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The Law Offices of

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PUBLIC SERVICE
COMMISSION

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April 10, 2020

Honorable Kent Chandler
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602

Re: City of Russellville, Kentucky

Dear Mr. Chandler:

I enclose herewith 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 Russellville, Kentucky, for filing in your office.

The City has established April 30, 2020, as the deadline for submitting bids. We would therefore appreciate entry of an order prior to that date.

Very truly yours,



Mark R. Hutchinson

MRH/dgp
Enclosure

BEFORE THE

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 RUSSELLVILLE,
KENTUCKY

CASE
NO. 2020-00125

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. 2017-00349. There have been no changes to the Articles of Incorporation since they were filed with the

1

Commission in Docket No. 2017-00349.

3

The City of Russellville (sometimes hereinafter called the "City") is a municipal corporation situated in Logan 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

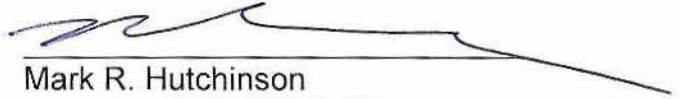
The City Commission of the City has established a natural gas franchise for the City and has directed that bids for the sale thereof be received on or before 10:00 a.m. on April 30, 2020. A copy of the Ordinance establishing such franchise, directing its sale, and setting forth the type and provisions 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

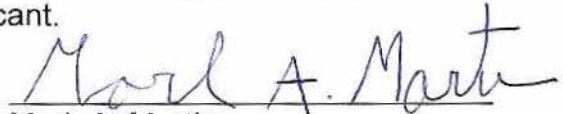
Respectfully submitted,



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COMMONWEALTH OF KENTUCKY)
COUNTY OF DAVIESS)

The undersigned Affiant, Mark A. Martin, being first duly sworn, deposes and says that he is Vice President Rates and Regulatory Affairs of Atmos Energy Corporation, Kentucky/Mid-States Division, 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 Rates and Regulatory Affairs of Atmos Energy Corporation, Kentucky/Mid-States Division, on this the 10 day of April, 2020.


Notary Public
Notary ID: 618823
My Commission Expires: 3-12-23

CITY OF RUSSELLVILLE, KENTUCKY
ORDINANCE NO. 2020-03

AN ORDINANCE OF THE CITY OF RUSSELLVILLE, 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 RUSSELLVILLE, KENTUCKY, FOR A TERM OF TEN (10) YEARS IN CONSIDERATION FOR WHICH THE SUCCESSFUL FRANCHISEE SHALL PAY TO THE CITY AN ANNUAL SUM EQUAL TO 1½% OF ITS REVENUES; AND FURTHER ESTABLISHING A BID PROCEDURE FOR THE AWARD OF SAID FRANCHISE TO THE SUCCESSFUL BIDDER

** ** *

WHEREAS, the existing natural gas franchise agreement between the City of Russellville, Kentucky and Atmos Energy Corporation expires on August 16, 2020; 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;

NOW, THEREOFRE, BE IT ORDAINED BY THE CITY COUNCIL IN AND FOR THE CITY OF RUSSELLVILLE, KENTUCKY (hereinafter referred to as the "City") as follows:

SECTION I. BIDDING PROCEDURE

A. The Mayor of the City of Russellville, Kentucky, or such other person as the Mayor may designate, shall offer for sale, to the highest and best bidder, a ten (10) year 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 of Russellville, subject to provisions of the Franchise Agreement attached hereto and incorporated herein by reference.

B. The Mayor of the City of Russellville, Kentucky, or such other person as the Mayor may designate, shall, as soon as practicable after passage and publication 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 Mayor or his designee, at City Hall, Russellville, Kentucky by 10:00 a.m. on April 30, 2020 (the "Bid Deadline"). 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.

C. Sealed bids offered for the purchase of this franchise shall be publicly opened and read at 10:00 a.m. C.D.T. on April 30, 2020. All bids shall state the bidder's acceptance of terms and provisions set forth the attached Franchise Agreement. The Mayor shall present all offered bids to the Council for the City of Russellville for the Council's consideration and discussion at the next regularly scheduled meeting after the bid opening date, which shall be on May 5, 2020 at 5:00 p.m. C.D.T..

D. 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 bid and most fair and reasonable to the City. 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.

SECTION II. SEVERABILITY CLAUSE

If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected.

SECTION III. REPEALER CLAUSE

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. EFFECTIVE DATE

This ordinance shall be effective upon its passage and publication as required by law.

FIRST READING CONDUCTED on March 17, 2020.

SECOND READING AND PASSAGE after a public reading on April 7, 2020.

APPROVED BY:

Mark Stratton
Mark Stratton
Mayor

ATTEST:

Robert Nishibun
Robert Nishibun
City Clerk

At a meeting of the City Council of the City of Russellville, Kentucky, held on April 7, 2020, the foregoing ordinance was adopted, after full discussion, by the following vote:

AYES:

Jimmy Davenport
Pat Bell
Diana Walker
Larry Wilcatt
Darlene Gooch

NAYS:

ABSENT:

Sandra Kinser

ABSTAINING: