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FEB 20 2015

PUBLIC SERVICE  
COMMISSION



February 19, 2015

Mr. Jeff Derouen  
Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
Frankfort, Kentucky 40602

**LG&E and KU Energy LLC**  
Legal Department  
220 West Main Street  
Louisville, Kentucky 40202  
www.lge-ku.com

Allyson K. Sturgeon  
Senior Corporate Attorney  
T 502-627-2088  
F 502-217-4995  
allyson.sturgeon@lge-ku.com

**RE: Application of Kentucky Utilities Company for a Certificate of Public  
Convenience and Necessity Authorizing KU to Bid on a Franchise  
Established by the City of Butler** Case No. 2015-00056

Dear Mr. Derouen:

Enclosed please find an original and 10 copies of an Application for a Certificate of Public Convenience and Necessity ("CCN"), to enable Kentucky Utilities Company (the "Company") to apply for an electric franchise with the City of Butler (the "City") pursuant to KRS 278.020(4). In a public meeting held on February 2, 2015, the City Council of Butler, Kentucky passed Ordinance No. 421, which directed the advertising for bids and selling of an electric franchise in the City. The Company asks that the Commission enter an Order granting a Certificate of Public Convenience and Necessity to bid for and acquire a franchise from the City on or before February 27, 2015.

For many years, the Company has been the owner of a franchise granted by the City to erect facilities for providing electric service to the City and the inhabitants thereof. The franchise to be obtained will replace the previous franchise.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Allyson K. Sturgeon".

Allyson K. Sturgeon

Enclosures

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COMMISSION

**BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**APPLICATION OF KENTUCKY UTILITIES COMPANY )  
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND )  
NECESSITY AUTHORIZING KU TO BID ON A ) CASE NO. 2015-00056  
FRANCHISE ESTABLISHED BY THE CITY OF )  
BUTLER, KENTUCKY )**

**APPLICATION**

The Applicant, Kentucky Utilities Company (“KU”), respectfully states as follows:

1. The Post Office address of the principal office of Applicant is 220 West Main Street, Louisville, Kentucky 40202. KU is a Kentucky corporation authorized to do business in the Commonwealth of Kentucky.

2. KU is a utility engaged in the business of supplying electric service in and to various cities and the inhabitants thereof within the Commonwealth of Kentucky, and has conducted such business for a number of years. The instant filing is made in accordance with Section 278.020(4) of the Kentucky Revised Statutes.

3. Receipt of the requested certificate will allow KU to pursue its bid on a new franchise for which the City of Butler, Kentucky (the “City”) has solicited bids pursuant to resolution or ordinance and advertisement, a copy of which is attached hereto as Exhibit A.

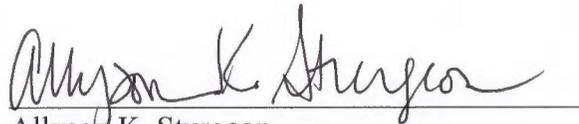
4. A certified copy of KU’s Articles of Incorporation is already on file with the Commission in Case No. 2010-00204 and is incorporated herein by reference pursuant to 807 KAR 5:001, Section 14(2)(a).

5. There is and will continue to be a demand and need for electric service in the areas of the City subject to the franchise, and KU desires to obtain a franchise in accordance with the bidding protocol established by the City.

6. Should KU be successful in acquiring said franchise, it will file copies thereof with the Commission.

WHEREFORE, Kentucky Utilities Company asks that the Commission enter an Order granting to KU a Certificate of Public Convenience and Necessity to bid for and acquire a franchise from the City on or before February 27, 2015.

Dated at Louisville, Kentucky, this 19<sup>th</sup> day of February, 2015.



Allyson K. Sturgeon  
Senior Corporate Attorney  
Kentucky Utilities Company  
220 West Main Street  
Louisville, Kentucky 40202  
(502) 627-2088

**Exhibit A**

COMMONWEALTH OF KENTUCKY  
CITY OF BUTLER

ORDINANCE NO. 421

AN ORDINANCE CREATING A FRANCHISE FOR THE ERECTION, LAYING AND MAINTENANCE OF ELECTRIC FACILITIES AND APPURTENANT FACILITIES AND EQUIPMENT IN, ALONG AND ACROSS THE PUBLIC WAYS, ROADS, STREETS, ALLEYS AND OTHER PUBLIC PLACES IN THE CITY OF BUTLER, KENTUCKY; FOR FURNISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

WHEREAS, the City of Butler ("City") wishes to ensure that electric service continues to be furnished to its citizens in a reliable and efficient manner;

WHEREAS, the City is aware that the provision of such service requires the continued use of public streets, ways, alleys and other public places;

WHEREAS, the franchise granted to and acquired by Kentucky Utilities Company on April 3, 1995, under which that utility provided such service, will expire by its terms; April 3, 2015

WHEREAS, the City wishes to provide for the sale of a new franchise for the benefit of its citizenry, giving effect to Section 96.010 of the Kentucky Revised Statutes;

NOW, THEREFORE, BE IT ORDAINED as follows:

Section 1. An exclusive franchise ("Franchise") to use the City's public rights-of-way, as described in the Franchise Agreement attached to this Ordinance, is hereby created.

Section 2. The Franchise created by this Ordinance shall be bid in accordance with the applicable requirements of the Constitution of the Commonwealth of Kentucky and Chapter 424 of the Kentucky Revised Statutes, as well as any applicable City ordinances.

Section 3. The Franchise created by this Ordinance shall be awarded to the highest and best bidder as shall be determined by the City in its sole discretion. In awarding the Franchise, the City shall consider the technical, managerial, and financial qualifications of the bidder to perform its obligations under the Franchise.

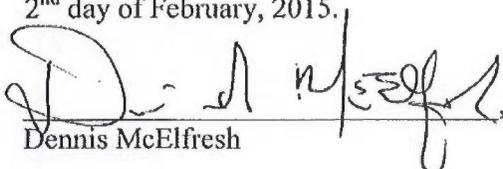
Section 4. The winning bidder and the City shall negotiate, execute and be bound by a Franchise Agreement with terms identical to, or substantially identical to, the Franchise Agreement referenced in Section 1 above and attached hereto, such Agreement to contain terms “that are fair and reasonable to the City, to the purchaser of the Franchise and to the patrons of the utility” (KRS Section 96.010). Such Franchise Agreement shall take effect no earlier than 90 days after its execution, to allow the City and the winning bidder to develop appropriate procedures for identifying and reviewing the electric-consuming entities within the City’s corporate limits.

Section 5. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 6. Should any section, clause, line, paragraph, or part of this Ordinance or the attached Agreement be held unconstitutional or invalid for any reason, the same shall not affect the remainder of this Ordinance or the attached Agreement, as applicable.

Section 7. Time is of the essence in carrying out the terms and the provisions of this Ordinance and the Franchise created herein.

Section 8. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the Butler City Council on the 5<sup>th</sup> day of January, 2015; a second reading was held on the 2<sup>nd</sup> day of February, 2015; said Ordinance was READ and APPROVED on the 2<sup>nd</sup> day of February, 2015.

 , Mayor  
Dennis McElfresh

ATTESTED BY:

 , City Clerk  
Donna Kendall

# NEWSFLASH

## Department of Revenue is temporarily holding TurboTax electronic returns

Fraudulently filed tax returns through TurboTax has Kentucky and other states requiring a temporary administrative regulations found to be deficient.

- permit communities to vote on a temporary local sales tax of up a penny to fund a specific projects.

sands of fraudulent already been filed. This prompted calls to various state revenue departments further alerting them to

According to the department filing electronically is further alerting them to attorney, P.O. Box 326, Butler, KY 41006.

15-P-00004....Estate of Wanda M. Florence....Daryl Florence, Executor, 11415 Highway 10 North, Berry, KY 41043. Robert Bathalter, Attorney, 8341 E. Main Street, P.O. Box 92, Alexandria, KY 41001.

s/Michael D. Redden, Clerk  
Pendleton District & Circuit Courts

*"Peace cannot be kept by force. It can only be achieved by understanding."*  
~ Albert Einstein



rate of \$13.35 per diem from December 31, 2012 until date of Judgment herein, plus accrued late charges, attorney fees in the amount of \$1,150.00, and for any other fees expended for services performed in connection with the Defendants' default and for the purposes of protecting Plaintiff's interest in the property and its rights under the Mortgage instrument. The property shall be sold upon the following terms and conditions:

- 1) The purchaser shall be required to pay ten percent (10%) of the purchase price on the date of the sale, to apply on the purchase price;
- 2) The balance of the purchase price shall be due and payable, in cash or certified funds, within sixty (60) days from the date of sale;
- 3) The purchaser shall be required to execute a bond, with good and sufficient surety thereon for the unpaid balance of the purchase price, said bond to bear interest at the rate of twelve percent (12%) per annum from the date of sale, until paid;
- 4) The purchaser shall have the privilege of paying all or any part of the purchase price or paying said bond before maturity by paying the balance of the principal, together with all accrued interest thereon;
- 5) The purchaser shall be required to assume and pay any and all ad valorem taxes on the subject property for the current year, and all subsequent taxes;
- 6) The purchaser shall be required to purchase fire and extended coverage insurance on said improvements from the date of sale until the purchase price is paid in full to the extent of the court appraised value of said improvements or the unpaid balance of the purchase price, whichever is less, with a loss clause payable to the Master Commissioner of the Pendleton Circuit Court or the Plaintiff herein.
- 7) The subject property shall be sold free and clear of all liens and claims of any party to this action, except restrictions and easements thereon appearing of record in the Pendleton County Clerk's Office, if any;
- 8) Possession of the subject property shall be given to the purchaser upon confirmation of Commissioner's sale, and the Defendants or any persons claiming through them shall have vacated the premises by that time;
- 9) Said property shall be sold subject to:
  - a. Assessments for public improvements levied against the subject property;
  - b. Existing zoning ordinances, statutes, laws, or regulations;
  - c. Any facts which an accurate survey or inspection of the property may disclose.

Bidders will be prepared to comply with these terms.

Robert E. Bathalter  
Robert E. Bathalter, PSC  
8341 E. Main St., P.O. Box 92  
Alexandria, KY 41001  
(859) 635-1662  
Pendleton County Master Commissioner

### NOTICE OF SALE OF FRANCHISE

By virtue of an ordinance heretofore passed by the Commission of the City of Butler, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Butler, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Butler, will on 03/02/2015, at or about 7:00PM, sell at public auction to the highest bidder at the City Hall of Butler, a franchise for the purpose set out. Said franchise is more particularly described and fully defined in a proposed ordinance granting and creating the same and said proposed ordinance defines the terms and conditions upon which said sale shall be made, the full text of which is available for inspection in the office of the Butler, City Clerk, PO Box 229, Butler, Kentucky. The ordinance by title and summary is as follows: **ORDINANCE # 421. AN ORDINANCE ESTABLISHING A FRANCHISE AGREEMENT RELATED TO THE TRANSMISSION AND DISTRIBUTION OF ELECTRICAL ENERGY, AND THE PROVISION OF RETAIL ELECTRIC SERVICE IN AREAS HERETOFORE SERVED BY KENTUCKY UTILITIES COMPANY.**

Butler City Clerk, Donna Kendall

Published 2-10-15

Stephanie A. Maguire  
Hon. J. Bryan Dean

P.O. Box 5480  
216 W. Shelby Street

Cincinnati, OH 45201  
Falmouth, KY 41040