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BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKETED

AUG 23 2002

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2 WILLIAM A. MUNDELL  
CHAIRMAN  
3 JIM IRVIN  
COMMISSIONER  
4 MARC SPITZER  
COMMISSIONER

DOCKETED BY 

5  
6 IN THE MATTER OF THE APPLICATION OF  
DYNEGY ENERGY SERVICES, INC. FOR A  
7 CERTIFICATE OF CONVENIENCE AND  
8 NECESSITY TO PROVIDE COMPETITIVE  
RETAIL ELECTRIC SERVICES AS AN  
ELECTRIC SERVICE PROVIDER PURSUANT  
TO A.A.C. R14-2-1601 *ET SEQ.*

DOCKET NO. E-04072A-01-0988

9  
10 IN THE MATTER OF THE APPLICATION OF  
ILLINOVA ENERGY PARTNERS, INC. FOR  
11 CANCELLATION OF ITS A CERTIFICATE OF  
CONVENIENCE AND NECESSITY TO  
12 PROVIDE COMPETITIVE RETAIL ELECTRIC  
SERVICES AS AN ELECTRIC SERVICE  
13 PROVIDER PURSUANT TO A.A.C. R14-2-1601  
*ET SEQ.*

DOCKET NO. E-03662A-02-0319

ORDER 65121

14 Open Meeting  
August 20 and 21, 2002  
15 Phoenix, Arizona

16 **BY THE COMMISSION:**

17 On December 18, 2001, Dynegy Energy Services, Inc. ("Dynegy" or "Applicant") filed with  
18 the Arizona Corporation Commission ("Commission") an application for Certificate of Convenience  
19 and Necessity ("CC&N" or "Certificate") to provide retail electric services as a load serving entity in  
20 all areas in the State of Arizona that the Commission has designated as open to retail competition.

21 On April 11, 2002, the Commission's Utilities Division Staff ("Staff") filed a letter informing  
22 Dynegy that its application was administratively complete.

23 On April 26, 2002, Dynegy filed in Docket No. E-03662A-02-0319 an application to cancel  
24 the CC&N of Illinova Energy Partners, Inc. ("IEP"), that was granted in Decision No. 61707 (May  
25 13, 1999). Dynegy stated that it absorbed IEP into its organization with the merger of Dynegy and  
26 the parent company of IEP in February of 2000, and that IEP is no longer doing business.

27 On May 3, 2002, Staff filed a consolidated Staff Report in these dockets, recommending  
28 approval of Dynegy's application after a hearing, and recommending approval of the request for

1 cancellation of IEP's CC&N.

2 Our May 6, 2002 Procedural Order consolidated the above-referenced matters, set a hearing  
3 date of July 11, 2002, and set an intervention deadline of June 21, 2002. The May 6, 2002 Procedural  
4 Order was mailed to the Electric Competition service list. No requests for intervention were filed.

5 On July 2, 2002, Staff filed a Motion for Procedural Order Vacating Hearing in which it  
6 requested the opportunity to conduct discovery on certain events related to Dynegy that had  
7 transpired subsequent to the filing of its Staff Report, and that the hearing scheduled for July 11, 2002  
8 be vacated to allow time for discovery and for the filing of a revised Staff Report.

9 By Procedural Order of July 9, 2002, the hearing was continued, with a new hearing date to  
10 be set following the filing of a revised Staff Report.

11 On July 10, 2002, Dynegy filed a letter requesting withdrawal of its application for a CC&N.

12 On July 16, 2002, Staff filed a memorandum in these dockets recommending that Dynegy's  
13 application for a CC&N be withdrawn and that the docket be administratively closed. Staff further  
14 recommended that the application to cancel the CC&N of IEP be granted.

15 Staff's recommendations that the Commission allow withdrawal of Dynegy's application for a  
16 CC&N, and that the Commission cancel IEP's CC&N, are reasonable.

17 \* \* \* \* \*

18 Having considered the entire record herein and being fully advised in the premises, the  
19 Commission finds, concludes, and orders that:

20 **FINDINGS OF FACT**

21 1. On December 18, 2001, Dynegy filed with the Commission an application for a  
22 CC&N to provide retail electric services as a load serving entity in all areas in the State of Arizona  
23 that the Commission has designated as open to retail competition.

24 2. On April 11, 2002, Staff filed a letter informing Dynegy that its application was  
25 administratively complete.

26 3. On April 26, 2002, Dynegy filed an application to cancel IEP's CC&N.

27 4. Dynegy absorbed IEP into its organization with the merger of Dynegy and the parent  
28 company of IEP in February of 2000, and IEP is no longer doing business.



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- 4. Dynegy should be allowed to withdraw its application for a CC&N.
- 5. The application to cancel IEP's CC&N should be granted.
- 6. The Commission may approve the application without a hearing.

**ORDER**

IT IS THEREFORE ORDERED that the request by Dynegy Energy Services, Inc. to withdraw its application filed on December 18, 2001 for a Certificate of Convenience and Necessity to provide retail electric services is hereby granted.

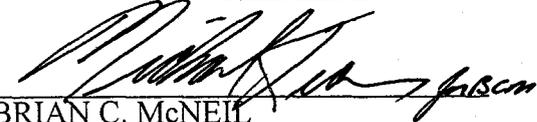
IT IS FURTHER ORDERED that the request by Dynegy Energy Services, Inc. to cancel the Certificate of Convenience and Necessity granted to Illinova Energy Partners, Inc. in Decision No. 61707 (May 13, 1999) is hereby granted.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

		
CHAIRMAN	COMMISSIONER	COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 23<sup>rd</sup> day of AUGUST, 2002.

  
 BRIAN C. McNEIL  
 EXECUTIVE SECRETARY

DISSENT \_\_\_\_\_  
TW:mlj

1 SERVICE LIST FOR:

DYNEGY ENERGY SERVICES, INC. AND  
ILLINOVA ENERGY PARTNERS, INC.

2 DOCKET NOS.  
3

E-04072A-01-0988 ET AL.

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