Columbia Gas. of Kentucky

JAN 1 3 2006

PLIC SERVICE

#### A NiSource Company

P.O. Box 14241 2001 Mercer Road Lexington, KY 40512-4241

Ms. Beth O'Donnell Executive Director Kentucky Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602

# RE: Case No. 2006-\_() 0070

Dear Ms. O'Donnell:

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On December 15, 2005 the City of Irvine, Kentucky advertised for bids for a natural gas franchise. A copy of the advertisement is attached. Also attached are an original and ten copies of Columbia's application for a Certificate of Convenience and Necessity to bid on the subject franchise.

The City of Irvine had established December 30, 2005 as the deadline for bids. However, no bids were received and the City has indicated a late filed bid to be acceptable. Columbia respectfully requests the Commission's prompt attention to the attached application so that Columbia may submit its bid.

Please contact Judy Cooper at (859) 288-0242 if you have any questions.

Sincerely,

Stephen B. Seiple

Stephen B. Seiple Lead Counsel

cc: Richard S. Taylor

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and computer ability. Pre-employment drug and Send resume with salary expectation to: Publisher P.O. Box 660	Irvine, KY 40336 AN ORDINANCE OF THE CITY OF IRVINE, KENTUCKY CREATING A GAS DISTRIBUTION FRANCHISE, DEFINING THE TERMS AND CONDITIONS THEREOF AND PROVIDING FOR BID PROCEDURE "BE IT ORDAINED BY THE CITY OF IRVINE, KENTLOVAT	An ordinance creating a franchise not to exceed ten (10) years, fromexclusive franchise for a gas distribution system within the con- frines of the City of trvine, said franchise providing for: rights and pipelifies or other installations, duty of franchisee to relocate oppelifies, apparatus or appurtances, duty of franchisee to relocate postines of applied, testing of meters, safety and quality of lained, liability of franchisee, access to property of franchisee, notice of application to public service commission, assignment, bio ordinance and effective date of ordinance. This summer with respect this summery was prepared by:	TY OF IRVINE, KENTUCKY
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### **COMMONWEALTH OF KENTUCKY**

#### **BEFORE THE PUBLIC SERVICE COMMISSION**

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IN THE MATTER OF THE APPLICATION OF COLUMBIA GAS OF KENTUCKY, INC. FOR ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO BID ON A GAS DISTRIBUTION FRANCHISE IN THE TERRITORIAL LIMITS OF THE CITY OF IRVINE, KENTUCKY

Case No. 2006-

## APPLICATION OF COLUMBIA GAS OF KENTUCKY, INC.

The petition of Columbia Gas of Kentucky, Inc. ("Columbia") respectfully states:

(A) That applicant is engaged in the business of furnishing natural gas services to the public in certain counties in the Commonwealth of Kentucky, pursuant to authority granted by the Commission.

(B) That applicant's full name and post office address is:

Columbia Gas of Kentucky, Inc. 2001 Mercer Road P.O. Box 14241 Lexington, KY 40512-4241

(C) That Columbia's Articles of Incorporation previously have been filed with the Commission in Case No. 2000-129 and are incorporated herein by reference.

(D) That no other person, partnership, firm or corporation is furnishing gas distribution service in the franchise area as of the date of the filing of this Application.

(E) Attached hereto is Ordinance No. 11-05 adopted by the City of Irvine, Kentucky

on November 28, 2005. Said Ordinance reflects the decision of the City of Irvine, Kentucky to advertise for bids for a natural gas franchise. Said advertisement was published as a legal notice in *The Citizen's Voice & Times* on December 15, 2005.

(F) The need and demand for gas distribution service within the corporation limits of the City of Irvine is shown by the fact that Columbia serves approximately 798 customers in the city at the present time. There exists a public necessity for adequate service of natural gas to the citizens of Irvine, Kentucky.

(G) Columbia desires to acquire said franchise for gas distribution service in the City of Irvine, Kentucky and submit a bid pursuant to the city's published legal notice and its willingness to accept a bid out of time.

WHEREFORE, Columbia respectfully requests that the Public Service Commission make its order issuing a certificate of public convenience and necessity that authorizes Columbia to acquire the gas distribution franchise from the City of Irvine, Kentucky, for the reasons described herein.

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Dated at Columbus, Ohio, this 13<sup>th</sup> day of January 2006.

Respectfully submitted,

# COLUMBIA GAS OF KENTUCKY, INC.

By:

Stephen B. Seiple

Stephen B. Seiple Lead Counsel

Stephen B. Seiple, Lead Counsel 200 Civic Center Drive P.O. Box 117 Columbus, Ohio 43216-0117 Telephone: (614) 460-4648 Fax: (614) 460-6986 Email: sseiple@nisource.com

Richard S. Taylor 225 Capital Avenue Frankfort, Kentucky 40602 Telephone: (502) 223-8967

Attorneys for **COLUMBIA GAS OF KENTUCKY, INC.** 

# PUBLIC NOTICE PUBLIC AUCTION OF GAS DISTRIBUTION FRANCHISE CITY OF IRVINE, KENTUCKY PURSUANT TO ORDINANCE NO. 11-05

By ordinance adopted on the 28 day of Nov., 2005, the City of Irvine adopted a Gas Distribution Franchise authorizing the Mayor or his designated subordinate to offer for sale at public auction said franchise and privilege.

The terms of the public auction are as follows:

All bids and proposals for the purchase and acquisition of the franchise and privilege shall be in writing and shall be delivered to the Mayor of his designated subordinate by 4:00 p.m. on the <u>30</u> day of <u>December</u>, 2005.

Each bid shall be accompanied by cash or a certified check drawn on a bank of the Commonwealth of Kentucky, or a national bank, in an amount equal to five percent (5%) of the fair estimated cost of the plant required to render the service, which check or cash shall be forfeited to the City in case the bid should be accepted and the bidder should fail, within thirty (30) days after the confirmation of the sale, to pay the price and to give a good and sufficient bond in a sum equal to one-fourth (1/4) of the fair estimated cost of the plant to be erected, conditioned that it shall be enforceable in case the purchaser should fail, within nine (9) months, to establish and begin rendering the service in the manner set forth in this ordinance; but such deposit need not be made by a corporation already in the limits of the City a plant and equipment sufficient to render the service required by this ordinance.

The Mayor shall report and deliver all bids to the Board of Council, at the time of its next regularly scheduled meeting, for its approval. The said Board of Council reserves the right, for and in behalf of the City, to reject any and all bids for said franchise and privileges.

A complete copy of said ordinance is available from the City Clerk, Irvine City Hall, 142 Broadway.