Case No. 2019-00353



September 19, 2019

Ms. Gwen Pinson 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 Harlan

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 Harlan (the "City") pursuant to KRS 278.020(5). In a public meeting held on September 9, 2019, the City Council of Harlan, Kentucky passed Ordinance No. 701, 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 October 14, 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,

Myorek Strupon

Allyson K. Sturgeon

Enclosures



SEP 2 0 2019

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 Managing Senior Counsel – Regulatory & Transactions T 502-627-2088 F 502-217-4995 allyson.sturgeon@lge-ku.com

RECEIVED

SEP 2 0 2019

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-_00353FRANCHISE ESTABLISHED BY THE CITY OF)HARLAN, 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 Harlan, 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 October 14, 2019.

Dated at Louisville, Kentucky, this 19 day of September, 2019.

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

Exhibit A

[See Attached]

COMMONWEALTH OF KENTUCKY CITY OF HARLAN

ORDINANCE NO. 701

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

WHEREAS, the City of Harlan ("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 March 28,

2010, under which that utility provided such service, will expire by its terms; March 28, 2020.

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.

1

<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.

Section 8. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the Harlan City Council on the 12th day of August, 2019; a second reading was held on the 9th day of September, 2019; said Ordinance was READ and APPROVED on the 9th day of September, 2019.

Meadors, May

ATTESTED BY:

Carla Jones, City Clerk

Harlan Enterprise

NEWS/CLASSIFIEDS

Saturday, September 14, 2019 9

Public Notices Public Notless Public Notices Public Notices Apartments Rentals DONNA JOANN PRESTON, LEWIS DOUGLAS LAMB NOTICE OF SALE PRIDE TERRACE COMMISSIONER'S SALE By virtue of a JUDGMENT AND HARLAN COUTY, KENTUCKY **OF FRANCHISE** APARTMENTS DEFENDANTS. COMMISSIONER'S SALE By virtue of an ordinance herein Cumberland is accepting **Public Notices** Apartments tofore passed by the City Counapplications for 1-4 BR apartments. ORDER OF SALE of the Har-By virtue of a JUDGMENT AND cil of Harlan, Kentucky, directing lan Circuit Court, rendered on August 8, 2019, in the above ORDER OF SALE of the Harthe advertisement for bids and Call (606) 589-4862 1 & 2 Bed Apartments Avail-able in Middlesboro Area. NOTICE OF BOND RELEASE lan Circuit Court, rendered on selling of a franchise to use cer-(leave voicemail) cause for the principle sum of August 8, 2019, in the above tain streets, alleys, and public grounds of the City of Harlan, PURSUANT TO APPLICATION NUMBER **Call Sharlene at** \$242,198.38 (two hundred forty cause for the principle sum of \$69,939.32 (sixty nine thousand nine hundred thirty nine dollars and thirty two cents), plus ap-Kentucky for the purpose of owning, operating, equipping and mathitaffiling a system for the 606-499-2234 two thousand one hundred nine-848-8057 ty eight dollars and thirty eight cents), plus applicable interest Happy Hellow Apartments Ready for immediate In accordance with KRS-360, notice is hereby given that E & J Corporation, Inc, PO Box plicable interest from August 17, 2017, until paid in full, plus attorney's fees, court and other from April 1, 2019, until paid in transmission and distribution of occupancy full, plus attorney's fees, court and other costs expended, and electric energy. The City Clerk 487, Grays Knob, KY 40829, 2 & 3 Bedroom Apartments, COUAL HOUSING of Harlan will on October 14, at Pickup applications at our Intends to apply for Phase II expenses of sale, I shall pro-ceed to offer for sale at the front costs expended, and expenses or about 7:00 pm, sell at public office bond release on permit num-ber 848-8057 Increment 1. The of sale, I shall proceed to of-fer for sale at the front door of auction to the highest bidder at 606/248-5196 the Harlan Center, a franchise door of the old Courthouse in application covers an area of Harlan, Kentucky, to the highest Office & the old Courthouse in Harlan, for the purpose set out. Said approximately 5.5 acres. The area is located 0.67 miles east Kentucky, to the highest and best bidder at Public Auction and best bidder at Public Aucfranchise is more particularly **CLASSIFIEDS** tion on Tuesday, September 24, 2019, at the hour of 1:00 p.m. or Commercial Rents described and fully defined in of Cawood in Harlan County. on Tuesday, September 24, 2019, at the hour of 1:00 p.m. or a proposed ordinance granting The permit area is approximatethereabouts, upon the terms of cash on the date of sale or 10% and creating the same and said WORK Office Space For Rent ly 0.02 miles west from County proposed ordinance defines thereabouts, upon the terms of Road 1140's junction with U.S. 421 and located in 0.00 miles down and the remainder on a cash on the date of sale or 10% the terms and conditions upon FOR YOU! 2 Spaces Available credit of 30 days, and I will take down and the remainder on a credit of 30 days, and I will take which said sale shall be made, from Long Branch. The latitude is 38°48'51" N. The longitude is \$350.00 Per Space from the purchaser a bond, with the full text of which is availfrom the purchaser a bond, with good and sufficient surety, for the purchase price, payable to myself, with interest at the rate of 12% per annum from date 450 Square Per Space able for inspection in the office of the Harlan City Clerk, 124 S Cumberland Avenue, Harlan, good and sufficient surety, for 205 North 18th Street 83º13'13" W. **Cumberland Manor Apartments** the purchase price, payable to myself, with interest at the rate The total surety bond current-Cumberland, KY Call 606-260-9733 ly in effect for increment 1 is Kentucky. The ordinance by ti-Spacious 1, 2 & 3 Bedroom of 12% per annum from date \$9,300.00 of which 20% is to be tle and summary is as follows: ORDINANCE # 701. AN ORof sale, said bond to have the Now Available included in this application for force and effect of a judgment, and I shall retain a tien upon of sale, said bond to have the force and effect of a judgment, and I shall retain a lien upon Rent Based on Income Contraction of the local states Phase II release. Fully Equipped Kitchens Central Heat & Air DINANCE ESTABLISHING A Reclamation was completed in the property so sold for further FRANCHISE AGREEMENT RELATED TO THE TRANSMIS-July 2017. Written comments, objections, and request for a public hearsecurity on the payment of the 606/589-2014 the property so sold for further SION AND DISTRIBUTION OF ELECTRICAL ENERGY, AND THE PROVISION OF RETAIL purchase price, and any pursecurity on the payment of the ON THE CLASSIFIEDS chaser may pay off his bond at any time before maturity, with purchase price, and any pur-chaser may pay off his bond at any time before maturity, with ing or informal conference must be filed with the cabinet interest accrued up to the date ELECTRIC SERVICE IN AR-For Rent at; Director of the Division of EAS HERETOFORE SERVED BY KENTUCKY UTILITIES of payment, on the real estate interest accrued up to the date Large Room ideal for Restau-Field Services, 300 Sower Blvd, located in Harlan County, Kenof payment, on the real estate rant, across from Home Feder-Frankfort, Kentucky, 40601, by located in Harlan County, Ken-COMPANY EQUAL HOUSING tucky, which is more particularly October 14, 2019, tucky, which is more particularly described as follows: Carla Jones, West Central Street, downtown Property Address: 129 Walnut Street, Evarts, KY 40828 Tax ID No.: 134-30-05-002.00 This is the final advertisement Harlan City Clerk Published described as follows: Harlan. \$450.00 Monthly. of the application. A public hear-Property Address: 312 Rall Lane, Evarts, KY a/k/a 312 Bathhouse Rd., Kenvir, KY Call ing on the application has been scheduled for October 15, 2019 **POPLAR VILLAGE** September 14, 2019 606-273-7182 APARTMENTS In as much as the Court has