Case No. 2018-00037

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PUBLIC SERVICE COMMISSION

LG&E and KU Energy LLC Legal Department 220 West Main Street Louisville, Kentucky 40202 www.lge-ku.com

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January 22, 2018

Mr. John Lyons Interim Executive Director Public Service Commission of Kentucky 211 Sower Boulevard Frankfort, Kentucky 40602

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 Millersburg

Dear Mr. Lyons:

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 Millersburg (the "City") pursuant to KRS 278.020(5). In a public meeting held on January 8, 2018, the City Council of Millersburg, Kentucky passed Ordinance No. 2018-001, 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 February 2, 2018.

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

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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)CASE NO. 2018-00037 FRANCHISE ESTABLISHED BY THE CITY OF) MILLERSBURG, KENTUCKY)

APPLICATION

The Applicant, Kentucky Utilities Company ("KU"), respectfully states as follows:

 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(5) 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 Millersburg, 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. 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 February 2, 2018.

Dated at Louisville, Kentucky, this 22nd day of January, 2018.

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

Exhibit A

COMMONWEALTH OF KENTUCKY CITY OF MILLERSBURG

ORDINANCE NO. 2018-001

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

WHEREAS, the City of Millersburg ("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 June 1,

1998, under which that utility provided such service, will expire by its terms; June 1, 2018.

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>. 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.

<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.

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<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 become effective with the first billing cycle on or after the expiration of the existing franchise agreement, 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 shall 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 Millersburg City Commission on the 4th day of December, 2017; a second reading was held on the 8th day of January, 2018; said Ordinance was READ and APPROVED on the 8th day of January, 2018.

harston

Samuel Chanslor, Mayor

ATTESTED BY: Cora Coffey, City



Enough is enough is enough. How did we get into this current political mess? We can argue and debate this topic all day long, but that won't change a thing. We're better than this, much al month and early St. Patrick's better!

Let's shed party labels and real or imagined differences and focus on humanity and being kind to one another. Perhaps I've led a sheltered life. No, I wasn't born with a silver spoon. We weren't poor, but we could see poor from our doorstep. More than one meal of beans and cornbread were served, as well as other low cost fares. But we didn't know, because our bellies were filled. The "sheltered" part of my life, I believe, refers to not being taught discrimination. Yes, your feelings regarding race and discrimination can be instilled by your parents, and thus become an insurmountable barrier. How often do our parent's views become our own?

Here's a story that represents an indelible impression from my Dad. Although Dad never used this as a teaching moment, osmosis prevailed. As a historical perspective, our family relocated from Central Illinois to Lexington in 1961, while I was the formidable age of twelve. Dad worked in a civilian capacity at the Army Depot in Avon. Before the era of computers and high technology, physical sports like tennis, golf and horseshoes; were America's past times. Dad kind of excelled in horseshoes, in fact our backyard was a frequent gathering for neighborhood horseshoe games. Everyone wanted to challenge Dad, few actually beat him, none consistently.

A very big deal, with bragging rights, at the Army Depot was the summer employee horseshoe tournament. Noons meant quick lunches and hot horseshoe matches. Partner teams were formed to compete for the championship and modest sum of \$40 for the winners. By mutual consensus Dad and Mr. Gaines formed a partnership, both very good players. When competition escalated, so did their performance. For several years, Dad and Mr. Gaines won the Depot's annual horseshoe tournaments during the mid sixties. They were a good team and complimented each other. They were friends. Dad drove to Winchester to attend Mr. Gaines funeral, and wept the loss of his friend.

Their friendship in the mid sixties may have been deemed "controversial" by many. You see Dad was white and Mr. Gaines was black. Dad never saw color and that is probably the greatest gift he ever gave to me. I was "sheltered" and privileged. I learned to see people by who they were and not the color of their skin or gender. Treat everyone with respect and your life will be much richer, not in a financial or monetary way, but in the only way that matters, decency.

Contrast my "sheltered" life and upbringing with the truly financially privileged life of our President. Private schools, excessive wealth and influence from a father who was once arrested at a Ku Klux Klan parade in New York City for "failing to disperse". As a businessman, Fred Trump was a shady character, with numerous charges of wrongdoing. Perhaps it was Fred Trump that

On the Road Again: Sites, Tastes and Culture of Ireland

whirlwind tour of Ireland which will include glimpses of the ever-changing scenery from plunging cliffs to towering mountains and gloomy peat bogs.

Join us on January 23rd at 10:00 am for a open to the public. Please call the Bourbon County Extension Office at 987-1895 to register, so we will have plenty of handouts and food samples ready.

KAY DENNISTON

UK College of Agriculture

ounty Extension Agent for Family & Consumer Sciences

We will learn a little of the history of the country and how it relates to the ancestry of many Kentuckians. Some traditional Irish recipes will be shared. We will also discuss packing and travel tips and hacks. This lesson will be designed to help your clubs celebrate Internation-Day.

The program is free and



NOTICE OF SALE OF FRANCHISE

By virtue of an ordinance heretofore passed by the Council of the City of Millersburg, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, allevs, and public grounds of the City of Millersburg, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Millersburg, will on February 5, 2018, at or about 7:00 PM, sell at public auction to the highest bidder at the City Hall of Millersburg, 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 Millersburg, City Clerk, 1113 Main Street, Millersburg, Kentucky. The ordinance by title and summary is as follows: ORDINANCE # 2018-001, AN ORDINANCE ESTABLISHING A FRANCHISE AGREEMENT RELATED TO THE TRANSMISSION AND DISTRIBUTION OF ELECTRICAL ENERGY, AND THE PROVI-SION OF RETAIL ELECTRIC SERVICE IN AREAS HERETOFORE SERVED BY KENTUCKY UTILITIES COMPANY.

> Cora Coffey, Millersburg City Clerk Published 1/18/18