

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 20A-0111SG

IN THE MATTER OF THE APPLICATION OF ATMOS ENERGY CORPORATION FOR
AN ORDER AUTHORIZING ATMOS ENERGY TO ENTER INTO AN ARRANGEMENT
FOR LONG-TERM FINANCING.

DECISION GRANTING APPLICATION

Mailed Date: April 3, 2020

Adopted Date: April 1, 2020

I. BY THE COMMISSION

A. Statement

1. On March 19, 2020, Atmos Energy Corporation (Atmos), a Texas and Virginia corporation, filed an application, along with exhibits required under Rules 4002 and 4105 of the Rules Regulating Gas Utilities and Pipeline Operators, 4 *Code of Colorado Regulations* (CCR) 723-4 (Application). Atmos seeks a Decision authorizing it to enter into a loan agreement for up to \$200 million from one or more participating banks with a term of up to two years at a rate of interest not to exceed 2.5 percent (Term Loan). Atmos further requested a waiver of Rule 4002(b)(IX) regarding the submission of Colorado-specific audited financial statements of the type listed therein.

2. The Commission issued a Notice of the Application (Notice) on March 20, 2020. The Commission's Notice allowed entities until March 30, 2020 to intervene and set this matter for a hearing on April 9, 2020. Further, Atmos caused a notice of the Application to be published in the legal notices section of *The Denver Post* on March 20, 2020. Atmos filed an affidavit of publication with the Commission on March 24, 2020.

3. No party sought intervention or opposed the Application. The Application is thus uncontested and may be determined without a formal hearing pursuant to § 40-6-109(5), C.R.S., and Rule 1403 of the Rules of Practice and Procedure, 4 CCR 723-1.

B. Findings of Fact

4. Atmos is a Texas and Virginia corporation qualified to do business within the State of Colorado. Its Articles of Incorporation, as amended and restated, have been filed with the Commission and it is in good standing with the Colorado Secretary of State. Atmos provides gas utility service to various areas in Colorado. Atmos filed the Application in accordance with § 40-1-104, C.R.S., which requires a public utility to obtain Commission approval before issuing securities such as common stock or assuming debt.

5. As of December 31, 2019, Atmos had 200,000,000 shares of common stock authorized and 122,262,403 shares of common stock outstanding.

6. The purpose of the Application is to obtain Commission approval authorizing Atmos to enter into a loan agreement, or Term Loan.

7. Atmos's Board of Directors, by resolution dated March 19, 2020, authorized its proper officers to execute and file the Application or to cause the Application to be filed.

8. The Application contains all of the information required pursuant to Rules 4002 and 4105 and is therefore deemed complete.

9. Atmos and its proposed issuance of long-term financing as described in the Application are subject to the jurisdiction of the Commission pursuant to § 40-1-104, C.R.S.

10. Atmos's proposed loan agreement is not contrary to the public interest.

11. Based on the information contained in the Application, we find good cause to grant the Application and authorize Atmos to enter into a loan agreement for up to \$200 million

from one or more participating banks with a term of up to two years at a rate of interest not to exceed 2.5 percent. We also find good cause to waive Rule 4002(b)(IX).

II. **ORDER**

A. **The Commission Orders That:**

1. The Application filed by Atmos Energy Corporation, to enter into a loan agreement for up to \$200 million from one or more participating banks with a term of up to two years at a rate of interest not to exceed 2.5 percent is deemed complete and granted.

2. Atmos Energy Corporation is authorized to enter into a loan agreement for up to \$200 million from one or more participating banks with a term of up to two years at a rate of interest not to exceed 2.5 percent.

3. Atmos Energy Corporation's request for a waiver of Rule 4002(b)(IX), 4 *Code of Colorado Regulations*, is granted.

4. The April 9, 2020 hearing date set in this matter is vacated.

5. Nothing contained herein shall be construed to imply any recommendation or guaranty of any obligation with regard to any common stock issued by Atmos Energy Corporation on the part of the State of Colorado.

6. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

7. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
April 1, 2020.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

MEGAN M. GILMAN

Commissioners