COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

ELECTRONIC 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)SACRAMENTO, KENTUCKY)

CASE NO. 2024-00093

APPLICATION

Comes now, Atmos Energy Corporation ("Atmos Energy or "Company"") by counsel, pursuant to KRS 278.020(4), 807 KAR 5:001, Section 15(1), 807 KAR 5:001 Section 14 and other applicable law, and hereby tenders its application for a certificate of public convenience and necessity ("CPCN") to apply for and obtain a franchise from the city of Sacramento, in McLean County, Kentucky ("Sacramento"), to provide natural gas transmission and distribution services, respectfully states as follows:

1. Atmos Energy is a Virginia and Texas 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 Energy's' Articles of Incorporation, together with all amendments thereto, are on file with the Commission in Case No. 2021-00214. There have been no changes to the Articles of Incorporation since they were filed with the Commission in Case No. 2021-00214. Atmos Energy was incorporated in Texas on February 6, 1981 and Virginia on July 21, 1997. It is in good standing to operate in Kentucky and is in good standing to operate in all states of

1

incorporation. Attached as Exhibit A is a Certification of Good Standing from the Kentucky Secretary of State.

3. The Company's principal operating office and place of business in Kentucky is

3275 Highland Pointe Drive, Owensboro, Kentucky 42303. The post office address of Company

is PO Box 650205, Dallas, Texas 26265-0205.

Correspondence and communications with respect to this Application should be directed to:

Mark A. Martin Vice President, Public Affairs Atmos Energy Corporation 3275 Highland Pointe Drive Owensboro, Kentucky 42303 Mark.Martin@atmosenergy.com

L. Allyson Honaker Brittany Hayes Koenig Heather S. Temple Honaker Law Office, PLLC 1795 Alysheba Way, Suite 6202 Lexington, Kentucky 40509 (859) 368-8803 allyson@hloky.com brittany@hloky.com heather@hloky.com

John N. Hughes Attorney at Law 124 W. Todd St. Frankfort, KY 40601 502 227 7270 jnhughes@johnnhughespsc.com

4. Sacramento is a municipal corporation situated in McLean County, Kentucky and is in an area presently served by Company. The Company has been the owner of a franchise operation of the natural gas system within Sacramento immediately prior to the sale of a new franchise. Atmos Energy currently serves Sacramento by and through a natural gas distribution system owned by Atmos Energy. 5. The City Commission of Sacramento has passed an Ordinance setting forth the terms and requirements for a new natural gas franchise. A copy of the Ordinance is attached as Exhibit B. Sacramento has directed that bids for the sale of a natural gas franchise be received on or before 4:30 p.m., on May 20, 2024. A copy of the public notice advertising the request for bids which was published in the *McClean County News* on March 28, 2024 and the publisher's affidavit are attached as Exhibit C.

6. As evidenced by the attached Ordinance, there is and will continue to be, a demand and need for continued natural gas service for Sacramento.

WHEREFORE, Atmos Energy respectfully requests the Commission to enter a certificate of public convenience and necessity authorizing it to bid on the aforesaid natural gas franchise for Sacramento and, if it is awarded such franchise, to operate the natural gas distribution system pursuant to such franchise. Upon obtaining a franchise from the City, the Company will file a true and correct copy of same with the Commission.

3

Respectfully submitted,

maker

L. Allyson Honaker Brittany Hayes Koenig Heather S. Temple Honaker Law Office, PLLC 1795 Alysheba Way, Suite 6202 Lexington, Kentucky 40509 (859) 358-8803 allyson@hloky.com brittany@hloky.com heather@hloky.com

And

John N. Hughes 124 W. Todd Street Frankfort, Kentucky 40601 No Fax (502)227-7270 jnhughes@johnhughespsc.com

Counsel for Atmos Energy Corporation

CERTIFICATE OF SERVICE

A true and accurate copy of the foregoing was filed electronically with the Commission on April 5, 2024 and there are no parties that have been excused from participating electronically. Pursuant to prior Commission orders, no paper copies of this filing will be made.

L Allyson Honoker

Counsel, Atmos Energy Corporation

Commonwealth of Kentucky Michael G. Adams, Secretary of State

Michael G. Adams Secretary of State P. O. Box 718 Frankfort, KY 40602-0718 (502) 564-3490 http://www.sos.ky.gov

Certificate of Authorization

Authentication number: 305963 Visit <u>https://web.sos.ky.gov/ftshow/certvalidate.aspx</u> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

ATMOS ENERGY CORPORATION

, a corporation organized under the laws of the state of Texas, is authorized to transact business in the Commonwealth of Kentucky, and received the authority to transact business in Kentucky on December 14, 1987.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that an application for certificate of withdrawal has not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 27th day of February, 2024, in the 232nd year of the Commonwealth.



Michael I. adam

Michael G. Adams Secretary of State Commonwealth of Kentucky 305963/0237484

ORDINANCE 01-2024

AN ORDINANCE OF THE CITY OF SACRAMENTO, 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 SACRAMENTO, 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 ONE PERCENT (1%) 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 Sacramento, Kentucky and Atmos Energy Corporation expires on May 3, 2024; 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 SACRAMENTO, 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 Mayor or his designee, at City Hall, Sacramento, Kentucky, by $\frac{4:30}{20}$ m. on $\frac{MA}{20}$, 2024 (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 $\underline{4.30}$ p.m. C.D.T. on $\underline{May 20}$, 2024. All bids shall state the bidder's acceptance of the terms and provisions set forth in the attached franchise agreement.

EXHIBIT B

The Mayor shall present all written bids to the City of Sacramento 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 24 day of February, 2024.

PUBLICLY READ AND FINALLY APPROVED ON SECOND READING, this the 18 day of <u>March</u>, 2024.

CITY OF SACRAMENTO, KENTUCKY

By: <u>Betty Howard</u>, Mayor

ATTEST:

MA WODALLS

AFFP NOTICE OF SALE OF GAS FRANCHIS

Affidavit of Publication

STATE OF KY } COUNTY OF MCLEAN }

SS

Keishia Hicks, being duly sworn, says:

That she is Accounting Clerk of the McLean County News, a newspaper of general circulation, printed and published in Calhoun, McLean County, KY; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

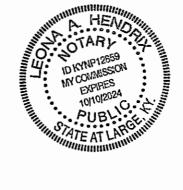
March 28, 2024

Publisher's Fee: \$43.50

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Subscribed to and sworn to me this 28th day of March 2024.



70022581 70920609

Amy Woosley City of Sacramento PO box 245 Sacramento, KY 42372

NOTICE OF SALE OF GAS FRANCHISE

NOTICE IS HEREBY GIVEN that the City of Sacramento, Kentucky, will on May 20, 2024, at 4:30 p.m. at City Hall, Sacramento, Kentucky, consider offers for sale to the highest and best bidder, plus all costs, including advertising cost, a franchise as defined in Ordinance 01-2024 adopted by the Sacramento City Commission on March 18, 2024 the full text of which Ordinance, including the agreement containing the terms of the franchise, is available for inspection in the Office of the City Clerk, City Hall, 210 West 3rd Street, Sacramento, Kentucky between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

ORDINANCE 01-2024

AN ORDINANCE OF THE CITY OF SACRAMENTO, 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 SACRAMENTO, 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 ONE PERCENT (1%) OF ITS REVENUES; AND FURTHER ESTABLISHING A BID PROCEDURE FOR THE AWARD OF SAID FRANCHISE TO THE SUCCESSFUL BIDDER.

Sealed Bids are to be delivered to 210 West 3rd Street, Sacramento, Kentucky, to be publicly opened and read at 4:30 p.m., C.D.T. On May 20, 2024.

The City of Sacramento reserves the right to accept any bid, to reject any and all bids, to waive any irregularities or informalities in awarding the franchise and to accept what, in its opinion, is the best responsive and responsible bid.

EXHIBIT C

LEGAL

NOTICE OF SALE OF GAS FRANCHISE

NOTICE IS HEREBY GIVEN that the City of Sacramento, Kentucky, will on May 20, 2024, at 4:30 p.m. at City Hall, Sacramento, Kentucky, consider offers for sale to the highest and best bidder, plus all costs, including advertising cost, a franchise as defined in Ordinance 01-2024 adopted by the Sacramento City Commission on March 18, 2024 the full text of which Ordinance, including the agreement containing the terms of the franchise, is available for inspection in the Office of the City Clerk, City Hall, 210 West 3rd Street, Sacramento, Kentucky between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

ORDINANCE 01-2024

AN ORDINANCE OF THE CITY OF SACRAMENTO, KEN-TUCKY, PROVIDING FOR THE CREATION AND SALE OF A FRANCHISE FOR THE PRIVILEGE OF CONSTRUCTING, TRANSPORTING, OPERATING, MAINTAINING AND DISTRIB-UTING NATURAL GAS ALONG AND UNDER PUBLIC RIGHT OF WAY WITHIN THE CITY OF SACRAMENTO, 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 ONE PERCENT (1%) OF ITS REVENUES; AND FURTHER ESTABLISHING A BID PROCEDURE FOR THE AWARD OF SAID FRANCHISE TO THE SUCCESSFUL BIDDER.

Sealed Bids are to be delivered to 210 West 3rd Street, Sacramento, Kentucky, to be publicly opened and read at 4:30 p.m., C.D.T. On May 20, 2024.

The City of Sacramento reserves the right to accept any bid, to reject any and all bids, to waive any irregularities or informalities in awarding the franchise and to accept what, in its opinion, is the best responsive and responsible bid.

Don't knock on the door if you like breathing

'm unsure if this is a new phenomenon or I'm just starting to catch up on the culture.



have a lot to catch up on, and I'm slowly doing it. Lately, there's been a lot of activity

I know I

SNYDER at our front door.

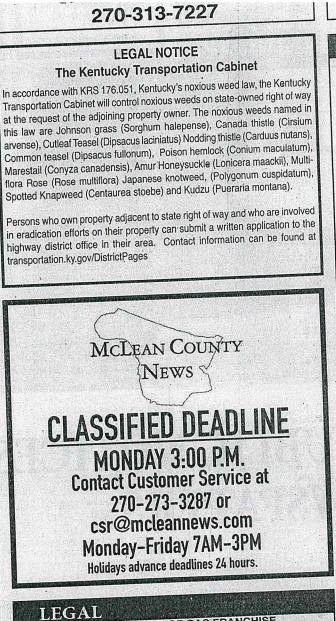
That's not to diminish the activity at the back porch door. That activity has to do with a variety of critters in the neighborhood. The food dish is out there, and the critters come throughout the day at their own discretion. It is an open invitation.

Two cats live on the porch, about three cats visit us to have something to eat, two possums show up regularly, and, last but not least, three raccoons show up nightly.

These critters come for the food I put out daily. I welcome them to the porch and to the food, unlike The Gracious Mistress of the Parsonage, who makes sure they never get inside the house.

But the front door is a different situation altogether. I've noticed lately that the activity and visitors to our front door has increased and that just frustrates me to no end. When I answer the door,

SEE KNOCK/PAGE B5



T

С

O

F

m

A

tł

d

NOTICE OF SALE OF GAS FRANCHISE NOTICE IS HEREBY GIVEN that the City of Sacramento, Ken-tucky, will on May 20, 2024, at 4:30 p.m. at City Hall, Sacra-mento, Kentucky, consider offers for sale to the highest and best bidder, plus all costs, including advertising cost, a franchise as defined in Ordinance 01-2024 adopted by the Sacramento City Commission on March 18, 2024 the full text of which Ordinance, including the agreement containing the terms of the franchise, is available for inspection in the Office of the City Clerk, City Hall, 210 West 3rd Street, Sacramento, Kentucky between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

OF 8:00 a.m. and 4:00 p.m., Monday through Friday. ORDINANCE OF THE CITY OF SACRAMENTO, KEN-TUCKY, PROVIDING FOR THE CREATION AND SALE OF A FRANCHISE FOR THE PRIVILEGE OF CONSTRUCTING, TRANSPORTING, OPERATING, MAINTAINING AND DISTRIB-UTING NATURAL GAS ALONG AND UNDER PUBLIC RIGHT OF WAY WITHIN THE CITY OF SACRAMENTO, 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 ONE PERCENT (1%) OF ITS REVENUES; AND FURTHER ESTABLISHING A BID PROCEDURE FOR THE AWARD OF SAID FRANCHISE TO THE SUCCESSFUL BIDDER. Sealed Bids are to be delivered to 210 West 3rd Street, Sacra-mento, Kentucky, to be publicly opened and read at 4:30 p.m., C.D.T. On May 20, 2024. The City of Sacramento reserves the right to accept any bid, to reject any and all bids, to waive any irregularities or informalities in awarding the franchise and to accept what, in its opinion, is the best responsive and responsible bid.

best responsive and responsible bid.

EXHIBIT C