

BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION
AT NASHVILLE

April 16, 1996

IN RE: PETITION OF NASHVILLE GAS COMPANY, A)
DIVISION OF PIEDMONT NATURAL GAS)
COMPANY, INC., FOR REVIEW AND APPROVAL)
OF FRANCHISE ORDINANCE NO. 96-7)
OF THE CITY OF MT. JULIET, TENNESSEE,)
GRANTING TO NASHVILLE GAS COMPANY, ITS)
SUCCESSORS, AND ASSIGNS THE RIGHT,)
PRIVILEGE, AUTHORITY AND CONSENT TO)
PLACE, CONSTRUCT, ERECT, ACQUIRE,)
EXTEND, MAINTAIN, REPAIR AND RELOCATE)
GAS LINES, WORKS, MAINS, ETC. AND)
OPERATE AND MAINTAIN A SYSTEM OF GAS)
MAINS AND A DISTRIBUTION SYSTEM ON,)
UNDER AND ALONG THE STREETS, ALLEYS)
AND HIGHWAYS OF THE CITY OF MT. JULIET)
FOR THE SALE AND DISTRIBUTION OF FUEL)
GAS BUT NOT LIMITED TO NATURAL,)
MANUFACTURED AND MIXED GAS)

DOCKET NO. 96-00536

ORDER

This matter is before the Tennessee Public Service Commission (the "Commission") upon the petition of Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. (the "Company") seeking the Commission's approval, pursuant to T.C.A. § 65-4-107, of Franchise Ordinance No. 96-7 (the "Ordinance") passed by the City of Mt. Juliet, Tennessee (the "City"), granting to the Company, its successors and assigns, the right, privilege, authority and franchise, to place, construct, erect, acquire, extend, maintain, repair, relocate and operate gas lines, works, mains, apparatus and all necessary fixtures, connections and appurtenances under, through, along and across any of the streets, roads, alleys, bridges and viaducts now or

hereafter owned, dedicated or used within the city limits of the City as they now or hereafter may exist and to sell and distribute gas, in the City as the boundaries thereof are now established and may hereafter be extended, as set out in the Petition and Exhibits thereto. The Ordinance was passed on final reading on March 11, 1996, and is for a period of ten (10) years and is attested by the City Recorder.

The Commission considered this matter at its regularly scheduled Commission Conference. The Commission reviewed the petition, the exhibit thereto and the staff's recommendation and finds and concludes that the approval of the Ordinance granting to the Company the right to serve the City of Mt. Juliet as it now or hereafter may exist and to use the public streets, alleys, etc. of the City for a period of ten (10) years is fair, necessary, proper and reasonable and will serve the public interest and therefore should be approved. The Commission further finds and concludes that the franchise fee of five (5%) percent of annual gross receipts from all customers located within the limits of the City, paid on a quarterly basis as set out in Ordinance 96-7 and the Petition is fair and reasonable and the Company's plan of recovering same, as set out in the Petition, pursuant to T.C.A. § 65-4-105(e), is fair and reasonable.

IT IS THEREFORE ORDERED:

1. That Franchise Ordinance No. 96-7 adopted by the City of Mt. Juliet, Tennessee granting to Nashville Gas Company, a

Division of Piedmont Natural Gas Company, Inc., its successors and assigns certain rights as set out therein is approved pursuant to T.C.A. § 65-4-107, and the payment of the franchise fees provided therein to the City and the plan for the recovery thereof by the Company, be and the same are hereby approved pursuant to T.C.A. § 65-4-105(e). The revenues that the Company shall derive from its customers from sales within the city limits of Mt. Juliet shall not be included in computing franchise payments to any other city or town except the City of Mt. Juliet, Tennessee.

2. That any party aggrieved with the Commission's decision in this matter may file a Petition for Reconsideration within ten (10) days from the entry of this Order.

3. That any party aggrieved with the Commission's decision in this matter has the right of judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.


CHAIRMAN


COMMISSIONER


COMMISSIONER

ATTEST:


EXECUTIVE DIRECTOR