

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:)
)
PETITION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL)
OF MODIFIED FRANCHISED FEE) **Docket No. 14- 00074**
PURSUANT TO APPROVED)
FRANCHISE AGREEMENT WITH THE)
CITY OF JOHNSON CITY, TENNESSEE)

**PETITION FOR APPROVAL OF A MODIFIED FRANCHISE FEE
PURSUANT TO APPROVED FRANCHISE AGREEMENT
WITH THE CITY OF JOHNSON CITY, TENNESSEE**

Pursuant to Tennessee Code Annotated § 65-4-107, Atmos Energy Corporation (“Atmos” or “Company”) respectfully requests that the Tennessee Regulatory Authority approve a modification of the franchise fee under the Company’s existing TRA-approved franchise agreement with the City of Johnson City, Tennessee.

In support of this Petition, Atmos respectfully submits the following:

1. Full name and address of the principal place of business of the company are:

Atmos Energy Corporation
5430 LBJ Freeway S 1800
Dallas, TX 75240

2. All correspondence and communications with respect to this Petition should be sent to the following:

Patricia D. Childers
Vice President, Rates & Regulatory Affairs
KY/Mid-States Division
Atmos Energy Corporation
810 Crescent Centre Drive, Suite 600
Franklin, TN 37067-6226

(615) 771-8301 – Facsimile

A. Scott Ross, Esq.
Neal & Harwell, PLC
2000 One Nashville Place
150 Fourth Avenue, North
Nashville, TN 37219-2498
(615) 726-0573 – Facsimile

Douglas C. Walther, Esq.
Associate General Counsel
Atmos Energy Corporation
P. O. Box 650205
Dallas, TX 75265-0205
(972) 855-3080 – Facsimile

3. Atmos serves approximately 132,000 residential, commercial, and industrial customers in Tennessee. Among the areas served is the City of Johnson City, Tennessee.

4. Atmos currently provides natural gas service to the City of Johnson City pursuant to a franchise agreement incorporated into City Ordinance No. 3869-03 (the “Ordinance”), dated July 17, 2003.

5. That franchise agreement will expire by its terms on July 17, 2028.

6. The existing franchise agreement was approved by this Authority in 2003 in Docket No. 03-00520. The franchise agreement allows, subject to the approval of the Tennessee Regulatory Authority, for annual modification of the franchise fee at the election of the City. The City invoked its rights under this provision and negotiations ensued. These negotiations recently concluded and a new Resolution (the “Resolution”) was submitted by the City of Johnson City and adopted on July 17, 2014. A true and correct copy of this Resolution is attached hereto as Exhibit 1.

7. In accordance with the terms of the Ordinance and the Resolution, the modified franchise fee will become effective upon election by the City of Johnson City and final approval by the Tennessee Regulatory Authority.

8. The modified franchise fee with the City of Johnson City is necessary and proper for the public convenience and properly conserves the public interest. Pursuant to Tennessee Code Annotated § 65-4-105(e), the franchise fee will, insofar as practicable, be billed pro rata to the utility customers receiving service within the municipality.

WHEREFORE, Atmos respectfully requests that the Authority approve the modified franchise fee with the City of Johnson City attached hereto as Exhibit 1 pursuant to Tennessee Code Annotated § 65-4-107.

Respectfully submitted,

NEAL & HARWELL, PLC

By: 


A. Scott Ross, #15634
2000 One Nashville Place
150 Fourth Avenue, North
Nashville, TN 37219-2498
(615) 244-1713 – Telephone
(615) 726-0573 – Facsimile

Counsel for Atmos Energy Corporation

VERIFICATION

STATE OF TENNESSEE)
)
COUNTY OF WILLIAMSON)

I, Kevin Akers, being duly sworn state that I am the President of the Mid-States and Kentucky Division of Atmos Energy Corporation, the Petitioner in the subject proceeding; that I am authorized to make this verification of behalf of Atmos Energy Corporation; that I have read the foregoing Petition and Exhibits and know the content thereof; that the same are true and correct to the best of my knowledge, information and belief.



Kevin Akers

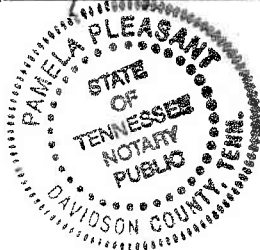
SWORN to and subscribed before me
this 4th day of August, 2014.



Notary Public

My Commission Expires:

May 3 2016



A RESOLUTION APPROVING NEGOTIATIONS BETWEEN ATMOS ENERGY AND THE CITY OF JOHNSON CITY RESULTING IN AN INCREASE IN THE FRANCHISE FEE FROM THREE PERCENT TO FIVE PERCENT OF THE ANNUAL GROSS REVENUE OF NATURAL GAS SALES MADE, BILLED AND COLLECTED BY ATMOS ENERGY ON ALL CLASSES OF CUSTOMERS WHO ARE LOCATED WITHIN THE CITY LIMITS AND AUTHORIZING THE PETITIONING OF THE TENNESSEE REGULATORY AUTHORITY FOR APPROVAL OF THE FIVE PERCENT FRANCHISE FEE

WHEREAS, Ordinance #3869-03, which amended Ordinance #2726 and Ordinance #3511, granted to United Cities Gas Company and its successors and assigns certain franchise rights and authorized (but did not require) the City of Johnson City and ATMOS Energy to negotiate franchise fees on an annual basis, subject to the approval of the Tennessee Regulatory Authority; and

WHEREAS, the City of Johnson City and ATMOS Energy have concluded negotiations, resulting in an increase from three percent (3%) to five percent (5%) of the franchise fee; and

WHEREAS, ATMOS Energy or its successors and assigns has agreed to petition the Tennessee Regulatory Authority for approval of the five percent (5%) franchise fee arrived at between the parties.

NOW, THEREFORE, BE IT RESOLVED that a five percent (5%) franchise fee has been produced by negotiations between the City of Johnson City and ATMOS Energy and is acceptable to both parties, and both parties agree that ATMOS Energy shall take immediate steps to present this resolution to and seek the approval of the Tennessee Regulatory Authority for the five percent (5%) franchise fee.

BE IT FURTHER RESOLVED that ATMOS Energy indicates its acceptance of the terms of this resolution pursuant to the following:

"On this the 21st day of July, 2014, ATMOS Energy hereby signifies its acceptance of the terms of this resolution passed on the 17th day of July, 2014 entitled: A RESOLUTION APPROVING THE NEGOTIATIONS BETWEEN ATMOS ENERGY AND THE CITY OF JOHNSON CITY RESULTING IN AN INCREASE IN THE FRANCHISE FEE FROM THREE PERCENT TO FIVE PERCENT OF THE ANNUAL GROSS REVENUE OF NATURAL GAS SALES MADE, BILLED AND COLLECTED BY ATMOS ENERGY ON ALL CLASSES OF CUSTOMERS WHO ARE LOCATED WITHIN THE CITY LIMITS AND AUTHORIZING THE PETITIONING OF THE TENNESSEE REGULATORY AUTHORITY FOR APPROVAL OF THE FIVE PERCENT FRANCHISE FEE."

Adopted this 17th day of July, 2014.

Accepted by ATMOS Energy by:

Michael A. Ellis

VP-operations

Title

Attest:
Will Jennings
CITY RECORDER

R
Ralph Van Brocklin
RALPH VAN BROCKLIN, MAYOR

APPROVED AS TO FORM:

James V. Appa
STAFF ATTORNEY