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PUBLIC SERVICE
COMMISSION

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Case No. 2018-00055

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January 31, 2018

Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602

RE: Application of Atmos Energy Corporation for a Certificate
of Public Convenience and Necessity Authorizing it to bid
on Franchise Established by the City of Madisonville, Kentucky

Dear Sir:

I enclose herewith an original, plus eleven (11) copies, of an Application of Atmos Energy Corporation for a Certificate of Public Convenience and Necessity Authorizing it to Bid on Franchise Established by the City of Madisonville, Kentucky, for filing in your office.

The City has established February 28, 2018 as the deadline for submitting bids. We would therefore appreciate entry of an order prior to that date.

Very truly yours,



Mark R. Hutchinson

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BEFORE THE

FEB 01 2018

PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

APPLICATION OF ATMOS ENERGY
CORPORATION, OWENSBORO
KENTUCKY FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY
AUTHORIZING IT TO BID ON A FRANCHISE
ESTABLISHED BY THE CITY OF MADISONVILLE,
KENTUCKY

CASE
NO. 2018-00055

APPLICATION

1

Applicant, Atmos Energy Corporation, a corporation duly qualified under the laws of the Commonwealth of Kentucky to carry on its business in the Commonwealth.

The Company is an operating public utility engaged in the business of supplying natural gas to the public in numerous cities, towns, and communities in Western and South Central Kentucky.

2

Atmos' Articles of Incorporation, together with all amendments thereto, have already been filed with the Commission in Case No. 2015-00343. There have been no changes to the Articles of Incorporation since they were filed with the

1

Commission in Docket No. 2015-00343.

3

The City of Madisonville (sometimes hereinafter called the "City") is a municipal corporation situated in Hopkins County, Kentucky and is in an area presently served by Applicant. Applicant has been the owner of a franchise operation of the natural gas system within the City immediately prior to the sale of a new franchise. Applicant is at the present time serving the City and owns and maintains a gas distribution system in such City.

4

The City Commission of the City has established a natural gas franchise for the City and has directed that bids for the sale thereof be received on or before 10:30 a.m. on February 28, 2018. A copy of the resolution establishing such franchise, directing its sale, and setting forth the type and provisions of such franchise is filed herewith as a part hereof.

There is a demand and need for continued natural gas service for the City.

WHEREFORE, Applicant respectfully requests the Commission to enter a certificate of public convenience and necessity authorizing Applicant to bid on the aforesaid natural gas franchise and, if it is awarded such franchise, to operate the natural gas distribution system pursuant to such franchise. A copy of the franchise, if awarded to Applicant, will be filed with the Commission.

2

Respectfully submitted,

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301
Attorney for Applicant

COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

The undersigned Affiant, Mark A. Martin, being first duly sworn, deposes and says that he is Vice President-Marketing and Regulatory Affairs of Atmos Energy Corporation, Kentucky/Mid-States Division having its principal office in Owensboro, Kentucky, which is the Applicant in this proceeding; that he has read the foregoing application and knows the contents thereof; that the same is true of his own knowledge, except as to the matters which are therein stated on information or belief, and that as to those matters he believes them to be true; and that he is duly authorized to sign, execute, verify and file the foregoing application on behalf of Applicant.

Mark A. Martin

SUBSCRIBED AND SWORN to before me by Mark A. Martin as Vice President – Marketing and Regulatory Affairs of Atmos Energy Corporation, Kentucky/Mid-States Division, on this the 31st day of January, 2018.

Bernice Krahwinkel
Notary Public
Notary ID: 560343
My Commission Expires: 1-30-2020

CITY OF MADISONVILLE, KY
ORDINANCE O-2018-3

AN ORDINANCE OF THE CITY OF MADISONVILLE, KENTUCKY, PROVIDING FOR THE CREATION AND SALE OF A FRANCHISE FOR THE PRIVILEGE OF CONSTRUCTING, TRANSPORTING, OPERATING, MAINTAINING AND DISTRIBUTING NATURAL GAS ALONG AND UNDER PUBLIC RIGHT OF WAY WITHIN THE CITY OF MADISONVILLE, KENTUCKY, FOR A TERM OF FIVE (5) YEARS IN CONSIDERATION FOR WHICH, THE SUCCESSFUL FRANCHISEE SHALL PAY TO THE CITY AN ANNUAL SUM EQUAL TO 1% OF GROSS REVENUES; AND FURTHER ESTABLISHING A BID PROCEDURE FOR THE AWARD OF SAID FRANCHISE TO THE SUCCESSFUL BIDDER.

BE IT ORDAINED BY THE CITY OF MADISONVILLE, KY, AS FOLLOWS:

WHEREAS, the existing natural gas franchise agreement between the City of Madisonville, Kentucky and Atmos Energy Corporation expires on May 29th, 2018; and,

WHEREAS, the City has determined that it is in the best interest of its citizens to create and offer for sale a new natural gas franchise for a term of (5) five years.

BE IT ORDAINED BY THE CITY OF MADISONVILLE, KENTUCKY (hereinafter referred to as the "City") that the Mayor of the City, or such other person as the Mayor may designate, shall offer for sale, to the highest and best bidder, a non-exclusive franchise to enter upon, acquire, construct, operate, maintain and repair in the public right of way of the City, a gas distribution system within the corporate boundaries of the City, subject to the provisions of the Franchise Agreement attached hereto and incorporated herein by reference.

The Mayor, or such other person as the Mayor may designate, shall, as soon as practicable after passage of this Ordinance, offer for sale, under sealed public bids, the franchise and privileges created herein. Such bids shall be in writing and shall be delivered to the City Clerk, 67 N. Main Street, Madisonville, Kentucky, by 10:30 a.m. on February 28, 2018. Advertisements for such bids shall be published in accordance with the requirements of KRS Chapter 424. All costs for such advertisements shall be borne by the successful Franchisee.

Sealed bids offered for the purchase of this franchise shall be publicly opened and read at 10:30 a.m. C.S.T. on February 28, 2018. All bids shall state the bidder's acceptance of the terms and provisions set forth in the attached franchise agreement.

The Mayor shall present all written bids to the City of Madisonville at its first meeting scheduled

after the Bid Deadline for the City's consideration and approval. The City reserves the right to accept any bid, to reject any and all bids received, to waive any irregularities or informalities in awarding the franchise and to accept what, in its opinion, is the best responsive and responsible bid. In the event all bids are rejected, the City reserves the right to direct by resolution or ordinance that the franchise created hereunder be offered again for sale until a satisfactory bid is received and approved.

The franchise created by this ordinance shall become effective when the franchise agreement is signed by the successful bidder and the City.

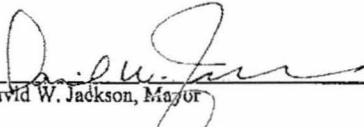
The foregoing Ordinance is read to and presented to a regular meeting of the City Council of Madisonville, Kentucky, for first reading on the 16th day of January, 2018 and the second reading on the 29th day of January, 2018. Motion was made by Adam Townsend, seconded by Frank Stevenson, that the Ordinance be adopted as the law of the City of Madisonville, Kentucky, to be effective upon publication, as required by law.

Upon vote being taken thereon, the votes were cast as follows:

RESULT: ADOPTED [UNANIMOUS]
MOVER: Adam Townsend, Ward 3
SECONDER: Frank Stevenson, Ward 5
AYES: Lee, McGaw, Stevenson, Townsend, Johnson, Space

It appearing that the Councilmembers voted [Unanimous] the Mayor announced that the Motion was Adopted and that the above Ordinance would be published as required by law and would be effective as a new Ordinance of the City of Madisonville, Kentucky, immediately upon publication thereof, unless otherwise stated.

Dated 29th day of January, 2018



David W. Jackson, Mayor 1/30/2018
City of Madisonville, KY

ATTEST:



Kim Blue, City Clerk 1/30/2018

City of Madisonville, KY