### BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

# ELECTRONIC APPLICATION OF OWEN ELECTRIC)COOPERATIVE, INC. FOR A CERTIFICATE)OF PUBLIC CONVENIENCE AND NECESSITY) CASE NAUTHORIZING THE BID ON A FRANCHISE TO)SERVE THE CITY OF ALEXANDRIA, KENTUCKY)

) CASE NO. 2021-00133

#### APPLICATION

Comes now the Applicant, Owen Electric Cooperative, Inc. ("Owen Electric" or "Applicant") by and through counsel, pursuant to KRS 278.020(4) and 807 KAR 5:001, Sections 14, 15(1), and related sections, and for its Application requesting that the Public Service Commission ("Commission") enter an Order granting a Certificate of Public Convenience and Necessity ("CPCN") to bid for a franchise from the City of Alexandria ("City"), respectfully states as follows:

Pursuant to 807 KAR 5:001, Section 14(1), Applicant's mailing address is Owen Electric Cooperative, Inc., P.O. Box 400, 8205 Highway 127 North, Owenton, Kentucky 40359. The electronic mailing address of Applicant is psc@owenelectric.com.

Owen Electric states that it incorporated in the Commonwealth of Kentucky, on June 8, 1937, and attests that it is in good standing with the Commonwealth of Kentucky.

Pursuant to 807 KAR 5:001, Section 15(1)(a)2, the name of the governmental agency offering the franchise is the City of Alexandria, Kentucky.

Pursuant to 807 KAR 5:001, Section 15(1)(a)3, the type of franchise offered by the City is outlined in Ordinance No. 2021-02, provided as Exhibit A to this Application, and in its Legal Notice, provided as Exhibit B to this Application.

Pursuant to 807 KAR 5:001, Section 15(1)(a)4, 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 Owen Electric desires to obtain a franchise in accordance with the bidding protocol established by the City.

Pursuant to 807 KAR 5:001, Section 15(1)(b), if Owen Electric is successful in acquiring said franchise, it shall file a copy thereof with the Commission using the electronic tariff filing system.

WHEREFORE, Owen Electric Cooperative, Inc. respectfully requests that the Commission enter an Order granting a Certificate of Public Convenience and Necessity ("CPCN") to bid for and acquire an electric franchise from the City of Alexandria.

Dated at Owenton, Kentucky, this 25th day of March, 2021.

James M. Cra

Counsel for Owen Electric Gooperative, Inc. Crawford & Baxter, P.S.C. P.O. Box 353 Carrollton, Kentucky 41008 Phone: (502) 732-6688 Fax: (502) 732-8303 Jcrawford@cbkylaw.com

#### Exhibit A Page 1 of 2

### ORIGINAL



### ORDINANCE 2021-02

AN ORDINANCE OF THE CITY OF ALEXANDRIA, IN CAMPBELL COUNTY, KENTUCKY, CREATING A NON-EXCLUSIVE FRANCHISE FOR THE ERECTION, LAYING OPERATION AND MAINTENANCE OF ELECTRIC TRANSMISSION AND DISTRIBUTION FACILITIES AND APPURTENANT EQUIPMENT IN, ALONG AND ACROSS THE PUBLIC WAYS, ROADS, STREETS, ALLEYS AND OTHER PUBLIC PLACES IN THE CITY OF ALEXANDRIA, KENTUCKY: FOR FURNISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

WHEREAS, the City of Alexandria ("City") wishes to ensure that electricity continues to be available 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 the current franchisee under which it provides such electric service has or will expire;

**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:** A competitive non-exclusive franchise ("Franchise") to use the City's public rights-of-way, public streets, ways, alleys and other public places for the purpose of the erection, laying, operation and maintenance of electric transmission and distribution facilities and appurtenant equipment 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 bidders to perform their obligations under the Franchise. The winning bidder shall include provisions for the collection of a franchise fee from its customers equal to 0% of the cost of the

## ORIGINAL

Exhibit A Page 2 of 2

electricity, to be remitted to the City; and that the City reserves the right to increase the franchise fee at any time upon prior ninety (90) days written notice to the winning bidder. Should the City exercise said right to increase the franchise fee, the City shall receive a monthly payment of up to five percent (5%) of gross receipts per month from the winning bidder's sale of electricity (which includes businesses, industrial facilities and dwellings) inside the City's corporate limits beginning with the first billing cycle on or after the later of ninety (90) days after the date of the written notice or the effective date of the franchise fee specified in the City's notice.

**SECTION 4:** The winning bidder and the City shall negotiate, execute and be bound by Franchise Agreements to contain terms that are fair and reasonable to the City, to the purchasers of the Franchise and to the patrons of the utilities, pursuant to KRS Section 96.010. Such Franchise Agreements shall take effect upon execution and according to the terms of the Agreements.

**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 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.

**SECTION 9:** The foregoing Ordinance was read, passed and adopted by the Council of the City of Alexandria, Kentucky, meeting in regular session on the 4th day of February, 2021, and in regular session on the 18th day of February, 2021, with  $\underline{6}$  yes votes,  $\underline{O}$  no votes, and  $\underline{O}$  abstentions, and was ordered published in summary according to law.

APPROVED:

n By:

MAYOR ANDY SCHABELL

ATTEST:

CITY CLERK JAN JOHANNEMANN

PUBLISHED: 2/25/2021





Advertiser:

CITY OF ALEXANDRIA

ALEXANDRIA KY 41001

8236 W MAIN ST

RECEIVED MAR 01 2021

LEGAL NOTICE ATTACHED

This is not an invoice Account #:CIN-141256 Total Cost of the Ad: \$16.08 Last Run Date: 02/25/2021

# of Affidavits1

### **AFFIDAVIT OF PUBLICATION**

Newspaper: CIN-CR KY Campbell Enq Bundle

### State of Wisconsin

RE: Order # 0004610

CITY OF ALEXANDRIA NOTICE OF INTERNET WEBSITE PUBLICATION ORDINANCES ADOPTION LEGAL AD

On February 18, 2021, the City of Alexandria adopted Ordinance 2021-02 to create a non-exclusive electric transmission franchise; and Ordinance 2021-03 to create a nonexclusive natural gas transmission franchise. You may read the full Ordinances on the City's website at: http://al exandriaky.org/legal-ads-bids/ CAM,Feb25,'21# 4610730

02/25/2021

Subscribed and sworn to before me this <u>25th</u> day of <u>February</u>, <u>2021</u>

Stenhar Marth Notary Public

Commission expires

