

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT made and entered into this 4th day of December, 2023, by and between the **CITY OF LAWRENCEBURG**, a municipal corporation and political subdivision of the Commonwealth of Kentucky (hereinafter "Lawrenceburg"), and **KENTUCKY UTILITIES COMPANY, INC.**, a corporation created and existing under and by virtue of the laws of the Commonwealth of Kentucky, with its principal office at One Quality Street, Lexington, Kentucky 40507 (hereinafter "Kentucky Utilities").

WITNESSETH:

WHEREAS, by Ordinance No. 2023-015 adopted September 14, 2023, Lawrenceburg provided for the creation and sale of a non-exclusive franchise, for a term of ten (10) years, to acquire, lay, maintain, operate, enter upon, construct, install, use and repair, in the public right-of-way of Lawrenceburg, a system or works for the generation, transmission and distribution of electrical energy from points either within or without the corporate limits of Lawrenceburg, to Lawrenceburg and the inhabitants thereof, and from and through Lawrenceburg to persons, corporations and municipalities beyond the limits thereof, and for the sale of same for light, heat, power and other purposes; and

WHEREAS, Ordinance No. 2023-015 authorized the advertising for bids on said franchise, and Kentucky Utilities submitted a timely bid to acquire said franchise; and

WHEREAS, by Ordinance No. 2023-018 adopted December 4, 2023, Lawrenceburg accepted the bid of Kentucky Utilities to acquire said franchise; and



WHEREAS, Lawrenceburg and Kentucky Utilities have entered into this Franchise Agreement to memorialize the sale by Lawrenceburg to Kentucky Utilities of said franchise subject to the terms and conditions reflected in Ordinance Nos. 2023-015 and 2023-018 (collectively, the "Ordinances").

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained herein the receipt and sufficiency of which are hereby acknowledged, Lawrenceburg and Kentucky Utilities hereby agree to incorporate the foregoing recitals as if fully set forth herein and further agree as follows:

1. Ordinance No. 2023-015, which is attached hereto as Exhibit "A", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

2. The bid of Kentucky Utilities for said franchise, which is attached hereto as Exhibit "B", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

3. Ordinance No. 2023-018, which is attached hereto as Exhibit "C", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

3. Lawrenceburg has granted unto Kentucky Utilities a non-exclusive franchise, for a term of ten (10) years, to enter upon, lay, acquire, construct, operate, maintain, install, use and repair, in the public right-of-way of Lawrenceburg, a system or works for the generation, transmission and distribution of electrical energy within the corporate boundaries of Lawrenceburg subject to the provisions of the Ordinances.

4. The franchise memorialized in this Franchise Agreement shall commence January 1, 2024, and shall expire as provided in the terms and provisions of Ordinance No. 2023-015.



5. As compensation for said franchise, Kentucky Utilities agrees to pay to Lawrenceburg a sum equal to three percent (3%) of the gross receipts per year from Kentucky Utilities' sale of electricity to all electric-consuming entities inside Lawrenceburg's corporate limits as provided in Ordinance No. 2023-015. The City of Lawrenceburg reserves the right to increase said franchise fee to up to five percent (5%) of Kentucky Utilities gross receipts received by Kentucky Utilities from Kentucky Utilities's sale of electricity to electric-consuming entities inside the City of Lawrenceburg's corporate limits.

6. Kentucky Utilities does hereby bind itself, its successors and assigns, to faithfully and fully perform each and every condition of said franchise as memorialized in this Agreement, and further to faithfully perform all acts required of it as the purchaser of said franchise.

7. This Franchise Agreement memorializes the agreement between the parties contained and embodied in the Ordinances and shall be binding upon and inure to the benefit of the respective successors in interest to the parties hereto.

IN WITNESS WHEREOF, Lawrenceburg and Kentucky Utilities have executed this Franchise Agreement as their free and voluntary act and deed effective as of the day and year first above written.

[Signatures on following page]



CITY OF LAWRENCEBURG

BY: _____

MAYOR

ATTEST:

CITY CLERK

KENTUCKY UTILITIES COMPANY, INC.

BY: _____

STATE OF KENTUCKY)

COUNTY OF Jefferson)

The foregoing Franchise Agreement was subscribed, sworn to and acknowledged before me by Shannon Montgomery (DOA For Eileen Sanders) Kentucky Utilities Company, Inc., on this the 19th day of Dec., 2023.

My commission expires: March 26, 2026

Valerie A. Phillips
NOTARY PUBLIC
KENTUCKY, STATE-AT-LARGE
KYNP47448

RECEIVED
12/28/2023
PUBLIC SERVICE
COMMISSION
OF KENTUCKY