

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY)	2009-00392
AUTHORIZING KU TO BID ON A FRANCHISE)	
ESTABLISHED BY THE CITY OF SALEM)	

O R D E R

On September 25, 2009, Kentucky Utilities Company ("KU") filed with the Commission its application seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for electric service offered by the city of Salem, Kentucky. 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 city of Salem creating an electric distribution franchise, the Commission determines that there is evidence of a need and demand for electric service in the above-mentioned city. 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 city, or the manner in which any franchise fee is to be treated for rate purposes.

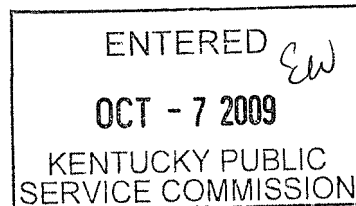
IT IS THEREFORE ORDERED that:

1. KU is granted a Certificate of Public Convenience and Necessity that authorizes it to bid on a franchise for electric service offered by the city of Salem, Kentucky.

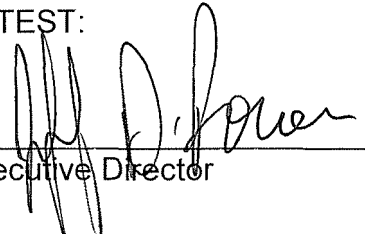
2. KU, if it becomes the successful bidder, shall file with this Commission two copies of the franchise agreement.

3. This Order shall not be construed as granting a Certificate of Public Convenience and Necessity to construct utility facilities in said city.

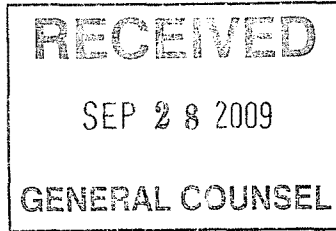
By the Commission



ATTEST:



Executive Director



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

Kentucky Utilities Company
Legal Department
220 West Main Street
Louisville, Kentucky 40202
www.eon-us.com

Allyson K. Sturgeon
Senior Corporate Attorney
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2009-00392

September 24, 2009

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 Salem

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 Salem (the "City") pursuant to KRS 278.020(4). In a regular session held on September 15, 2009, the City Council of Salem, Kentucky passed Ordinance No. 09-05, which directed the advertising for bids and selling of an electric franchise in the City. We respectfully ask for an order granting the CCN by October 20, 2009 to enable KU to bid on the franchise on the sale date of October 20, 2009.

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,

Allyson K. Sturgeon

Enclosures

RECEIVED
SEP 25 2009
PUBLIC SERVICE
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)
FRANCHISE ESTABLISHED BY THE CITY OF)
SALEM)**

CASE NO. 2009-_____

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 Salem, Kentucky (the “City”) has solicited bids pursuant to resolution or ordinance and advertisement, a copy of which is attached hereto as Exhibit A.

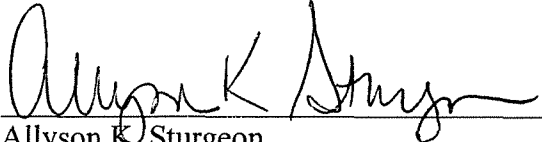
4. A certified copy of KU’s Articles of Incorporation is already on file with the Commission in Case No. 2005-00471 and is incorporated herein by reference pursuant to 807 KAR 5:001, Section 8(3).

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 by October 20, 2009 to enable KU to bid on the franchise on the sale date of October 20, 2009.

Dated at Louisville, Kentucky, this 24th day of September, 2009.



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

Exhibit A

US 401(k) plans let families save for retirement. Distributions are tax free, but must be used for educational costs such as tuition, books and room and board. While that sounds simple enough, all states offer their own plans, each of which have multiple investments options.

The market's rollercoaster performance in the past year could also be keeping enrollment down. The number of new 529 savings accounts opened this year is expected to fall more than 20 percent to 790,000, according to the Financial Research Corp. Families are likely to scale back investments, too. In the first

way in state, you probably want to comparison shop.

One way to start winnowing the list is to identify the features you want. For example, if you're intimidated by the thought of managing your investments, you might want an age-based plan.

As with target-date retirement funds, age-based 529 plans automatically shift the mix of assets to reduce risk as enrollment age approaches.

Of course, asset mixes can still vary significantly among plans. So compare the portfolios - you may find one is more conservative and in line with your comfort level.

You might also want to

already using a broker for other investments, said Joe Hurley, founder of Saving-ForCollege.com, a division of Bankrate.com. Or they may simply feel more at ease with some professional guidance.

The trade off with an advisor-sold plan is that you'll pay a sales commission of about 5 percent to 6 percent on all contributions. Advisor-sold plans also tend to have higher ongoing maintenance fees.

To keep costs down, go directly to the state's 529 plan site to enroll. Or you can visit the site of the investment firm that manages the state's plan. For example, Fidelity man-

won't be waived if your child simply decides on a different path and doesn't go to college. But you can always change the beneficiary named on the plan.

"Maybe there's a younger sibling heading to college, or even yourself," Hankard said.

Another concern might be that a 529 plan will thwart your child's ability to win financial aid. But so long as the account is in the parent's name, the impact is minimal when applying for aid from public schools.

Even better - 529 plans have no impact on aid applications if they're under a grandparent's name.

Rebecca Lasher

Ran 9-22-09

NOTICE OF SALE OF FRANCHISE

By virtue of a resolution heretofore passed by the Council of the City of Salem, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Salem, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Salem will on October 20th, 2009, at or about 5:00 PM, sell at public auction to the highest bidder at the City Hall of Salem, 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 Salem City Clerk, Salem, Kentucky. The ordinance by title and summary is as follows: **ORDINANCE 508-08: 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.**

PUBLIC NOTICE

The Livingston County Fiscal Court approved Resolution 2008R-08-25-01 giving approval for submission of a Kentucky Community Development Block Grant application in the amount of \$500,000. Under this resolution, Judge Executive Chris Lasher has approval to sign any necessary documents relating to this grant. This Resolution was adopted on the 25th day of August, 2008 during the regular meeting. A copy of the approved resolution with full text is available for public inspection at the office of the County Judge/Executive during normal business hours.

JAYS
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abbers and more!

Career Education

444-9950

This Phone Number
Will Change
Your Life.
CALL NOW!
Daymar College

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