

December 21, 2013

Mr. Jeff Derouen

Executive Director

211 Sower Boulevard

Frankfort, Kentucky 40602

Public Service Commission of Kentucky

# RECEIVED

DEC 2 B 2013

PUBLIC SERVICE COMMISSION

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 Cave City

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 Cave City (the "City") pursuant to KRS 278.020(4). In a public meeting held on December 9, 2013, the City Council of Cave City, Kentucky passed Ordinance No. 13-12-11, 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 January 3, 2014.

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

## BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

DEC 23 2013

RECEIVED

PUBLIC SERVICE COMMISSION

# APPLICATION OF KENTUCKY UTILITIES COMPANY)FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND)NECESSITY AUTHORIZING KU TO BID ON A) CASE NO. 2013-\_\_\_\_FRANCHISE ESTABLISHED BY THE CITY OF)CAVE CITY, 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 Cave City, Kentucky (the "Cit — 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 January 3, 2014.

Dated at Louisville, Kentucky, this 21st day of December, 2013.

huler

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

Exhibit A

## COMMONWEALTH OF KENTUCKY CITY OF CAVE CITY

#### ORDINANCE NO. 13-12-11

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

WHEREAS, the City of Cave City ("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 4,

1994, under which that utility provided such service, or will expire by its terms; April 4, 2014

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:

<u>Section 1</u>. A nonexclusive franchise ("Franchise") to use the City's public rights-of-way, as described in the Franchise Agreement attached to this Ordinance, is hereby created.

<u>Section 2</u>. 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.

<u>Section 3</u>. 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.

Revised 11-12-13

1

<u>Section 4</u>. 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 <u>Section 1</u> 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.

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 All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

<u>Section 6</u>. 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.

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

<u>Section 8</u>. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the City of Cave City Council on the 12<sup>th</sup> day of November, 2013; a second reading was held on the 9th day of December, 2013; said Ordinance was READ and APPROVED on the 9<sup>th</sup> day of December, 2013.

, Mayor Dwayne Hatcher

ATTESTED BY: City Clerk Jønnifer Freeman

Revised 11-12-13

December 12, 2013 B7

#### THE BARREN COUNTY PROGRESS

#### COMMONWEALTH OF KENTUCKY CITY OF CAVE CITY

ORDINANCE NO. 13-12-11

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 CAVE CITY, KENTUCKY: FOR FUR-NISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

WHEREAS, the City of Cave City ("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 4, 1994, under which that utility provided such service, or will expire by its terms; April 4, 2014

WHERÊAS, 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. A nonexclusive 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

#### NOTICE OF SALE OF FRANCHISE

By virtue of a resolution heretofore passed by the Council of the City of Cave City, Kentucky, directing the adver-tisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Cave City, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Cave City, will on January 13, 2014, at or about 6:00 PM, sell at public auction to the highest bidder at the City Hall of Cave City. 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 Cave City, City Clerk, PO Box 567 103 Duke Street, Cave City, Kentucky, The ordinance by title and summary is as follows: ORDINANCE # 13-12-11. AN ORDINANCE ESTABLISHING A FRAN-CHISE AGREEMENT RELATED TO THE TRANSMIS-SION AND DISTRIBUTION OF ELECTRICAL EN-ERGY, AND THE PROVISION OF RETAIL ELECTRIC SERVICE IN AREAS HERETOFORE SERVED BY KENTUCKY UTILITIES COMPANY.

s/Cave City City Clerk, Jennifer Freeman

Published 12/12/13.

\_\_\_\_\_

#### CITY OF CAVE CITY, KENTUCKY ORDINANCE NO. 13-9-12

A SUMMARY OF AN ORDINANCE RELATING TO THE SALE OF ALCOHOLIC BEVERAGES IN CAVE CITY, KENTUCKY

This Ordinance was enacted to comply with recent statutory changes relating to alcoholic beverages pursusant to a "limited restaurant license."

The Ordinance:

1. alters references to certain statute numbers of the Kentucky Revised Statute which were changed;

2. eliminates outdoor signage restrictions;

3. increases the Sunday sale licenses to \$200.00; and,

4. eliminate a prohibition against sales of alcoholic beverages on election day.

# Farm Bill Program participation encouraged

#### Special to the BARREN COUNTY PROGRESS

The USDA-Natural Resources Conservation Service (NRCS) in Kentucky is encouraging landowners, farmers and producers to visit their local NRCS office now to receive information and apply for conservation technical assistance and possible financial funding opportunities.

The application process for NRĈŜ's conservation programs is continuous. but funding selections for specific programs are made throughout the year. For the Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentive Program (WHIP) the first application cutoff period date for consideration for 2014 funds is January 17, 2014. Applications received after January 17. 2014, will be held until the next application cut off period, which will be April 18.2014.

NRCS Acting State Conservationist Jack Kuhn announced this month that technical and financial assistance is available to eligible applicants for the EQIP. EQIP is a conservation program that provides financial and technical assistance to farmers and ranchers who face threats Wildlife Initiative, and Forestry Initiative. Interested land users should visit their local NRCS Office to find out what opportunities are available through each of these EOIP Initiatives.

A second conservation program, WHIP, offers opportunities through the Working Lands for Wildlife (WLFW), which focuses on the recovery of certain at-risk, threatened or endangered wildlife species while helping other vulnerable and game species that depend on similar habitat. In Kentucky, the Golden-winged Warbler is the species of concern for parts of 12 Kentucky counties including Bell. Clay, Floyd, Harlan, Knott, Knox, Leslie, Letcher, Mc-Creary, Perry, Pike and Whitley.

All recipients of assistance are required to develop a conservation plan. Conservation planning is an integral part of the conservation process. Landowners should work with a conservation planner to develop the plan based on the landowner's operational goals to improve the productivity, sustainability and profitability of their operation. The conservation plan will serve as a roadmap to a variety of technical as-