

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE )  
GAS AND ELECTRIC COMPANY FOR A )  
DECLARATORY ORDER REGARDING THE ) CASE NO. 2016-00317  
PROPER METHOD OF MUNICIPAL FRANCHISE )  
FEE RECOVERY )

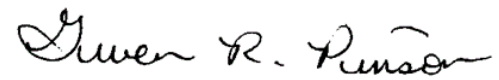
NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the oral arguments conducted on September 28, 2017 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the oral arguments conducted on September 28, 2017.

A copy of this Notice, the certification of the digital video record, and oral arguments log have been electronically served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at [http://psc.ky.gov/av\\_broadcast/2016-00317/2016-00317\\_28Sep17\\_Inter.asx](http://psc.ky.gov/av_broadcast/2016-00317/2016-00317_28Sep17_Inter.asx). Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 4<sup>th</sup> day of October 2017.

A handwritten signature in cursive script that reads "Gwen R. Pinson".

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Gwen R. Pinson  
Executive Director  
Public Service Commission of Kentucky

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FRANCHISE FEE RECOVERY	)	

CERTIFICATE

I, Stephanie Schweighardt, hereby certify that:

1. The attached DVD contains a digital recording of the Oral Arguments conducted in the above-styled proceeding on September 28, 2017. The Log is included with the recording on September 28, 2017.
2. I am responsible for the preparation of the digital recording.
3. The digital recording accurately and correctly depicts the Oral Arguments of September 28, 2017.
4. The "Log", attached to this Certificate, accurately and correctly states the events that occurred at the Oral Arguments of September 28, 2017, and the time at which each occurred.

Signed this 3<sup>rd</sup> day of October, 2017.



Stephanie Schweighardt, Notary Public  
State at Large  
My Commission Expires: January 14, 2019  
ID#: 525987



Judge: Bob Cicero; Talina Mathews; Michael Schmitt

Clerk: Pam Hughes

Date:	Type:	Location:	Department:
9/28/2017	Other	Hearing Room 1	Hearing Room 1 (HR 1)

Event Time	Log Event
1:10:14 PM	Session Started
1:10:17 PM	Session Paused
1:59:24 PM	Session Resumed
1:59:35 PM	Chairman Schmitt introductions Note: Schweighardt, Stephanie Note: Schweighardt, Stephanie
	VC Cicero present as is Richard Raff and Quang Nguyen for the PSC. Oral arguement - attorney's Kendrick Riggs and Allyson Sturgeon for LG&E- Michael Kurtz for KIUC - Greg Dutton and Jeff Dereoun for Louisville Metro
2:01:17 PM	Atty Kurtz states his position for KIUC Note: Schweighardt, Stephanie
	Makes statements regarding 3 questions: 1) Should Louisville/Metro franchise fee be recovered by the customers. 2) Can utility deny recovery of regional franchise fees? 3) Line item on whose bill in this City/County agreement.
2:10:27 PM	Atty Kendrick Riggs states his position for LG&E Note: Schweighardt, Stephanie
	Collecting the franchise fees are a seperate line item on a bill in the jurisdiction in which it has applied for. This is set out by the Commission. Refers to a Gas Rider and Home rule cities. Refers to opinion of Jefferson County Attorney on this issue of Home rule cities.
2:23:07 PM	Chairman Schmitt statement Note: Schweighardt, Stephanie
	Questions regarding if gas lines run through two or three cities.
2:24:31 PM	Atty Riggs continues his statement Note: Schweighardt, Stephanie
	Asks Commision to deny Louisville/Metro's request
2:25:47 PM	Chairman Schmitt Note: Schweighardt, Stephanie Note: Schweighardt, Stephanie
	Referring to if municipal govts can provide services outside it's borders without getting paid. Atty Riggs states that all those home rule cities can ask for these services and pay fees to other cities. Atty Dutton talks about different agreements between other cities when a request is made.
2:31:58 PM	Atty Greg Dutton makes his position for Louisville/Metro Govt. Note: Schweighardt, Stephanie Note: Schweighardt, Stephanie
	Chairman asks how long this franchise has been in effect. Believes that the Commission has jurisdiction. Introduces Jeff Derouen for Jefferson County Attorney's office. Why are citizens living in the Louisville Metro paying this franchise fee and ones living outside this area not paying it. Refers to opinion from Ky Supreme Court concerning franchise fees. Current practice of paying the franchise fees shifts the burden of paying the fees to the citizens.
2:38:27 PM	Chairman Schmitt Note: Schweighardt, Stephanie
	Atty Greg Dutton answers this question.

	Note: Schweighardt, Stephanie	Does city of Louisville get a benefit having LG&E servicing inside it's borders.
2:39:23 PM	Atty Dutton continues his position. Note: Schweighardt, Stephanie	Chairman asks if the statute that permits the PSC do something other than what this Court of Appeals has stated is illegal.
	Note: Schweighardt, Stephanie	The utility is making a profit. Refers to the Absurdity principle. KY Court of Appeals -Columbia Gas v city of Ashland.
2:52:43 PM	Chairman Schmitt question Note: Schweighardt, Stephanie	Why does LG&E want to resist this?
2:53:38 PM	Atty Dutton continues his position. Note: Schweighardt, Stephanie	Regarding smaller cities inside Louisville Metro. Regarding benefits of the smaller cities pursuant to an agreement.
2:57:45 PM	Chairman makes statement	
2:58:02 PM	Atty Dutton continues his position. Note: Schweighardt, Stephanie	Regarding a Letter.
	Note: Schweighardt, Stephanie	Regarding the legality of these smaller cities being inside Louisville/Metro.. Consolidated local govt.
3:01:35 PM	Atty Dutton continues Note: Schweighardt, Stephanie	Refers to contract between LG&E and Louisville Metro Govt. Refers to the way the Tariff is being applied being in error.
3:04:48 PM	Chairman Schmitt asks what exactly is Louisville/Metro Govt.	
3:08:39 PM	Atty Dutton continues Note: Schweighardt, Stephanie	Fair, just and reasonable. Atty Dutton brings out a chart of Louisville Metro.
3:10:04 PM	Atty Riggs objects to the chart	
3:10:18 PM	Chairman overrules	
3:10:29 PM	Atty Dutton continues Note: Schweighardt, Stephanie	Map 14: Total population living in poverty
3:14:41 PM	Atty Dutton Note: Schweighardt, Stephanie	Regarding franchises
3:17:14 PM	Atty Kendrick Riggs Note: Schweighardt, Stephanie	Makes statements regarding; KY Constitution, Impact to customers bills, LG&E interest in the case, collecting the franchise fee, franchise area within the franchise agreement, service maps,
3:27:22 PM	Atty Kendrick Riggs Note: Schweighardt, Stephanie	Closing statements
3:27:40 PM	Atty Dutton Note: Schweighardt, Stephanie	Makes statement regarding: Tariff, City of Louisville map, franchise fee,
3:30:40 PM	Atty Kurtz Note: Schweighardt, Stephanie	Makes closing statements regarding - tariff, franchise fees, franchise agreements
3:33:45 PM	Atty Kendrick Riggs Note: Schweighardt, Stephanie	Statements regarding - franchise for City of Louisville not Jefferson County
3:35:20 PM	Atty Dutton Note: Schweighardt, Stephanie	Statement regarding - not county or city,

3:36:12 PM

Chairman Schmitt

Note: Schweighardt,  
Stephanie

Closing remarks, adjourned

3:36:35 PM

Session Paused

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