

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 04A-413FG

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 SNOWMASS
VILLAGE, COLORADO.

**DECISION GRANTING APPLICATION
TO EXERCISE FRANCHISE RIGHTS**

Mailed Date: September 3, 2004
Adopted Date: September 1, 2004

I. BY THE COMMISSION

A. Statement, Findings, and Conclusions

1. On August 6, 2004, Kinder Morgan, Inc. (KMI), 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 Snowmass Village, Colorado (Town).

2. The Commission noticed the application on August 10, 2004 to all interested persons, firms, and corporations. Additionally, KMI caused a notice of application to be published in *The Denver Post* on August 8, 2004. No petition to intervene or notice of intervention was filed. The application is uncontested. Accordingly, the application will be determined without a 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 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. Pursuant to Ordinance No. 14 (Series of 2004), adopted June 28, 2004, the Town granted KMI a 20-year franchise to furnish, sell, and distribute natural gas service in the Town. Section 5-101 of the franchise agreement declares that the agreement is to remain in effect for a period of 20 years commencing August 1, 2004 and terminating July 31, 2024. The Town adopted the agreement on June 28, 2004, and KMI accepted the agreement on July 13, 2004.

5. As consideration for the franchise rights granted, KMI is to pay to the Town an amount of \$.02 multiplied by the volume of gas delivered (ccf) to residential and commercial customers, which includes distribution transportation customers, within the Town on the Grantee's (KMI) distribution system.

6. KMI or its predecessor has been providing natural gas to residents of the Town since 1978.

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

8. 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.

9. 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 Snowmass Village, Colorado is deemed complete and granted. This franchise agreement is scheduled to expire July 31, 2024.

2. Kinder Morgan, Inc.'s request to accept the submitted financial statements in lieu of a feasibility study as permitted by Rule 4 *Code of Colorado Regulations* 723-1-55(c)(5), is granted.

3. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 1, 2004.**

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Commissioners