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APR 02 2019

PUBLIC SERVICE
COMMISSION



April 1, 2019

Ms. Gwen Pinson
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
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 Augusta

Dear Ms. Pinson:

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 Augusta (the "City") pursuant to KRS 278.020(5). In a public meeting held on March 20, 2019, the City Council of Augusta, Kentucky passed Ordinance No. 2019-2, 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 April 17, 2019.

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". The signature is written in a cursive style.

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. 2019-00113
FRANCHISE ESTABLISHED BY THE CITY OF)
AUGUSTA, 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 Augusta, Kentucky (the “City”) has solicited bids pursuant to resolution or ordinance and advertisement, a copy of which is attached hereto as Exhibit A.

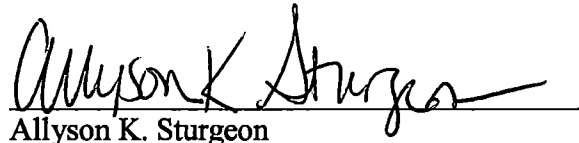
4. A certified copy of KU’s Articles of Incorporation is already on file with the Commission in Case No. 2010-00204 and is incorporated herein by reference pursuant to 807 KAR 5:001, Section 14(2)(a).

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 April 17, 2019.

Dated at Louisville, Kentucky, this 1st day of April, 2019.

A handwritten signature in black ink, reading "Allyson K. Sturgeon", written over a horizontal line.

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

Exhibit A

[See Attached]

NOTICE

The City of Augusta is seeking a contract for mowing the following cemeteries and City property: Highland Cemetery, Cemetery on the Hill and the Water Treatment Plant. The cemeteries and water treatment plant should be bid together as one bid. The Contractor will be required to show proof of Workers Compensation Insurance and general Liability Insurance coverage. If you need any further information you may contact the City Office (606) 756-2183, Monday-Friday 8:30 a.m. – 5:00 p.m.

Contracts will be received at the City Office until 4:00 p.m. on April 8, 2019.

The City reserves the right to reject any and all contracts.

3/28 & 4/4

NOTICE OF SALE OF FRANCHISE

By virtue of an ordinance heretofore passed by the City Council of Augusta, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the City of Augusta, Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Augusta, will on April 17th, 2019, at or about 6:30 pm, sell at public auction to the highest bidder at the Clooney Community Center, 114 Bracken St. Augusta, Kentucky, 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 Augusta City Clerk, 219 Main Street, Augusta, Kentucky. The ordinance by title and summary is as follows: ORDINANCE #2019-2. 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



ITASHI IAIN

by: Mr. Recycle Bin & Ms. Pick-Up Litterbug

Howdy Folks! Commonwealth Cleanup Week has only a few more days of existence for 2019 and we hope that if you have not done something yet to be involved with this statewide cleanup project that you will use the next few days to contribute to Kentucky's cleanliness! It is sad and very unfortunate that those who travel our highways choose to leave their trash behind in every ditch and field available! Non-profit groups who participate in litter pickups can only collect monetary benefits by cleaning along county or state roads. Park and pools, creek and river shores, pasture and croplands cannot be cleaned using Litter Abatement Funding! It is up to volunteers and landowners to clean up after some very thoughtless motorists and passengers!

We are aware that there are many school groups, civic and religious organizations that require their members to perform community service hours as a way of teaching that we are all members of the human family and it is in our DNA to help

is just in the early stages of growth so now is a good time to drive along our county roads to take a good look at the accumulation of trash created from years of thoughtless littering! Of course, it is best to do this in pairs so that each can take turns driving and observing!

Just this week we have had a resident on Reservoir Lane call to volunteer to clean that road of litter and we sincerely appreciate the time and effort that has, and will go, into the completion of this project! This county maintained road is a little less than a mile long but over the weekend, this concerned citizen and her family picked up eleven bags of trash!! And guess what! They only covered half of the road in their cleanup effort! This road has not been picked up by a Litter Patrol Group in a few years because it is a dead-end road with only local traffic. Our efforts are concentrated on mostly state roadways because these are the bloodline to interstates and more heavily travelled by a larger majority of citizens. As Commonwealth Cleanup Week draws to a close,

Horizon Homemakers!



Pictured left to right: Julie Moford, Penny Sticklen, Rebecca Rumford, and Cheryl Clark. Present, but not pictured were Ginger Jones and David Sticklen.

Last week, members of the Horizon Homemakers Club were out picking up trash along a 2 mile stretch of the Dwayne Pie Jett Highway (Hwy 19). During 3 hours, 6 people picked up 29 bags of trash and several car parts. They want to remind everyone to keep Kentucky beautiful.

WHY LIST WITH US?

**COMMONWEALTH OF KENTUCKY
CITY OF AUGUSTA**

ORDINANCE NO. 2019-2

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

WHEREAS, the City of Augusta (“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 16, 1999, under which that utility provided such service, will expire by its terms; June 16, 2019.

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:

Section 1. 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.

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.

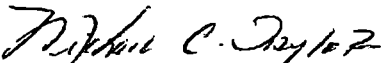
Section 4. The winning bidder and the City shall negotiate, execute and be bound by a Franchise Agreement with terms identical to, or substantially identical to, the Franchise Agreement referenced in Section 1 above and attached hereto, such Agreement to contain terms “that are fair and reasonable to the City, to the purchaser of the Franchise and to the patrons of the utility” (KRS Section 96.010). Such Franchise Agreement shall 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.

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 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.

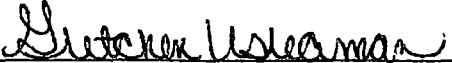
Section 7. Time is of the essence in carrying out the terms and the provisions of this Ordinance and the Franchise created herein.

Section 8. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the Augusta City Council on the 20th day of February, 2019; a second reading was held on the 20th day of March, 2019; said Ordinance was READ and APPROVED on the 20th day of March, 2019.



Michael Taylor, Mayor

ATTESTED BY:



Gretchen Usleaman, City Clerk