

PPL companies

October 11, 2012

Mr. Jeff Derouen Executive Director Public Service Commission of Kentucky 211 Sower Boulevard Frankfort, Kentucky 40602 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 Columbus

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 Columbus (the "City") pursuant to KRS 278.020(4). In a public meeting held on October 1, 2012, the City Council of Columbus, Kentucky passed Ordinance No. 2012-5, 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 November 5, 2012.

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

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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. 2012
FRANCHISE ESTABLISHED BY THE CITY OF)
COLUMBUS, 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 Columbus, 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 8(3).

- 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 November 5, 2012.

Dated at Louisville, Kentucky, this day of October, 2012.

Allyson K. Sturgeon

Senior Corporate Counsel Kentucky Utilities Company

220 West Main Street

Louisville, Kentucky 40202

(502) 627-2088



COMMONWEALTH OF KENTUCKY CITY OF COLUMBUS

ORDINANCE NO. 2012 -5

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

WHEREAS, the City of Columbus ("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 February 1st, 1993, under which that utility provided such service, will expire by its terms, February 1, 2013;

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.

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.

Revised 3/20/2012

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 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.

Section 8. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the Columbus City Council on the 6th day of August, 2012; a second reading was held on the 1st day of October, 2012; said Ordinance was READ and APPROVED on the 1st day of October, 2012.

Richard Frizzell, Mayor

ATTESTED BY:

Dori Todd, City Clerk

Nichard Sriftel Mager

Bids must be returned to the City of Clinton, 112 S. Jefferson Street, Clinton, KY By 4:00 p.m. Oct. 19, 2012.



NOTICE OF SALE OF FRANCHISE

By virtue of a resolution heretofore passed by the Council of the City of Columbus, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Columbus, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Columbus, will on November 5th, 2012, at or about 6:00 p.m. CST, sell at public auction to the highest bidder at the City Hall of Columbus, a franchise for the purpose set out. Said franchise is more particularly described and fully defined in a proposed 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 Columbus, City Clerk, 14503 State Route 123 W, Columbus, Kentucky. The ordinance by title and summer is as follows: ORDINANCE #2012-5. AN ORDI-NANCE ESTABLISHING A FRANCHISE AGREEMENT RELATED TO THE TRANSMISSION AND DISTRIBU-TION OF BLECTRICAL ENERGY, AND THE PROVI-SION OF RETAIL ELECTRIC SERVICE IN AREAS HERETOFORE SERVED BY KENTUCKY UTILITIES COMPANY,

Published 10-09-2012

TRUCK FOR SALE

2002 Chevrolet Pick-up Truck, one owner, local, Silver Metallic Silverado 1500, V8, regular cab, 2 wheel drive, automatic transmission, low profile, black camper topper, alum steps, power windows and doors. Window and door shields. Chev. factory chrome wheels, Good tires.

REASON FOR SELLING- HEALTH REASONS. FOR MORE INFO PHONE (270) 653-2261 OR 653-5023 corner of the Mary Bayl ICRR right of way; then stake; thence west 98 fee thence north 60 feet to the

Less also a tract transfe Department of Highway shown by deed dated Ma Deed Book 63 at page 30

Tract II:

Beginning at a stake (1) southwest corner of the 1/2 feet to the Illinois Ct with the said right of way a stake; corner with Brook less to the beginning. Being the same propert acquired title by virtue of and her son, Shane Kellin Cathy Kellett, Attorney-in ber 31, 2000, recorded in office, Hickman County,

Property Address: 302 We Parcel No.: 042-01-04-02

Subject to all restrictions, highways and easements. Commonly known as: 30

This property will be sold

- 1. That the real above-described to the hig for CASH; or in the altern from the purchaser(s), ten cash together with a bond with good and sufficient percent (12%) from the de days post sale and payable
- 2. In the event it real estate at the Master G bid is less than its lien adji the terms of sale by taki making the cash deposit or in the Judgment.
- 3. The bond she Judgment and shall remain as additional security for th purchase price, plus interest and cos
- 4. The property sh the parties to this action, b ing:
- a. Current y affecting the real estate for on the purchase price, and and/or city real estate taxes Chapter 134 to any privte action.
 - b. Easemen

c, Any mal accurate survey or inspection d. Any curren

levied against the property.