

May 26, 2011

Mr. Jeff Derouen Executive Director Public Service Commission of Kentucky 211 Sower Boulevard Frankfort, Kentucky 40602

RECEIVED MAY 3 1 2011 PUBLIC SERVICE COMMISSION

LG&E and KU Energy LLC Legal Department 220 West Main Street Louisville, Kentucky 40202 www.lge-ku.com

Allyson K. Sturgeon Senior Corporate Attorney T 502-627-2088 F 502-217-4995 allyson.sturgeon@lge-ku.com

RE: Application of Kentucky Utilities Company for a Certificate of Public Convenience and Necessity Authorizing KU to Bid on a Franchise Established by the City of Morganfield

Dear Mr. Derouen:

Enclosed please find an original and 10 copies of an Application for a Certificate of Public Convenience and Necessity ("CCN"), to enable Kentucky Utilities Company (the "Company") to apply for an electric franchise with the City of Morganfield (the "City") pursuant to KRS 278.020(4). In a public meeting held on April 28, 2011, the City Council of Morganfield, Kentucky passed Ordinance No. 485, which directed the advertising for bids and selling of an electric franchise in the City.

For many years, the Company has been the owner of a franchise granted by the City to erect facilities for providing electric service to the City and the inhabitants thereof. The franchise to be obtained will replace the previous franchise.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

aupon K Sturgeon

Allyson K. Sturgeon

Enclosures

RECEIVED

MAY 3 1 2011

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY)FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND)NECESSITY AUTHORIZING KU TO BID ON A) CASE NO. 2011-____FRANCHISE ESTABLISHED BY THE CITY OF)MORGANFIELD, KENTUCKY)

APPLICATION

The Applicant, Kentucky Utilities Company ("KU"), respectfully states as follows:

1. The Post Office address of the principal office of Applicant is 220 West Main Street, Louisville, Kentucky 40202. KU is a Kentucky corporation authorized to do business in the Commonwealth of Kentucky.

2. KU is a utility engaged in the business of supplying electric service in and to various cities and the inhabitants thereof within the Commonwealth of Kentucky, and has conducted such business for a number of years. The instant filing is made in accordance with Section 278.020(4) of the Kentucky Revised Statutes.

3. Receipt of the requested certificate will allow KU to pursue its bid on a new franchise for which the City of Morganfield, Kentucky (the "City") has solicited bids pursuant to resolution or ordinance and advertisement, a copy of which is attached hereto as Exhibit A.

4. A certified copy of KU's Articles of Incorporation is already on file with the Commission in Case No. 2010-00204 and is incorporated herein by reference pursuant to 807 KAR 5:001, Section 8(3).

5. There is and will continue to be a demand and need for electric service in the areas of the City subject to the franchise, and KU desires to obtain a franchise in accordance with the bidding protocol established by the City.

6. Should KU be successful in acquiring said franchise, it will file copies thereof with the Commission.

WHEREFORE, Kentucky Utilities Company asks that the Commission enter an Order granting to KU a Certificate of Public Convenience and Necessity to bid for and acquire a franchise from the City.

Dated at Louisville, Kentucky, this 24^{4} day of May, 2011.

Upon K Hugon

Allyson K. Sturgeon Senior Corporate Counsel Kentucky Utilities Company 220 West Main Street Louisville, Kentucky 40202 (502) 627-2088

Exhibit A

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COMMONWEALTH OF KENTUCKY CITY OF MORGANFIELD

ORDINANCE NO. 485

AN ORDINANCE CREATING A FRANCHISE FOR THE ERECTION, LAYING AND MAINTENANCE OF ELECTRIC FACILITIES AND APPURTENANT FACILITIES AND EQUIPMENT IN, ALONG AND ACROSS THE PUBLIC WAYS, ROADS, STREETS, ALLEYS AND OTHER PUBLIC PLACES IN THE CITY OF MORGANFIELD, KENTUCKY: FOR FURNISHING AND SELLING ELECTRICITY BY MEANS OF SAID FACILITIES; AND PROVIDING FOR THE SALE OF SAID FRANCHISE.

WHEREAS, the City of Morganfield, wishes to ensure that electric service continues to be furnished to its citizens in a reliable and efficient manner;

WHEREAS, the City is aware that the provision of such service requires the continued use of

public streets, ways, alleys and other public places;

WHEREAS, the franchise granted to and acquired by [Louisville Gas & Electric Company]

[Kentucky Utilities] on April 25, 1991, under which that utility provided such service, has

expired by its terms;

WHEREAS, the City wishes to provide for the sale of a new franchise for the benefit of its citizenry, giving effect to Section 96.010 of the Kentucky Revised Statutes;

NOW, THEREFORE, BE IT ORDAINED as follows:

<u>Section 1</u>. An exclusive franchise ("Franchise") to use the City's public rights-of-way, as described in the Franchise Agreement attached to this Ordinance, is hereby created.

<u>Section 2</u>. The Franchise created by this Ordinance shall be bid in accordance with the applicable requirements of the Constitution of the Commonwealth of Kentucky and Chapter 424 of the Kentucky Revised Statutes, as well as any applicable City ordinances.

<u>Section 3</u>. The Franchise created by this Ordinance shall be awarded to the highest and best bidder as shall be determined by the City in its sole discretion. In awarding the Franchise, the

City shall consider the technical, managerial, and financial qualifications of the bidder to perform its obligations under the Franchise.

<u>Section 4</u>. The winning bidder and the City shall negotiate, execute and be bound by a Franchise Agreement with terms identical to, or substantially identical to, the Franchise Agreement referenced in <u>Section 1</u> above and attached hereto, such Agreement to contain terms "that are fair and reasonable to the [C]ity, to the purchaser of the [F]ranchise and to the patrons of the utility" (KRS Section 96.010). Such Franchise Agreement shall take effect no earlier than 90 days after its execution, to allow the City and the winner bidder to develop appropriate procedures for identifying and reviewing the electric-consuming entities within the City's corporate limits.

<u>Section 5.</u> All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

<u>Section 6</u>. Should any section, clause, line, paragraph, or part of this Ordinance or the attached Agreement be held unconstitutional or invalid for any reason, the same not affect the remainder of this Ordinance or the attached Agreement, as applicable.

<u>Section 7</u>. Time is of the essence in carrying out the terms and the provisions of this Ordinance and the Franchise created herein.

Section 8. This Ordinance shall become effective from and after its passage and publication. Read at a meeting of the Morganfield City Council on the 24th day of March, 2011; a second reading was held on the 28th day of April, 2011; said Ordinance was READ and APPROVED on the 28th day of April, 2011.

ATTESTED BY: David Pressen, City Clerk

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k and Dam is a 2,275,5-foot-long by 122-footalntor gates and a concrete fixed weir. Each feet-high. The main and auxillary locks are on The main lock is 110-foot-wide by 1,200-foot-110-foot-wide by 600-foot-long. The impound-Lock and Dam has a surface area of 16,390 by of 455,800 acre-feet. Because the purpose I only, the storage would not be used for power

oject (at the Newburgh Lock and Dam) would long by 110-foot-wide powerhouse and inlet ine-generators, with an Installed capacity of lant capacity of 65.0 MW; (2) a 400-foot-wide with 4-inch openings; (3) a 375-foot-wide by tube outlet; (4) a 4.7-mile-long, 138-kV transanant facilities.

ions: Copies of the applications are available on in the Public Reference Room or may be is website at http://www.ferc.gov, using the icket number, excluding the last three digits in ccess the document. For assistance, contact "ERCOnlineSupport@ferc.gov, or toll-free at (202) 502-8659. A copy is also available for at the address in Item (h) above.

online at http://www.ferc.gov/docs-filing/esubla email of new filings and issuances related jects. For assistance, contact FERC Online

essed according to the following preliminary tule. Revisions to the schedule may be made

	TARGET DATE
e of Ready for	June 28, 2011
reliminary terms y prescriptions	August 27, 2011
	February 23, 2012
	March 24, 2012
S	May 23, 2012
or EIS	August 21, 2012

application must be filed with the Commission the issuance date of the notice of ready for

(33)

Bld

will be accepting nd replacement of The bids shall be county Judge/Exec-9 am. The bids will ead at the regular Fiscal Court June clifications may be re road deparment igh Friday, 7 am till Court reserves the nd all bis. Executive. (6) jin the near tuture.

American Life Network, BBC America, BBC America On Demand, CMT,Current TV, El Entertainment Television, Encore, Encore (West), Encore Action,Encore Action (West), Encore Drama,Encore Drama (West), Encore Love, Encore Love (West), Encore Mystery,Encore Mystery (West), Encore WAM,Encore Westerns, Encore Westerns (West), Fuse, Golf Channel, Ovation, Starz, Starz (West), Starz Cinema, Starz Cinema (West), Starz Edge, Starz HD, Starz in Black, Starz Kids and Family, Style Network, TEN On Demand, The Weather Channel, truTV, WDRB.

In addition, from time to time we make certain changes in the services that we offer. Sports On Demand will be renamed Sports & Fitness On Demand; Journey TV On Demand will be renamed Travel On Demand; BBC America On Demand will become part of Entertainment On Demand; Exercise TV On Demand will become part of Sports & Fitness On Demand.

For up-to-date listings of our packages and channels, visit our website at www.timewarnercable.com, (35)

NOTICE OF SALE OF FRANCHISE By virtue of a resolution heretofore passed by the Council of the City of Morganfield, Kentucky, directing the advertisement for bids and selling of a franchise to use certain streets, alleys, and public grounds of the city of Morganfield Kentucky for the purpose of owning, operating, equipping and maintaining a system for the transmission and distribution of electric energy. The City Clerk of Morganfield will on JUNE 23, 2011, at or about 5 pm, sell at public auction to the highest bidder at the City Hall of Morganfield a franchise for the purpose set out. Said franchise is more particularly described and fully defined in a proposed ordinance granting and creating the same and said proposed ordinance defines the terms and conditions upon which sald sale shall be made, the full text of which is available for inspection in the office of the Morganfield City Clerk, 130 E. Main Street, Morganfield, Kentucky. The ordinance by title and summary is as follows: Ordinance#485, An Ordinance establishing a franchise agreement related to the transmission and distribution of electrical energy, and the provision of retail electric service in areas heretofore served by Kentucky Utilities Company. (29)

SUBSCRIBE TODAY! Call 389-1833 Makes a great gift for you college bound student! main will parallel the existing water main. It will be constructed on existing easements approximately five feet from the existing water main, all on land previously disturbed during construction of the existing water main. The proposed project is located along Hwy 130 in Union County, KY,

Written comments must be received by the City of Uniontown at the following address on or before June 13, 2011: City of Uniontown, 237 Main Street, PO Box 548, Uniontown, KY 42464 and 270-822-4277, Attention: Ricky Millikan Mayor during the hours of 8:00 am-4:00 pm,

Date: May 27, 2011 through June 13, 2011

Note: There are thre primary purposes for this notice. First, people who may be affected by activities in floodplains and those who have an interest in the protection of the natural environment should be given an opportunity to express their concerns and provide informatin about these areas. Second, an adequate public ntice program can be an important public education tool. The dissemination of information about floodplains can facilitate and enhance Federal efforts to reduce the risks associated with the occupancy and modification of these special areas. Third, as a matter of fairness, when the Federal government determines it will participate in actions taking place in floodplains, it must iform those who may be put at greater or continued risk. (30)?

