

**ORDINANCE NO. 2019-08**

An Ordinance of the City Council of the City of Louisa, Kentucky, Granting to Kentucky Power Company, Its Successors and Assigns, a Ten (10) Year Franchise, Privilege, Right and Authority to Acquire, Maintain, Construct and Operate In, Above, Under, Across and Along the Streets, Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places of the City of Louisa, Kentucky, and Its Successors and Assigns, Lines, Poles and Equipment for the Transportation, Transmission and Distribution of Electric Energy to the City of Louisa and the Inhabitants thereof and Persons and Corporations beyond the Limits thereof for Light, Heat, Power and Other Purposes and for the Transmission, Transportation and Distribution of Same Within, Through or Across Said City.

**BE IT ORDAINED BY THE CITY OF Louisa, LAWRENCE COUNTY, KENTUCKY, AS FOLLOWS:**

**SECTION 1**

In accordance with Kentucky Power Company's bid letter dated October 28, 2019, which is incorporated herein by reference and the terms of which are hereby adopted as part of this Ordinance, Kentucky Power Company, its successors and assigns, hereinafter called grantee, is granted the franchise, privilege, right and authority to acquire, maintain, construct and operate in, above, under, across and along the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places (as the same now exist or may hereafter be laid out) of the City of Louisa, Lawrence County, Kentucky, lines, poles and equipment for the transportation, transmission and distribution of electric energy, either by means of overhead or underground conductors, with all the necessary or desirable appurtenances, for the purpose of supplying electric energy to said City and the inhabitants thereof, and persons and corporations beyond the limits thereof, for light, heat, power and any other purpose or purposes for which electric energy is now or may hereafter be used, and for the transmission and distribution of the same within, through or across said City.

SECTION 2. Said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places.

SECTION 3. The franchise, privilege, right and authority shall be in full force and effect for a period of ten (10) years from the date of passage of this Ordinance.

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SECTION 4. The grantee of this franchise shall save the City harmless from any and all liability arising in any way from negligence of the grantee in the erection, maintenance or operation of said lines and appurtenances.

SECTION 5. The grantee of this franchise shall have the right and privilege to take up such portion or part of any pavement and make such excavation in the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City of Louisa as may be deemed necessary for the construction and maintenance of its lines, wires or cables, but, whenever the grantee of this franchise shall begin the erection of any lines or other equipment, it shall promptly and diligently prosecute the work to completion, and leave the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Wherever in this franchise either the City of Louisa or the grantee thereof is referred to, it shall be deemed to include the respective successors and assigns, of either, and all rights, privileges and obligations contained in this franchise shall be binding upon, and inure to the benefit of, the respective successors and assigns, of the City and said grantee, whether so expressed or not.

SECTION 7. The grantee of this franchise may make such rules and regulations covering the furnishing of said electric energy as may be fair and reasonable and consistent with the standard practice of the grantee. Said grantee may charge such rates for electric service as shall be fair and reasonable. The said grantee shall render service under said franchise of like quality, that is, adequate, efficient and reasonable, to that now being rendered to said City.

SECTION 8. The consideration paid and agreed to be paid by the grantee for the franchise, privilege, right and authority provided for herein is set forth in the grantee's bid letter dated October 28, 2019, a copy of which bid letter is attached as Exhibit A and the entire contents of which are incorporated herein by reference, and said consideration shall be complete compensation and consideration for said franchise, privilege, right and authority, and for the use and

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occupancy of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City, in lieu of any street or alley rental or of any charge for the use or occupancy of said streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of said City, and in lieu of any pole tax or meter tax.

SECTION 9. The Ordinance granting this franchise shall be accepted by the grantee thereof within sixty (60) days from the date of its passage.

SECTION 10. All Ordinances and parts of Ordinances in conflict herewith, to the extent of such conflict only, are hereby repealed.

SECTION 11. This Ordinance shall be in full force and effect upon its passage by the City Commission.

  
Harold E. Slone, Mayor

ATTEST:

  
Kathryn Compton, Clerk

Introduction and First Reading: Dec. 10, 2019. 2020

Second Reading: Jan. 14, 2019. 2020

Adopted by the City Council of the City of  
Louisa, Kentucky

the 14<sup>th</sup> day of January, 2019. 2020

Published: January 22, 2019





An AEP Company

BOUNDLESS ENERGY

# Exhibit A

Kentucky Power Company  
855 Central Avenue  
Suite 200  
Ashland, KY 41101  
606-327-2600

To: The Honorable Harold E. Slone, Mayor  
Louisa City Council  
City of Louisa  
215 North Main Cross Street  
Louisa, Kentucky 41230

Dear Mayor Slone and Council Members:

Kentucky Power Company, a corporation organized and existing under the laws of the Commonwealth of Kentucky, hereby offers to purchase the right, privilege, franchise and authority to erect and operate an electric light and power system in the City of Louisa, Lawrence County, Kentucky, such franchise to run for a period of ten (10) years and to contain all rights and privileges and to be subject to all conditions prescribed by the Ordinance directing the sale of the same and adopted by the City Council on the 15th day of October, 2019.

The Company offers to pay an amount equal to twenty-five percent (25%) of the total amount, excluding the fuel adjustment clause but including all riders, paid by the City of Louisa to Kentucky Power Company during the preceding twelve (12) months for street lighting and post top lighting used for street lighting purposes, in accordance with the applicable tariffs currently in effect and as modified during the term of the franchise. The Company acknowledges that at present there are one hundred fifteen (115) post top lights used by the City for street lighting purposes. During the term of the franchise, the City shall provide to the Company prompt written notice of the addition or deletion of any street lighting and of any post top lights used for street lighting purposes, and the franchise payments will be adjusted accordingly. Each annual payment will be made within forty-five (45) days after each anniversary of the effective date of the franchise.

We attach and file herewith, as part of this bid and purchase offer, a copy of the Certificate of Convenience and Necessity issued by the order of the Public Service Commission of Kentucky, Case No. 2019-00329, entered September 24, 2019, authorizing Kentucky Power Company to bid.

The undersigned, Kentucky Power Company, already owns and operates in the City of Louisa, plant and equipment sufficient to render the services required under the terms and provisions of the Ordinance directing the sale, and is now furnishing adequate service to the City and the inhabitants thereof.

Respectfully submitted this 28<sup>th</sup> day of October, 2019.

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The Honorable Harold E. Slone, Mayor

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KENTUCKY POWER COMPANY

By: 

Brian K. West

Director of Regulatory Services

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