



**TO:** Mayor Linda Gorton  
Honorable Members, Urban County Council

**FROM:**   
Chris Ford, Commissioner of General Services

**DATE:** March 2, 2023

**SUBJECT:** Utility Franchise Agreement Renewal  
Kentucky Utilities Company

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**Request:**

Request Council authorization to renew the utility franchise agreement with Kentucky Utilities Company, Inc. for an additional 5 years, through April 11, 2028.

**Purpose:**

Kentucky Utilities was awarded a non-exclusive utility franchise in April 2013, for its electric distribution system in Fayette County. The franchise ordinance provided for an initial 5-year term with two additional renewal options of 5 years each. The first option to renew was exercised by LFUCG in 2018. Kentucky Utilities has requested that we exercise the second renewal option. The administration’s recommendation to renew the agreement was reached after reviewing the terms of the franchise and meeting with the utility to discuss compliance issues.

LFUCG and Kentucky Utilities have agreed to have a post-renewal limited financial audit performed by an outside auditor to determine franchise compliance. Kentucky Utilities will reimburse LFUCG for its costs associated with the audit.

**Budgetary Implication:**

There is no budgetary impact to LFUCG in the current or future fiscal years. The franchise agreement does require payment of associated franchise fees by the utility.

**File Number:** 0275-23

**Commissioner:** Chris Ford

