

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR APPROVAL OF LICENSE)	CASE NO.
AGREEMENT WITH NORTH AMERICAN)	2016-00182
STAINLESS CONCERNING GHENT)	
GENERATING STATION)	

ORDER

Kentucky Utilities Company (“KU”) has petitioned the Commission, pursuant to 807 KAR 5:001, Section 14, for an order approving a Parking License Agreement (“License Agreement” or “Agreement”) between KU and North American Stainless (“NAS”).¹ The License Agreement for which KU seeks Commission approval provides that KU will grant NAS a license to access and use a gravel-topped area (“Parking Area”) of approximately two acres located at KU’s Ghent Generating Station in Carroll County, Kentucky (“Ghent”). The License Agreement’s term is to expire no later than December 31, 2017.²

KU is seeking the Commission’s approval for the License Agreement because NAS’s proposed use of the Parking Area will be located on part of a generating station’s

¹ Application at 4. Founded in 1990, and located in Carroll County, Kentucky, NAS is the largest, fully integrated stainless steel producer in the United States.

property.³ In its June 11, 2002 Order in Case No. 2002-00029, the Commission stated, “Because of the finite nature and value of these [existing generation] sites, we find that LG&E and KU should seek Commission approval prior to entering into the sale or lease of any land located on an existing generation site.”⁴ KU states that although the NAS proposal does not involve a sale or lease of land, it does involve land use for a period of time at Ghent, although the Parking Area is outside of the fence line.⁵

Under the terms of the License Agreement, KU will permit NAS to access and use its Parking Area for the duration of the Agreement.⁶ KU states the proposed Agreement is in the public interest in that its purpose is to assist NAS, which is constructing major improvements to its manufacturing facility near the town of Ghent, Kentucky, and needs temporary use of the Parking Area for parking by employees of its contractor companies.⁷ KU states the License Agreement will have no adverse impact on KU’s operations at Ghent, and that it does not anticipate any disruption of Ghent station operations arising from the use of the Parking Area by NAS.⁸ Under the terms of the License Agreement, NAS will return the Parking Area to KU upon completion of its use in physical condition as good or better than it was on the date of the Agreement, including placement and leveling of new gravel topping, repair or removal of fencing,

³ *Id.* at 4.

⁴ Case No. 2002-00029, *Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Acquisition of Two Combustion Turbines* (Ky. PSC June 22, 2002).

⁵ Application at 4.

⁶ *Id.*

⁷ *Id.* at 1–2.

⁸ *Id.* at 2, 4.

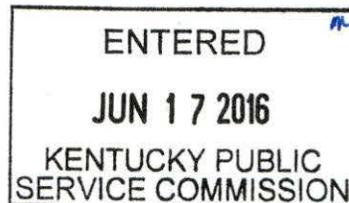
renovating highway access, and any other wear and tear associated with NAS's use of the Parking Area identified by KU in its reasonable discretion for NAS to address.⁹

Upon review of KU's application and the License Agreement, the Commission finds that the application should be approved, given the short-term nature of the License Agreement, the public interest in assisting NAS, which is constructing major improvements to its manufacturing facility near the town of Ghent, Kentucky, and the understanding that Ghent's generating station will suffer no adverse effect.

IT IS THEREFORE ORDERED that:

1. KU's application to enter into the License Agreement with NAS concerning the Parking Area at the Ghent generating station is approved.
2. KU shall file with the Commission a signed copy of the License Agreement within ten days of its execution.
3. Any document filed pursuant to ordering paragraph 2 of this Order shall reference this case and shall be retained in the utility's general correspondence file.

By the Commission



ATTEST:


Acting Executive Director

⁹ *Id.* at 4-5.

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