

CASE

NUMBER:

99-025

AMERICAN ELECTRIC POWER

Franchises

CITY OF LOUISA - LAWRENCE COUNTY, KENTUCKY

IN THE MATTER OF THE APPLICATION OF KENTUCKY POWER COMPANY
D/B/A AMERICAN ELECTRIC POWER FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY AUTHORIZING THE APPLICANT TO
OBTAIN A FRANCHISE IN THE CITY OF LOUISA, LAWRENCE COUNTY,
KENTUCKY

SEQ NBR	ENTRY DATE	REMARKS
0001	01/15/1999	Application.
0002	01/20/1999	Acknowledgement letter.
0003	01/25/1999	Amended Acknowledgement letter.
0004	01/29/1999	Final Order granting authorization to bid on an electric franchise.
M0001	01/05/2000	JUDI WILLIS AMERICAN ELECTRIC POWER-ORDINANCE ACCEPTANCE GRANTING KY POWER A TWENTY YR FRAN

American Electric
1701 Central Avenue
PO Box 1428
Ashland, KY 41105-1428



RECEIVED

JAN 05 2000

PUBLIC SERVICE
COMMISSION

Ms. Helen C. Helton, Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

4 January 2000

Dear Ms. Helton:

As directed by the Public Service Commission's Order in Case No. 99-025 dated January 29, 1999, we are attaching two copies of the Ordinance/Acceptance granting Kentucky Power Company d/b/a American Electric Power a twenty-year electric franchise in the City of Louisa, Lawrence County, Kentucky.

Sincerely,

A handwritten signature in cursive script that reads 'Judi Willis'.

Judi Willis
Rate Analyst III

Attachment

cc: Hon Bruce F. Clark, Stites & Harbison (w/a)

ORDINANCE NO. 2, 1999

An Ordinance of the City Council of the City of Louisa, Kentucky, Granting to Kentucky Power Company, d/b/a American Electric Power, Its Successors and Assigns, a Twenty (20) Year Franchise, Privilege, Right and Authority to Acquire, Maintain, Construct and Operate In, Above, Under, Across and Along the Streets, Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places of the City of Louisa, Kentucky, and Its Successors and Assigns, Lines, Poles and Equipment for the Transportation, Transmission and Distribution of Electric Energy to the City of Louisa and the Inhabitants thereof and the Persons and Corporations beyond the Limits thereof for Light, Heat, Power and Other Purposes and for the Transmission, Transportation and Distribution of Same Within, Through or Across Said City.

BE IT ORDAINED BY THE CITY OF LOUISA, LAWRENCE COUNTY, KENTUCKY, AS FOLLOWS:

SECTION 1

Kentucky Power Company, d/b/a American Electric Power, its successors and assigns, hereinafter called grantee, is granted the franchise, privilege, right and authority to acquire, maintain, construct and operate in, above, under, across and along the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places (as the same now exist or may hereafter be laid out) of the City of Louisa, Lawrence County, Kentucky, lines, poles and equipment for the transportation, transmission and distribution of electric energy, either by means of overhead or underground conductors, with all the necessary or desirable appurtenances, for the purpose of supplying electric energy to said City and the inhabitants thereof, and persons and corporations beyond the limits thereof, for light, heat, power and any other purpose or purposes for which electric energy is now or may hereafter be used, and for the transmission of the same within, through or across said City.

SECTION 2. Said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places.

SECTION 3. The franchise, privilege, right and authority shall be in full force and effect for a period of twenty (20) years from the date of passage of this Ordinance.

SECTION 4. The grantee of this franchise shall save the City harmless from any and all liability arising in any way from negligence of the grantee in the erection, maintenance or operation of said lines and appurtenances.

SECTION 5. The grantee of this franchise shall have the right and privilege to take up such portion or part of any pavement and make such excavation in the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City of Louisa as may be deemed necessary for the construction and maintenance of its lines, wires or cables, but, whenever the grantee of this franchise shall begin the erection of any lines or other equipment, it shall promptly and diligently prosecute the work to completion, and leave the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Wherever in this franchise either the City of Louisa or the grantee thereof is referred to, it shall be deemed to include the respective successors and assigns, of either, and all rights, privileges and obligations contained in this franchise shall be binding upon, and inure to the benefit of, the respective successors and assigns, of the City and said grantee, whether so expressed or not.

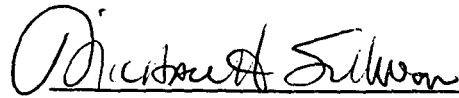
SECTION 7. The grantee of this franchise may make such rules and regulations covering the furnishing of said electric energy as may be fair and reasonable and consistent with the standard practice of the grantee. Said grantee may charge such rates for electric service as shall be fair and reasonable. The said grantee shall render service under said franchise of like quality, that is, adequate, efficient and reasonable, to that now being rendered to said City.

SECTION 8. The consideration paid and agreed to be paid in its bid by the grantee for the franchise, privilege, right and authority provided for herein, shall be complete compensation and consideration for said franchise, privilege, right and authority, and for the use and occupancy of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City, in lieu of any street or alley rental or of any charge for the use or occupancy of said streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of said City, and in lieu of any pole tax or meter tax.

SECTION 9. The Ordinance granting this franchise shall be accepted by the grantee thereof within sixty (60) days from the date of its passage.

SECTION 10. All Ordinances and parts of Ordinances in conflict herewith, to the extent of such conflict only, are hereby repealed.

SECTION 11. This Ordinance shall be in full force and effect upon its passage by the City Commission.


Michael H. Sullivan, Mayor

ATTEST:

Bonnie Thompson, City Clerk
Bonnie Thompson, Clerk

Introduction and First Reading April 13, 1999.

Second Reading: May 11, 1999.
Adopted by the City Council of the City of
Louisa, Kentucky

the 10 day of May, 1999.

ACCEPTANCE

TO THE MAYOR AND CITY COUNCIL
THE CITY OF LOUISA, KENTUCKY

WHEREAS, on the 11th day of May, 1999, the CITY COUNCIL OF THE CITY
OF LOUISA, KENTUCKY passed ORDINANCE NO. 2, 1999, entitled:

ORDINANCE NO. 2, 1999

An Ordinance of the City Council of the City of Louisa, Kentucky, Granting to Kentucky Power Company, d/b/a American Electric Power, Its Successors and Assigns, a Twenty (20) Year Franchise, Privilege, Right and Authority to Acquire, Maintain, Construct and Operate In, Above, Under, Across and Along the Streets, Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places of the City of Louisa, Kentucky, and Its Successors and Assigns, Lines, Poles and Equipment for the Transportation, Transmission and Distribution of Electric Energy to the City of Louisa and the Inhabitants thereof and the Persons and Corporations beyond the Limits thereof for Light, Heat, Power and Other Purposes and for the Transmission, Transportation and Distribution of Same Within, Through or Across Said City.

WHEREAS, the undersigned, KENTUCKY POWER COMPANY, D/B/A AMERICAN ELECTRIC POWER, is willing to accept said Ordinance granting said franchise in accordance with the terms and conditions therein set forth.

NOW, THEREFORE, the said KENTUCKY POWER COMPANY, D/B/A AMERICAN ELECTRIC POWER hereby assents to and accepts the terms and provisions of said Ordinance and agrees to be bound and abide by said terms and provisions as in said Ordinance set forth.

IN WITNESS WHEREOF, said KENTUCKY POWER COMPANY, D/B/A AMERICAN ELECTRIC POWER, a Kentucky corporation, has caused its name to be hereunto affixed by Timothy C. Mosher, its Kentucky State President, on this 15th day of June, 1999.

KENTUCKY POWER COMPANY, D/B/A
AMERICAN ELECTRIC POWER

By Timothy C. Mosher
Timothy C Mosher

Its Kentucky State President

STATE OF KENTUCKY

COUNTY OF BOYD :

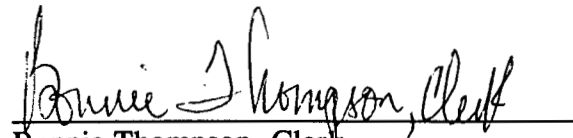
I, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Acceptance was this day acknowledged before me by Timothy C. Mosher, as Kentucky State President to be his free act and deed and the act and deed of Kentucky Power Company d/b/a American Electric Power, this 15th day of June, 1999.

My commission expires March 18, 2000.

Jane E Taylor
Notary Public, State-at-Large, Kentucky

I, Bonnie Thompson, Clerk of the City of Louisa, Kentucky, do hereby certify that the above is a true copy of the Acceptance by KENTUCKY POWER COMPANY, D/B/A AMERICAN ELECTRIC POWER of an electric franchise Ordinance passed by the CITY COUNCIL of said City on the 11th day of May, 1999.

Received and filed this 14 day of December, 1999.



Bonnie Thompson, Clerk
City of Louisa, Kentucky



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-025
AMERICAN ELECTRIC POWER

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on January 29, 1999.

Parties of Record:

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

Honorable Bruce F. Clard
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KY. 40602 0634

Stephanie D. Bell

Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY POWER)
COMPANY D/B/A AMERICAN ELECTRIC)
POWER FOR A CERTIFICATE OF) CASE NO.
CONVENIENCE AND NECESSITY) 99-025
AUTHORIZING THE APPLICANT TO)
OBTAIN A FRANCHISE IN THE CITY OF)
LOUISA, LAWRENCE COUNTY, KENTUCKY)

O R D E R

On January 15, 1999, Kentucky Power Company d/b/a American Electric Power ("Kentucky Power") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on an electric franchise in the city of Louisa, Kentucky. 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 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. Kentucky Power is granted a Certificate of Convenience and Necessity that authorizes it to bid on an electric franchise in the above-mentioned city.
2. Kentucky Power, 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 Convenience and Necessity to construct utility facilities in said city.

Done at Frankfort, Kentucky, this 29th day of January, 1999.

By the Commission

ATTEST:


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

January 25, 1999

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1707 Central Avenue
P. O. Box 1428
Ashland, KY 41105 1428

Honorable Bruce F. Clark
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KY 40602 0634

RE: Case No. 99-025
AMERICAN ELECTRIC POWER
(FRANCHISE) CITY OF LOUISA – LAWRENCE COUNTY, KENTUCKY

On January 15, 1998 the Commission received a filing from American Electric Power. That filing was inadvertently assigned the Case No. 99-016, but has since been corrected to Case No. 99-025. Please disregard the acknowledgement letter which was sent to American Electric Power on January 20, 1999. In all future correspondence or filings in connection with this case, please reference Case No. 99-025.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/jc



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

January 20, 1999

Errol K. Wagner
Director of Regulatory Affairs
American Electric Power
1701 Central Avenue
P. O. Box 1428
Ashland, KY. 41105 1428

Honorable Bruce F. Clark
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KY. 40602 0634

RE: Case No. 99-016
AMERICAN ELECTRIC POWER
(Franchises) CITY OF LOUISA - LAWRENCE COUNTY, KENTUCKY

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received January 15, 1999 and has been assigned Case No. 99-016. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie Bell

Stephanie Bell
Secretary of the Commission

SB/jc

STITES & HARBISON

ATTORNEYS

99-00045

January 15, 1999

RECEIVED

JAN 15 1999

PUBLIC SERVICE
COMMISSION

421 West Main Street
Post Office Box 634
Frankfort, KY 40602-0634
(502) 223-3477
(502) 223-4124 Fax
www.stites.com

Bruce F. Clark
(502) 223-3477 Ext. 214
bclark@stites.com

Ms. Helen Helton
Executive Director
Public Service Commission
730 Schenkel Lane
Frankfort, KY 40601

Dear Ms. Helton:

Case 99025

Please find enclosed and accept for filing an original and ten (10) copies of American Electric Power's Application for a Certificate of Convenience and Necessity Authorizing the Applicant to Obtain a Franchise in the City of Louisa, Lawrence County, Kentucky.

Very truly yours,

STITES & HARBISON


Bruce F. Clark

BFC:pjt
Enclosures

cc: Mr. Errol K. Wagner

RECEIVED

JAN 15 1999

PUBLIC SERVICE
COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF THE APPLICATION)
OF KENTUCKY POWER COMPANY d/b/a)
AMERICAN ELECTRIC POWER FOR A)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY AUTHORIZING THE APPLICANT)
TO OBTAIN A FRANCHISE IN THE CITY OF)
LOUISA, LAWRENCE COUNTY, KENTUCKY)

CASE NO. 99-016

APPLICATION

The petition of Kentucky Power Company d/b/a American Electric Power
("Company") respectfully shows:

1. That the Applicant is engaged in the business of transmitting and
distributing electricity and rendering electric service in the City of Louisa, Lawrence
County, Kentucky.

2. That the post office address of the Applicant is Ashland, Kentucky.

3. (a) Copy of the Articles of Incorporation of Kentucky Power
Company d/b/a American Electric Power is filed with the Public Service
Commission.

(b) The Applicant is now and has been for a number of years
rendering electric service in the City of Louisa, Lawrence County, Kentucky. Public
convenience and necessity requires that this service be continued and it is the desire
of the Applicant to obtain a franchise in said City.

(c) Attached is a copy of the form of franchise which the Applicant desires to obtain.

WHEREAS, Applicant asks that the Public Service Commission of the Commonwealth of Kentucky make its order authorizing the Applicant to obtain a franchise in the City of Louisa, Lawrence County, Kentucky.



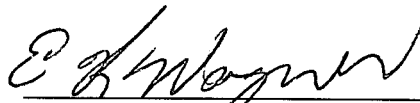
BRUCE F. CLARK
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KY 40602-0634
COUNSEL FOR APPLICANT

COMMONWEALTH OF KENTUCKY

COUNTY OF BOYD

ERROL K. WAGNER, being first duly sworn, deposes and says:

That he is the Director of Regulatory Affairs of Kentucky Power Company, d/b/a American Electric Power, Applicant in the proceeding entitled as above, that he has read the foregoing application and knows the contents thereof; and that the same is true of his own knowledge, except as to matters which are therein stated on information or belief and that as to those matters he believes it to be true.



Director of Regulatory Affairs
Kentucky Power Company
d/b/a American Electric Power

Subscribed and sworn to before me, this 7th day of January, 1999.



Notary Public, Boyd County, Kentucky

My Commission expires 3-19-2000

SECTION 1. That there be sold at public auction to the highest and best bidder, the franchise, privilege, right and authority to acquire, maintain, construct and operate in, above, under, across, and along the streets, thoroughfares, alleys, bridges, public ways and other public places (as the same now exist or may hereafter be laid out) of the City of Louisa, Lawrence County, Kentucky, lines, poles, and equipment for the distribution of electric energy either by means of overhead or underground conductors, with all the necessary or desirable appurtenances for the purpose of supplying electric energy to said City and the inhabitants thereof and persons and corporations beyond the limits thereof for light, heat, power, and other purpose or purposes for which electric energy is now and may hereafter be used, and for the transmission of the same within, through or across said City.

SECTION 2. Said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, bridges and public places.

SECTION 3. The franchise, privilege, right and authority shall be in full force and effect for a period of twenty (20) years from the date of the passage of the ordinance granting it.

SECTION 4. The grantee of this franchise shall save the City harmless from any and all liability arising in any way from negligence in the erection, maintenance, or operation of said lines and appurtenances.

SECTION 5. Whenever the grantee of this franchise shall begin the erection of any lines or other equipment, it shall promptly and diligently prosecute the work to completion and leave the streets, thoroughfares, alleys, bridges, and public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Wherever in this franchise, either the City of Louisa or the grantee thereof is referred to, it shall be deemed to include the respective successors and assigns of either, and all rights, privileges, and obligations contained in this franchise shall be binding upon and inure to the benefit of the respective successors and assigns of said City, and said grantee whether so expressed or not.

SECTION 7. The grantee of this franchise may make such rules and regulations covering the furnishing of said electric energy as may be fair and reasonable and consistent with the standard practice of the grantee. Said grantee may charge such rates for electric services as shall be fair and reasonable. The said grantee shall render service under said franchise of like quality, that is adequate, efficient and reasonable, to that now being rendered in said City.

SECTION 8. The consideration paid by the successful bidder for the franchise, privilege, right and authority provided for herein shall be complete compensation and consideration for said franchise, privileges and right and for the use and occupancy of the streets, avenues, alleys, bridges, public ways, and other places of the City in lieu of any street or alley rental or to the charge for the use or occupancy of said streets, avenues, alleys, bridges, thoroughfares, public ways or public places of said City and in lieu of any pole tax or meter tax.

SECTION 9. Each bidder for said franchise, privilege, and right shall file as part of his bid a certified copy of a certificate of convenience and necessity from the Public Service Commission of Kentucky, issued under the authority of KRS278.020(3).

SECTION 10. The ordinance granting this franchise shall be accepted by the grantee thereof within sixty (60) days from the date of its passage.