



LG&E Energy LLC
220 West Main Street (40202)
P.O. Box 32030
Louisville, Kentucky 40232

April 26, 2005

RECEIVED

APR 26 2005

PUBLIC SERVICE
COMMISSION

Ms. Elizabeth O'Donnell
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40601

Case No. 05-00173

Dear Ms. O'Donnell:

Enclosed are the original and 10 copies of an Application for a Certificate of Public Convenience and Necessity ("CCN"), to enable Louisville Gas & Electric Company (the "Company") to apply for a natural gas franchise with the City of Pleasureville (the "City") pursuant to KRS 278.020 (3). The City passed Ordinance No. 05-01 on March 7, 2005.

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

Very truly yours,

John Wolfram
Manager, Regulatory Affairs

JW:mjr

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

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APR 26 2005

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS & ELECTRIC)
COMPANY FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO APPLY)
FOR A FRANCHISE FROM THE CITY OF)
PLEASUREVILLE)

CASE NO. 2005-00173

APPLICATION

Louisville Gas & Electric Company ("LG&E"), pursuant to KRS 278.020 (3), hereby applies to the Kentucky Public Service Commission for a Certificate of Public Convenience and Necessity ("CCN") for a franchise from the City of Pleasureville, Kentucky (the "City"). In support of this Application, LG&E states as follows:

1. The Post Office address of the principal office of LG&E is 220 West Main Street, Louisville, Kentucky 40202.
2. LG&E is engaged in the business of supplying natural gas 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. LG&E is and for many years has been the owner of a separate franchise granted by the City to erect along, over, under or across the public ways and grounds thereof. LG&E's gas utility facilities used by LG&E in its supply of gas service in and to the City and the inhabitants thereof, which franchise, by its terms, have expired.
3. The City passed Ordinance No. 05-01 on March 7, 2005, which Ordinance is attached as Exhibit "A", pursuant to KRS 96.010, thus allowing LG&E the right to file this CCN Application.

4. LG&E owns sources of supply of gas energy now being furnished to customers in the City, and has distribution facilities in the City that are now used in furnishing gas service in the City.

5. LG&E has heretofore filed with the Commission a copy of its amended and restated Articles of Incorporation in Case No. 2003-00433.

6. There is and will continue to be a demand and need for gas service in and to the City and the inhabitants thereof; and LG&E desires to apply for and obtain from the City a franchise.

7. Should LG&E be successful in acquiring said franchise, it will file copies thereof with the Commission.

WHEREFORE, LG&E asks that the Commission enter an Order granting to LG&E a Certificate of Public Convenience and Necessity to bid for and acquire the described franchise from the City identified in paragraph 2 above.

Dated at Louisville, Kentucky this 26th day of April, 2005.

Exhibit A

**COMMONWEALTH OF KENTUCKY
CITY OF PLEASUREVILLE**

ORDINANCE NO. 05-01

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

WHEREAS, the City of Pleasureville ("City") wishes to ensure that natural gas 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 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 BY THE CITY COMMISSION OF THE CITY OF PLEASUREVILLE, KENTUCKY 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 [C]ity, to the purchaser of the [F]ranchise 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 gas-consuming entities within the City's corporate limits.

Section 5. All ordinances or parts of ordinances in conflict with the provisions of the 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 as required by law.

DONE THIS THE 7 DAY OF March, 2005.



WILLIAM RODNEY YOUNG, MAYOR

ATTEST:

Verna Stivers

VERNA STIVERS, CITY CLERK

1ST reading: 2-07-05

2nd reading: 3-07-05

Published: 3-16-05