier certification and lay the ground rules for how certificated Electric Suppliers must operate within the new competitive regime.

3. On June 20, 2006, Kuehne Chemical Company, Inc., filed an application to be certificated as an Electric Supplier to provide Electric Supply Service to Customers within this State. Staff reports that the application filed by Kuehne Chemical Company, Inc., meets all the criteria set forth in Section II of the ES Rules and that Kuehne Chemical Company, Inc., appears to possess the financial, operational, managerial, and technical capabilities to offer Electric Supply Service to Customers.¹ In light of Staff's recommendations, the Commission hereby grants an Electric Supplier Certificate to Kuehne Chemical Company, Inc..

Now, therefore, **IT IS ORDERED:**

1. That Kuehne Chemical Company, Inc., is hereby granted, under 26 Del. C. § 1012(a) and Section II of the "Rules for the Certification and Regulation of Electric Suppliers," a certificate to do business, and operate, as an Electric Supplier within this State. Under this certificate, Kuehne Chemical Company, Inc., is authorized to provide Electric Supply Service to Customers within this State in accord with 26 Del. C. Chapter 10.

2. Kuehne Chemical Company, Inc., shall at all times provide Electric Supply Service in accord with the requirements imposed by 26

¹Notice of such application by Kuehne Chemical Company, Inc., was published in The News Journal newspaper on August 2, 2006 and the Delaware State News newspaper on August 3, 2006. No objections to the application were received. Notice of the Commission's intent to grant Kuehne Chemical Company, Inc., a final Electric Supplier Certificate was posted on the Commission's Internet website at "www.state.de.us/delpsc." Again, no objections have been received in response to that notice.

Del. C. Chapter 10 and the Commission's "Rules for the Certification and Regulation of Electric Suppliers," as presently adopted, or as may be hereafter amended or supplemented. Kuehne Chemical Company, Inc., is hereby notified that a violation of such statute or such rules may be enforced by the sanctions permitted by 26 Del. C. § 1012(a) and Section X ¶ 2 of the "Rules for the Certification and Regulation of Electric Suppliers."

3. That Kuehne Chemical Company, Inc., shall, pursuant to the provisions of 26 Del. C. § 1012(c)(2) and Section III ¶ 10 of the "Rules for the Certification and Regulation of Electric Suppliers," file such returns and pay such assessments as may be required, or may be imposed, by 26 Del. C. §§ 114 and 115.

4. That Kuehne Chemical Company, Inc., shall, pursuant to Section II ¶ 1(i) and Section III ¶ 4 of the "Rules for the Certification and Regulation of Electric Suppliers," file with the Commission a standard form of contract for each class of customers to which it intends to offer Electric Supply Service. Such form of contract shall be filed with the Commission at least twenty-one (21) days prior to Kuehne Chemical Company, Inc., offering Electric Service Supply to such class of customers under such standard form of contract.

5. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary