



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

August 30, 2005

RECEIVED

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

AUG 30 2005

PUBLIC SERVICE
COMMISSION

Case No. 2005-00349

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 Kentucky Utilities Company (the "Company") to apply for an electric franchise with the City of Winchester (the "City") pursuant to KRS 278.020 (3). The City passed Ordinance No. 17-2005 on August 22, 2005.

For many years the Company has been the owner of a separate 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 current franchise.

Very truly yours,

John Wolfram
Manager, Regulatory Affairs

JW:mjr

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

AUG 30 2005

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND) **CASE NO. 2005 -**
NECESSITY TO APPLY FOR A FRANCHISE FROM)
THE CITY OF WINCHESTER)

APPLICATION

Kentucky Utilities Company (“KU”), 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 Winchester, Kentucky (the “City”). In support of this Application, KU states as follows:

1. The Post Office address of the principal office of KU is 220 West Main Street, Louisville, Kentucky 40202.

2. KU is 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. KU is and for many years has been the owner of a separate franchise granted by the **City of Winchester** (the “City”) to erect along, over, under or across the public ways and grounds thereof. KU's electric utility facilities used by KU in its supply of electric service in and to the City and the inhabitants thereof, which franchise, by its terms, have expired.

3. The City passed Ordinance No. 17-2005 on August 22, 2005, which Ordinance is attached as Exhibit “A”, pursuant to KRS 96.010, thus allowing KU the right to file this CCN Application.

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

5. KU has heretofore filed with the Commission a copy of its amended and restated Articles of Incorporation in Case No. 2003-00434.

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

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

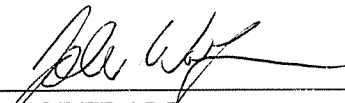
WHEREFORE, KU asks that the Commission enter an Order granting to KU a Certificate of Public Convenience and Necessity to bid for and acquire the described franchise from the City identified in paragraph 2 above.

Dated at Louisville, Kentucky this 30th day of August, 2005.

VERIFICATION

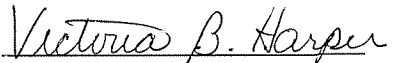
COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **John Wolfram**, being duly sworn, deposes and says he is the Manager of Regulatory Affairs for LG&E Energy Services, Inc., on behalf of Louisville Gas & Electric Company and Kentucky Utilities Company; that he has read the foregoing Application and that the statements contained are true as he verily believes.



JOHN WOLFRAM

Subscribed and sworn to before me this 29 day of Aug, 2005.



Notary Public

My Commission expires: 9/20/2006

Exhibit A

**COMMONWEALTH OF KENTUCKY
CITY OF WINCHESTER, KENTUCKY
ORDINANCE NO. 17-2005**

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 WINCHESTER, KENTUCKY: FOR FURNISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

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

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

WHEREAS, the franchise previously granted to and acquired by Kentucky Utilities, under which that utility provided such service, has expired by its terms; and

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 [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 winner 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 not affect the remainder of this Ordinance or the attached Agreement, as applicable.

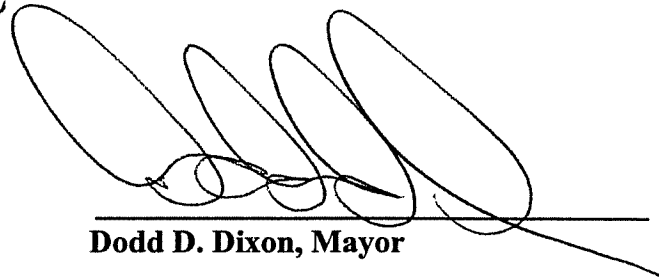
Section 7. Time is of the essence in carrying out the terms and the provisions of this Ordinance and the Franchise created herein.

Section 8. This Ordinance shall become effective from and after its passage and publication..

Introduced and given first reading at a meeting of the Board of Commissioners of the City of Winchester, Kentucky held on August 16, 2005 and adopted, after second reading, at a meeting of said Board held on August 22, 2005.

Roll call as follows:

Mayor Dodd Dixon - *yes*
Commissioner Rick Beach - *yes*
Commissioner Kenny Book - *yes*
Commissioner Shannon Cox - *yes*
Commissioner JoEllen Reed - *yes*



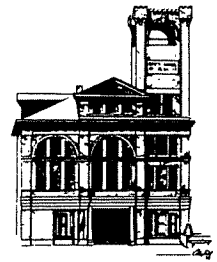
Dodd D. Dixon, Mayor

ATTEST:



Marilyn Rowe, City Clerk

City of Winchester



Office of the Mayor

Dodd D. Dixon

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION OF
KENTUCKY UTILITIES COMPANY FOR A
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO APPLY FOR AN ELECTRIC
FRANCHISE.

No. _____

CONSENT

The City of Winchester, a municipal corporation of the third class of the State of Kentucky, accepts notice of the Application of Kentucky Utilities Company in the above matter, and consents to the entry of an order granting the prayer of said Application to the effect that said Company may be permitted to apply for an electric franchise to be offered for sale by the City.

Dated at Winchester, Kentucky this August 16, 2005

City of Winchester

By _____

Dodd D. Dixon, Mayor

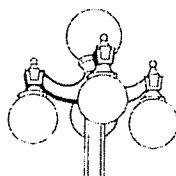
ATTEST.

Marilyn Rowe
Marilyn Rowe, City Clerk

Class of City Third

Type of Government City Manager Plan

KUF-17-81-41



P.O. Box 40 Winchester, Kentucky 40392-0040
Phone 859-744-9815 Fax 859-745-4590 TDD 859-744-3430