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RECEIVED

JUN 2 1 2012

PUBLIC SERVICE

COMMISSION

OVERNIGHT DELIVERY

June 20, 2012

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

RE: City of Munfordville, Kentucky

Munfordville, Kentucky, for filing in your office.

Dear Mr. Devouen:

I enclose herewith an original, plus eleven (11) copies, of a Motion for leave to file, belatedly, the attached Application of Atmos Energy Corporation for a Certificate of Public Convenience and Necessity Authorizing it to Bid on Franchise Established by the City of

Very truly yours,

Mark R. Hutchinson

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Enclosures

c: Mark Martin

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

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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 MUNFORDVILLE,
KENTUCKY

CASE	
NO.	

MOTION

1

Comes now, Atmos Energy Corporation, and respectfully moves the Commission for entry of a nunc pro tunc order, authorizing Atmos to submit a bid for the natural gas distribution franchise for the City of Munfordville, Kentucky.

In support of this Motion, Atmos states as follows:

- Atmos owns the existing natural gas franchise agreement with the City, which franchise will expire August 2, 2012.
- 2. The City of Munfordville ("City") heretofore advertised for bids for a natural gas franchise to serve its citizens as required by law.
- 3. Atmos submitted its bid on June 4, 2012. Atmos was the only bidder and the City accepted Atmos' bid on June 4, 2012.
- 4. As a result of a miscommunication among Atmos' personnel, Atmos

- failed to file an application with the Commission for authority to bid on this franchise prior to doing so.
- 5. Atmos has approximately 65 franchise agreements with cities throughout its service area which expire at various times throughout any given year. Atmos accordingly is required to regularly file applications for authority to bid on municipal franchises. To undersigned counsel's knowledge, Atmos has always timely filed for, and received, Commission approval prior to submitting a bid for a franchise. The failure to do so here is a very isolated event. Atmos did not intend for this to occur and apologizes to the Commission for its oversight. Measures will be taken to assure this does not happen again.
- 6. This franchise was duly advertised for bid as required by law. No other person or entity submitted a bid. Atmos knows of no reason why the Commission would not, or should not, have approved Atmos' application for approval to submit a bid on this franchise. Moreover, Atmos knows of no harm that would result to any person or entity by the Commission entering an order nunc pro tunc, authorizing it to submit a bid for the City's natural gas franchise.
- 7. Atmos' Application for a Certificate of Public Convenience and Necessity authorizing it to bid on the franchise established by the City of Munfordville accompanies this Motion.

Respectfully submitted this $\underline{\mathcal{A0}}$ day of June, 2012.

Mark R. Hutchinson

611 Frederica Street

Owensboro, Kentucky 42301

Attorney for Applicant

VERIFICATION

I, Mark A. Martin, being duly sworn under oath, state that I am Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, and that the statements contained in the foregoing are true and accurate to the best of my knowledge, information and belief formed after a reasonable inquiry.

Mark A. Martin

SUBSCRIBED AND SWORN TO before me this 20_ day of June, 2012, by Mark A. Martin, as Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, on behalf of the said corporation.

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY IN

RECEIVED

JUN 2 1 2012

PUBLIC SERVICE COMMISSION

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 MUNFORDVILLE,
KENTUCKY

CAS	E
NO.	

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

A certified copy of Applicant's Amended and Restated Articles of Incorporation is already on file with the Commission in the Matter of: <u>The Application of Atmos Enemy</u>

Corporation for An Order Authorizing a \$900,000,000 Universal Shelf Registration,

The City of Munfordville (sometimes hereinafter called the "City") is a municipal corporation situated in Meade 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 June 4, 2012. 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.

Respectfully submitted,

Mark R. Hutchinson

611 Frederica Street

Owensboro, Kentucky 42301

Attorney for Applicant

VERIFICATION

I, Mark A. Martin, being duly sworn under oath, state that I am Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, and that the statements contained in the foregoing are true and accurate to the best of my knowledge, information and belief formed after a reasonable inquiry.

Mark A Martin

Subscribed and sworn to before me this ∂O day of June, 2012, by Mark A. Martin, as Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, on behalf of the said corporation.

My Commission Expires: 7-30-12

ORDINANCE 003-12

AN ORDINANCE OF THE CITY OF MUNFORDVILLE, 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 MUNFORDVILLE, KENTUCKY, FOR A TERM OF TWENTY (20) YEARS IN CONSIDERATION FOR WHICH, THE SUCCESSFUL FRANCHISEE SHALL PAY TO THE CITY AN ANNUAL SUM EQUAL TO A SPECIFIED AMOUNT PER METER 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 Munfordville, Kentucky and Atmos Energy Corporation expires on August 2, 2012; 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.

BE IT ORDAINED BY THE CITY OF MUNFORDVILLE, 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 repairs in the public right of way of the City, a gas distribution system with 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 Mayor or his designee, at City Hall, Munfordville, Kentucky, by 4:00 p.m. on June 4, 2012 (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.

Sealed bids offered for the purchase of this franchise shall be publicly opened and read at 4:00 p.m. C.S.T. on June 4, 2012. 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 Munfordville 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.

INTRODUCED AND PUBLICLY READ ON FIRST READING, this the Second day of

April, 2012.

PUBLICLY READ AND FINALLY APPROVED ON SECOND READING, this the

Eighteenth day of June, 2012.

CITY OF MUNFORDVILLE, KENTUCKY

Ву:

Mayo

ATTEST:

City Clerk