

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

DOCKET NO. 04A-175FG

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IN THE MATTER OF THE APPLICATION OF KINDER MORGAN, INC. FOR A  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING THE  
EXERCISE OF FRANCHISE RIGHTS GRANTED BY THE TOWN OF CROWLEY,  
COLORADO AND CITY OF LAS ANIMAS, COLORADO.

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**DECISION GRANTING APPLICATION  
TO EXERCISE FRANCHISE RIGHTS**

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Mailed Date: May 6, 2004  
Adopted Date: May 5, 2004

**I. BY THE COMMISSION**

**A. Statement, Findings, and Conclusions**

1. On April 13, 2004, Kinder Morgan, Inc. (KMI or Company), filed an application seeking a Commission order granting it a certificate of public convenience and necessity (CPCN) to exercise franchise rights in the Town of Crowley and the City of Las Animas, Colorado.

2. The Commission noticed the application on April 14, 2004 to all interested persons, firms, and corporations. Additionally, KMI caused a notice of application to be published in *The Denver Post* on April 14, 2004. No petition to intervene or notice of intervention has been filed, and thus the application is uncontested. Accordingly, the application will be determined without a formal hearing pursuant to § 40-6-109(5), C.R.S., and Rule 24 of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1.

3. KMI, a Kansas corporation, is a public utility under the provisions of the laws of the State of Colorado and is a natural gas company engaged in the purchase, transmission, and

general resale of natural gas to industrial, commercial, and residential customers in various areas in the State of Colorado.

4. KMI requests that the Commission issue an order granting to it a CPCN to exercise franchise rights granted by the Town of Crowley. Pursuant to Ordinance No. 103, the Town of Crowley granted KMI a 25-year franchise to provide natural gas service in the Town of Crowley. Section 4 of the franchise agreement declares that the agreement is to remain in effect for a period of 25 years from the effective date. The Town of Crowley adopted the agreement on October 14, 2003 and KMI accepted the agreement on March 10, 2004. Accordingly, the agreement would expire on March 10, 2029.

5. As consideration for the franchise rights granted, KMI is to pay to the Town of Crowley a sum computed as follows for all gas delivered within the Town:  $\$0.015/\text{ccf} \times \text{volume}$  of gas delivered to all customers within the Town of Crowley, Colorado on the Company's distribution system.

6. KMI also requests that the Commission issue an order granting to it a CPCN to exercise franchise rights granted by the City of Las Animas, Colorado. Pursuant to Ordinance No. 645 the City of Las Animas granted KMI a 25-year franchise to provide natural gas service in the City. Section 4 of the franchise agreement declares that the agreement is to remain in effect for a period of 25 years from the effective date. The City of Las Animas adopted the agreement on October 14, 2003 and KMI accepted the agreement on March 22, 2004. Accordingly, the agreement would expire on March 22, 2029.

7. As consideration for the franchise rights granted, KMI is to pay to the City of Las Animas a sum computed as follows for all gas delivered within the City:  $\$0.017/\text{ccf} \times$

volume of gas delivered to all customers within the City of Las Animas, Colorado on the Company's distribution system.

8. KMI's gas tariff, currently on file with the Commission, will be used for service under this application.

9. KMI has the financial ability and is qualified and competent to conduct the utility operations sought under its application. Accordingly, KMI requests that the financial statements submitted as part of the verified application be accepted in lieu of a feasibility study.

10. The Commission finds that the application is in the public interest and should be granted.

## **II. ORDER**

### **A. The Commission Orders That:**

1. The application by Kinder Morgan, Inc., for a certificate of public convenience and necessity to exercise franchise rights in the Town of Crowley, Colorado is deemed complete and granted.

2. The application by Kinder Morgan, Inc., for a certificate of public convenience and necessity to exercise franchise rights in the City of Las Animas, Colorado is deemed complete and granted.

3. Kinder Morgan, Inc.'s request to accept the financial statements provided as proof of sufficient financial ability to continue to provide utility service as prescribed, in lieu of a feasibility study, as permitted by Rule 4 *Code of Colorado Regulations* 723-1-55(c)(5), is granted.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
May 5, 2004.**

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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Commissioners

COMMISSIONER JIM DYER ABSENT.