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PUBLIC SERVICE
COMMISSION



April 30, 2020

Mr. Kent Chandler
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, Kentucky 40602

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

Allyson K. Sturgeon
Managing Senior Counsel –
Regulatory & Transactions
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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 Taylorsville

Dear Mr. Chandler:

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 Taylorsville (the “City”) pursuant to KRS 278.020(5). In a public meeting held on April 14, 2020, the City Council of Taylorsville, Kentucky passed Ordinance No. 405, 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 May 12, 2020.

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,

A handwritten signature in blue ink that reads "Allyson K. Sturgeon".

Allyson K. Sturgeon

Enclosures

**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. 2020- 00146
FRANCHISE ESTABLISHED BY THE CITY OF)
TAYLORSVILLE, 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(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 Taylorsville, Kentucky (the “City”) has solicited bids pursuant to resolution or ordinance and advertisement, a copy of which is attached hereto as Exhibit A.

4. KU was incorporated in Kentucky on August 17, 1912, and in Virginia on November 26, 1991 (and effective as of December 1, 1991), and is in good standing in Kentucky and Virginia. A copy of KU’s good standing certificate in Kentucky is attached as Exhibit B to this Application. KU can be reached at the email addresses of the counsel listed below.

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 May 12, 2020.

Dated at Louisville, Kentucky, this 30 day of April, 2020.



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

Exhibit A

[See Attached]

**COMMONWEALTH OF KENTUCKY
CITY OF TAYLORSVILLE
SPENCER COUNTY, KENTUCKY**

ORDINANCE NO. 405

AN ORDINANCE OF THE CITY OF TAYLORSVILLE, SPENCER COUNTY KENTUCKY, CREATING A FRANCHISE FOR THE ERECTION, LAYING AND MAINTENANCE OF ELECTRIC FACILITIES AND APPURENANT FACILITIES AND EQUIPMENT IN, ALONG AND ACROSS THE PUBLIC WAYS, ROADS, STREETS, ALLEYS AND OTHER PUBLIC PLACES IN THE CITY OF TAYLORSVILLE, KENTUCKY: FOR FURNISHING AND SELLING ELECTICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

WHEREAS, the City of Taylorsville (“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, in accordance with Section 163 and 164 of the Kentucky Constitution and KRS 96.010, et seq., the City wishes to provide for the sale of a franchise for electrical service for the benefit of its citizenry;

NOW, THEREFORE, BE IT ORDAINED as follows:

Section 1.A non-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 for providing electrical service within the City of Taylorsville, for a period of 20 years and a franchise fee of at least 3% of the gross receipts from the sale of electricity for consumption within the franchisee’s territory within the City of Taylorsville, provided, however, as to be setforth the Franchise

Agreement, the franchise fee may be revised and amended every 5 years from the date of the Franchise Agreement;

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 and the winning bidder to develop appropriate procedures for identifying and reviewing the electrical-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 Franchise Agreement be held unconstitutional or invalid for any reason, the same shall not affect the remainder of this Ordinance or the attached Franchise 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.

Enacted this the 14th day of April 2020, by the City of Taylorsville.

CITY OF TAYLORSVILLE



MATT DOUGLAS, Mayor

ATTESTED BY:



STEPHEN A. BIVEN, City Clerk

Date of First Reading	<u>March 10, 2020</u>
Date of Second Reading	<u>April 14, 2020</u>
Date Published	<u>April 22, 2020</u>

300 Legal Notices

NOTICE OF SALE OF FRANCHISE

By virtue of an ordinance heretofore passed by the City Commission of Taylorsville, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Taylorsville, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Taylorsville, will on May 12, 2020, at or about 5:00 pm, sell at public auction to the highest bidder at the City Hall of Taylorsville, 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 Taylorsville City Clerk, 70 Taylorsville Road, Taylorsville, Kentucky. The ordinance by title and summary is as follows: **ORDINANCE # 405. AN ORDINANCE ESTABLISHING A FRANCHISE AGREEMENT RELATED TO THE TRANSMISSION AND DISTRIBUTION OF ELECTRICAL ENERGY, AND THE PROVISION OF RETAIL ELECTRIC SERVICE IN AREAS HERETOFORE SERVED BY KENTUCKY UTILITIES COMPANY.**

Stephen Biven, Taylorsville City Clerk

Published April 29, 2020.

INVITATION TO BID

Spencer County Fiscal Court is now accepting sealed bids and prices for the purchase of the following items/services during Fiscal Year 7/1/2020-6/30/2021:

- Diesel, per gallon, prices delivered to county buildings
- Stone (all varieties, including but not limited to dga, 8-10s, 57s, 3s, 8s, 9s, surge) priced per ton, at the quarry
- Freight (for stone), priced per ton delivered from quarry to county road department
- Liquid asphalt emulsions (including but not limited to chip-and-seal, cold mix, enviropave, AE-90 or equivalents) priced per gallon
- Bituminous Base and Surface, priced per ton, priced as the plant and laid on county roads anywhere within Spencer County

Deadline for sealed bids is 4 p.m. local time on Friday, May 22, 2020 at the Office of the County Judge Executive, P.O. Box 397, 12 W Main St, Taylorsville KY 40071, where they will be publicly opened at that time, and submitted for review/award at the June 1, 2020 Fiscal Court meeting at 9 a.m. The Court reserves the right to accept and/or reject any and/or all bids. For more information, contact County Judge's Office at 502/477-3205.

**COMMONWEALTH OF KENTUCKY
CITY OF TAYLORSVILLE, SPENCER COUNTY, KENTUCKY**

ORDINANCE NO. 406

AN ORDINANCE PROVIDING FOR COMPENSATION OF ELECTED OFFICIALS FOR THE CITY OF TAYLORSVILLE, KENTUCKY, PURSUANT TO KRS 83A.070(1).

WHEREAS, KRS 83A.070(1) provides that the legislative body of each city shall by ordinance, fix the compensation for each elected official not later than the first Monday in May in the year in which the officer is elected and whereas 2020 is the election year for the City Commissioners for the City of Taylorsville, the Mayor having been elected in 2018 for a four year term and who's compensation was set by Ordinance #383 in 2018.

THEREFORE, BE IT ORDAINED by the City of Taylorsville that the annual compensation for each Commissioner for the City of Taylorsville shall be \$8,670.00 per year, during the Commissioner's two year term of office. Aforesaid compensation shall be prorated and paid monthly beginning January 1, 2021.

The aforesaid compensation is subject to the annual cost of living adjustments that shall be made pursuant to KRS 83A.075.


Any Ordinance inconsistent herewith is hereby repealed.

This Ordinance shall take effect from and after its passage and publication.

Enacted this the 17th day of April, 2020, by the City of Taylorsville.

CITY OF TAYLORSVILLE, KENTUCKY


MATT DOUGLAS, Mayor

ATTESTED BY:

STEPHEN A. BIVEN, City Clerk

Date of First Reading: April 14, 2020
Date of Second Reading: April 17, 2020
Date of Publication: April 29, 2020

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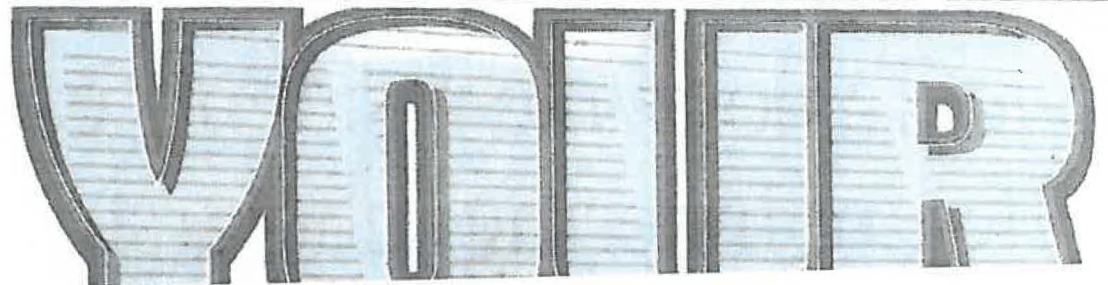


Exhibit B

[See Attached]

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 225108
Visit <https://app.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

KENTUCKY UTILITIES COMPANY

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is August 17, 1912 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 7th day of January, 2020, in the 228th year of the Commonwealth.



Michael G. Adams

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
225108/0028494