

**BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY**

IN THE MATTER OF:

SECOND AMENDED

**APPLICATION OF KENERGY CORP. FOR A)
CERTIFICATE OF CONVENIENCE AND NECESSITY)CASE NO. 2023-336
TO APPLY FOR A FRANCHISE FROM THE CITY OF)
LEWISPORT AND DIXON)**

The second amended application of **KENERGY CORP.** (“Kenergy”) respectfully shows:

(a) Kenergy is a nonprofit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Daviess, Hancock, Henderson, Hopkins, McLean, Muhlenberg, Ohio, Webster, Breckinridge, Union, Crittenden, Caldwell, Lyon, and Livingston,

(b) The post office address of Kenergy is Post Office Box 18, Henderson, Kentucky 42419-018.

(c) Kenergy is the consolidation successor of Green River Electric Corporation and Henderson Union Electric Cooperative Corp. A copy of the articles of consolidation is filed in Case No. 99-136.

(d) Applicant seeks authority to bid for and acquire a franchise from the City of Dixon to erect along, over, under and across the public ways and grounds thereof

electric utility facilities used and owned by applicant in its distribution of retail electric service in and to Kenergy's certified territory in said city and the inhabitants thereof.

(e) A portion of the City of Dixon is located within the applicant's certified territory. On November 13, 2023, the City of Dixon gave first reading to an ordinance (Ordinance 23--001) providing for the sale of a franchise. The second reading of the ordinance was held on December 11, 2023. A copy of said ordinance is attached hereto marked "Exhibit A." The undersigned counsel has been unable to obtain a copy of the signed ordinance. The advertisement for bids is in the Sebree Banner which ran December 20, 2023 is filed herewith along the franchise agreement.

(f) The franchise being offered by the City of Dixon will have a term of five (5) years and the franchise fee will be 3% of revenues which will be passed along to those affected customers as a separate item on their bill. The other terms and conditions of the franchise are set forth in the aforementioned ordinance.

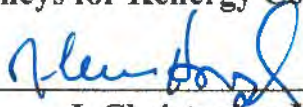
(g) Kenergy filed this application for both Lewisport and Dixon. However, Lewisport enacted its ordinance and advertised for bids quicker than Dixon. An amended application was filed for Lewisport. This second amended application applies only to Dixon.

WHEREFORE, applicant asks that the Public Service Commission of the Commonwealth of Kentucky make its order granting to applicant a certificate of

convenience and necessity to bid for and acquire the aforementioned franchise from the City of Dixon, and applicant further requests all proper relief.

Dated at Henderson, Kentucky, this 21st day of December, 2023.

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Attorneys for Kenergy Corp.

By  _____
J. Christopher Hopgood

ORDINANCE NUMBER 2023-1

An ordinance providing for the sales of a non-exclusive franchise or privilege to construct, maintain, operate, repair and remove an electric transmission and/or distribution system together with all necessary or convenient poles, wires, anchors, and other facilities and appurtenances for the purpose of transporting, distributing, and vending electric energy for public and private uses along, over and across the streets, avenues, lanes, alleys and public grounds of the City of Dixon, Webster County, Kentucky, for a period of five years. Said sale shall be 3% of revenues assessed only against residents/businesses residing within the corporate limits of the City of Dixon payable quarterly.

NOW THEREFORE, BE IT ORDAINED by the City Commission of the City of Dixon as follows:

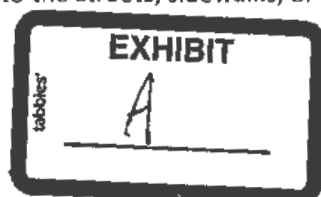
That the right and privilege to use the public streets, avenues, lanes, alleys, and public grounds within the city limits of the City of Dixon, Webster County, Kentucky, for the purpose of constructing, maintaining, operating, repairing and removing an electric transmission and/or distribution system, together with poles, lines, anchors and other facilities, appurtenances required thereto for transportation, distribution and sale of electric energy to serving the City of Dixon, and public and private uses therein for the period of five (5) years commencing December 10, 2023, be duly advertised for sale publicly to the highest and best bidder, the City of Dixon reserving the right to reject any and all bids. Said sale shall be 3% of revenues assessed only against residents/businesses residing within the corporate limits of the City of Dixon, payable quarterly, plus all cost of advertising and selling. Said sale shall be object to confirmation and ratification or rejection by the Dixon City Commission.

The sale of the franchise herein contemplated shall be made by Barbara Goff, City Clerk of the City of Dixon, or by someone designated by her, who is hereby commissioned to make due advertisement of said sale, which advertisement shall include a description of said franchise, right and privilege in The Journal Enterprise and The Sebree Banner, newspapers of general circulation published in Webster County, Kentucky. The newspaper advertisement aforesaid shall be published in said newspapers one (1) time not less than seven (7) days nor more than twenty-one (21) days before the sale and within thirty (30) days after the final passage of this ordinance.

The said City Clerk shall submit a report of the sale in writing to the Dixon City Commission at its next meeting after the sale. The terms and conditions of the franchise, right and privilege so to be advertised and offered for sale, and to be granted in the event the sale is confirmed by the Dixon City Commission shall be as follows:

SECTION ONE: The purchaser, his or its successors or assigns, shall have the non-exclusive franchise, privilege, right and power to use and occupy the streets, avenues, alleys, lanes, and public grounds within the city limits of the City of Dixon to construct, maintain, operate, repair and remove an electric transmission and/or distribution poles, lines, wires, anchors and all other facilities and appurtenances necessary or convenient for the purpose of transporting, distributing, vending and conveying electric energy for public and private uses in the City of Dixon during a term of five (5) years commencing December 10, 2023. Said sale shall be 3% of revenues assessed against resident/businesses within the corporate limits of the City of Dixon payable quarterly.

SECTION TWO: Said construction, operation, maintenance, repair and removal shall be accomplished with the least practicable inconvenience to the public or individuals and with reasonable dispatch and diligence. All damage to the streets, sidewalks, or other public property caused by such operations shall



be repaired by the purchaser his or its successors or assigns, at his or its proper cost and without necessary delay. The purchaser, his or its successors or assigns shall be responsible for all injuries or damages to persons or property occasioned by want of care or negligence in conducting such operation.

The purchaser agrees to the underground placement of power lines and/or facilities in accordance with the purchaser's underground policy. Every reasonable effort shall be made by the purchaser to locate new power lines and/or facilities underground.

The purchaser agrees to allow the City of Dixon to utilize its power lines and/or facilities for special events, provided said utilization does not violate purchaser's safety regulations and any applicable law.

SECTION THREE: The purchaser, his or its successors or assigns shall have the right to remove all of its property and facilities from the streets, avenues, lanes, alleys, ways and public grounds of the City of Dixon within a reasonable time after the expiration of other termination of this franchise.

SECTION FOUR: All franchises previously granted by the City of Dixon regarding that portion of the City of Dixon that is in Kenergy Corp.'s certified territory, any of which is now held or may hereafter be acquired by the purchaser of this franchise, shall by hereby cancelled and revoked and the terms of any such franchise shall be considered as superseded by the franchise hereby created and defined.

SECTION FIVE: The franchise, right, privilege and power herein described, together with all the terms and conditions hereof, shall extend and apply to the successors and assigns of the purchaser, and unlimited and unrestricted power and authority to assign and transfer the same at will and without further consent thereto by the City of Dixon, or its inhabitants, is hereby expressly given and granted to the purchaser, his or its successors and assigned.

SECTION SIX: The purchaser, his or its successors or assigns, shall proceed with due diligence to obtain any required approval of applicable public regulatory bodies, to apply for and operate under this franchise.

SECTION SEVEN: All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed and this ordinance shall be in full force and effect from and after its final passage and publication.

Introduced and publicly read on this the ____ day of _____, 2023.

Publicly read and adopted of second reading on this the ____ day of _____, 2023.

Dorris Crowley, Mayor
City of Dixon, Kentucky

ATTEST:

Barbara Goff, City Clerk
City of Dixon, Kentucky

Dixon City Commission
Regular Session
Monday, November 13, 2023, 6pm

Dixon City Commission met in session Monday, November 13, 2023, 6 p.m. Attending were Mayor Dorris Crowley, Commissioners Terry Webb, Randy Norman, Jeff Graham, and Peggy Poole, City Attorney C. Alex Willson, City Clerk Barb Goff, and Code Enforcement Officer Jessica Veach.

Minutes were approved on a motion by Commissioner Norman, seconded by Commissioner Graham, all ayes.

Bills were approved on a motion by Commissioner Webb, seconded by Commissioner Poole, all ayes.

Water loss for October was at 33%. A leak responsible for 29% of the 33% was repaired on Lakeview Drive.

The Park Board's most recent meeting was October 5, and there are no plans for another meeting until after the first of the year, although that has not been scheduled. A burgoon fundraiser was held October 28, raising nearly \$500.

A portion of Robert Hill Drive that had been damaged in order to complete a leak repair has been repaired. An end of Stegal Street has also been repaired.

Dixon Fire Department completed 17 runs during the month of October.

Mrs. Veach gave a brief report regarding Code Enforcement activity. She will be mailing tomorrow 3 letters for new cases, a lien against the property has been filed and a second citation issued for one ongoing case, and another ongoing case will be posted as condemned.

A motion to table to a request from the Code Enforcement Board until next month was made by Commissioner Norman, seconded by Commissioner Webb, all ayes.

The recent Veterans Day Celebration, hosted by Dixon Tourism Board, was a success, and plans are underway for a repeated event next year.

Mayor Crowley approached Attorney Willson regarding the sale of property at 71 US Hwy 41A N, considering no bids were received. Mr. Willson will research alternative routes for the City to sell the property and report at the next meeting.

Commissioner Webb made a motion to approve a first reading of an ordinance to renew a franchise agreement with Kenergy, at the same 3% of revenues as the previous agreement, seconded by Commissioner Graham, all ayes.

Mayor Crowley announced a member of the community has approached him about instituting a restaurant tax within the City, and he presented the option to the Commission. After brief discussion, Commissioner Webb made a motion to indefinitely table the idea, seconded by Commissioner Graham, all ayes.

A Christmas dinner for City Commission, employees, board members, and Fire Department volunteers was scheduled for December 14 at 6 at Dixon Fire Department. A motion for the City to provide meat for the meal was made by Commissioner Webb, seconded by Commissioner Poole, all ayes.

The Commission approved a request from Webster County Public Library in May 2022 to install a sidewalk between the library and WC Senior Center. Commissioner Webb made a motion to proceed with the sidewalk installation using Street Fund monies, seconded by Commissioner Graham, all ayes.

A first reading of an ordinance amendment to increase water rates was approved on a motion by Commissioner Graham, seconded by Commissioner Poole, all ayes. The amendment increases water rates for all customer types in the following manner: Increase minimum base rate by \$3; increase by \$2 per thousand up to next 5,000 gallons after 2,000 base; increase by \$1 per thousand every thousand over 7,000 gallons used. All members of the Commission agreed the increase is undesirable, but necessary in order to allow Dixon Waterworks to continue operating without creating a more significant loss.

A first reading of an ordinance relating to Boards that operate under the City's umbrella was approved on a motion by Commissioner Webb, seconded by Commissioner Poole, all ayes. The new ordinance stipulates that all city boards must meet once monthly and follow Open Records and Open Meetings guidelines as referenced in KRS 61.810(1)-61.880, should submit minutes of each meeting within 7 days of the meeting, and submit written requests to the Commission for any projects requiring City funding. The Ethics Board will not be held to the monthly meeting stipulation, but instead will meet as needed, within 7 days of any complaint received.

A motion to adjourn was made by Commissioner Webb, seconded by Commissioner Norman, all ayes.

Signed: _____


Dorris Crowley, Mayor


Barbara Goff, City Clerk

Advertisement for franchise bids, to be published:

Bids providing for the sales of a non-exclusive or privilege to construct, maintain, operate, repair, and remove an electric transmission and/or distribution system together with all necessary or convenient poles, wires, anchors, and other facilities, and appurtenances for the purpose of transporting, distributing, and vending electric energy for public and private uses along, over and across the streets, avenues, lanes, alleys, and public grounds of the City of Dixon, Webster County, Kentucky, for a period of five years. Said sale shall be three percent (3%) of revenues assessed only against residents/businesses residing within the corporate limits of the City of Dixon that is in the Kenergy Corporation's certified territory.

Sealed bids may be delivered to City of Dixon at 10 US Hwy 41A N, PO Box 197, Dixon KY 42409, and will be accepted until 4pm January 8, 2024. Bids will be opened with possible awarding during the regular Commission meeting January 8 at 6pm.

KENERGY FRANCHISE AGREEMENT WITH CITY OF DIXON, KENTUCKY

THIS FRANCHISE AGREEMENT entered into effective _____, 2024, by and between the City of Dixon, Kentucky (franchisor), and Kenergy Corporation, Post Office Box 18, Henderson, Kentucky 42418 (franchisee);

WHEREAS, the City of Dixon advertised for bids for a non-exclusive franchise to construct, maintain, operate, repair, and remove an electric transmission and/or distribution system in Kenergy's certified territory;

WHEREAS, Kenergy Corp was a successful bidder for the franchise, and;

WHEREAS, the terms and conditions of the franchise are stated in the Ordinance pertaining to the successful bid with Kenergy Corp and the City of Dixon, Kentucky;

NOW, therefore, the parties hereby AGREE that Kenergy Corp. is awarded a non-exclusive franchise to construct, maintain, operate, repair, and remove an electric transmission and/or distribution system in Kenergy's certified territory in the City of Dixon for a period of five (5) years, commencing on _____, 2024, and continuing thereafter until expiration. The franchise fee is three percent (3%) of revenues payable on the 15th day of the month following the end of each quarter. The terms and conditions of the franchise are as set forth in the Ordinance approved by the Dixon City Commission which is incorporated by reference herein.

Set forth this date: _____, 2024

City of Dixon, Kentucky

By: _____
Dorris Crowley, Mayor

ATTEST: _____
Barbara Goff, City Clerk

Kenergy Corporation

By: _____