

Decision No. C25-0664

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25A-0327FG

IN THE MATTER OF ATMOS ENERGY CORPORATION'S APPLICATION FOR AN ORDER GRANTING TO IT A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO EXERCISE FRANCHISE RIGHTS IN THE TOWN OF PIERCE, WELD COUNTY, COLORADO.

**COMMISSION DECISION DEEMING APPLICATION
COMPLETE AND GRANTING APPLICATION, AND
GRANTING MOTION FOR WAIVER**

Issued Date: September 16, 2025

Adopted Date: September 10, 2025

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a Verified Application filed by Atmos Energy Corporation (“Atmos Energy,” “Atmos,” or the “Company”) on August 4, 2025, for a Certificate of Public Convenience and Necessity (“CPCN”) to exercise franchise rights in the Town of Pierce, Weld County, Colorado (“Pierce” or the “Town”).

2. Atmos Energy also requests a waiver of Commission Rule 4002(b)(IX) of the Rules Regulating Gas Utilities, 4 *Code of Colorado Regulation* (“CCR”) 723-4.

3. The Commission provided notice of this Application on August 6, 2025, to all interested persons, firms, and corporations. 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 in accordance with § 40-6-109(5), C.R.S., and Rule 1403, 4 CCR 723-1 of the Commission's Rules of Practice and Procedure.

4. Atmos Energy is engaged in, *inter alia*, the transmission, purchase, distribution, and sale of natural gas service in its certificated areas in the State of Colorado. The Town is located within such certificated areas.

5. Atmos Energy requests the Commission issue a Decision granting it a CPCN to exercise franchise rights in Pierce. Pursuant to Ordinance No. 2025-02, adopted March 10, 2025, the Town granted Atmos Energy a 20-year franchise to provide natural gas service within Pierce, which took effect March 10, 2025 and expires March 10, 2045.

6. On August 22, 1952 Pierce passed and adopted Ordinance No. 48, granting Atmos' predecessor, Greeley Gas Company, a franchise to provide natural gas service within Pierce. On September 19, 1952, the Commission, in Decision No. 39345, Application No. 11975, granted Greeley Gas Company a CPCN to exercise franchise rights as described in Ordinance No. 48.

7. On October 10, 1977, Pierce passed and adopted Ordinance No. 5-77, granting Atmos' predecessor, Greeley Gas Company, a franchise to provide natural gas service within Pierce. On December 13, 1977, the Commission, in Decision No. 91795, Application No. 30513 granted Greeley Gas Company a CPCN to exercise franchise rights as described in Ordinance No. 5-77.

8. On February 10, 2003, Pierce passed and adopted Ordinance No. 1, Series 2003, granting Atmos Energy a franchise to provide natural gas service within Pierce. On May 27, 2003, the Commission, in Decision No. C03-0555, Application No. 03A-173FG,

granted Atmos Energy a CPCN to exercise franchise rights as described in Ordinance No. 1, Series 2003.

9. On March 11, 2013, Pierce passed and adopted Ordinance No. 2013-1, granting Atmos Energy a franchise to provide natural gas service within Pierce. On May 17, 2013, the Commission, in Decision No. C13-0571, Application No. 13A-0302FG, granted Atmos Energy a CPCN to exercise franchise rights as described in Ordinance No. 2013-1.

10. A utility wishing to exercise any franchise agreement or privileges entered into with a municipality must obtain a CPCN from the Commission pursuant to § 40-5-102, C.R.S. When the municipality and utility enter into a franchise agreement, that agreement must be submitted to the Commission for approval. *See* § 40-5-102, C.R.S. Such applications allow the Commission to review franchise agreements to ensure that the terms are reasonable and in the public interest.

11. The Commission understands the utility and the municipality may want to revise the terms established in a franchise agreement at some point in the future and that existing franchise agreements have scheduled expiration dates. Upon negotiation of a new or amended franchise agreement, the utility shall return to the Commission in a timely manner to obtain authorization to implement the provisions of the new franchise agreement. In the event that this franchise is not renewed at the expiration of its term or is terminated for any reason, the Company is directed to notify the Commission in a timely manner.

12. According to the franchise agreement, as consideration for the franchise rights granted and in recognition of Atmos' right to use the Town streets, the Town requires Atmos Energy to collect and remit to the Town a franchise fee equal to 4 percent of all revenues

received from the sale of natural gas service within the Town, excluding revenues received from the Town for the sale of natural gas service to the Town.

13. No other utility is authorized to provide natural gas utility service within the areas for which Atmos seeks a certificate in this application.

14. We find the franchise is required by public convenience and necessity and the terms of the franchise agreement are just, reasonable, and in the public interest. However, in the event that issues of revenue requirement, cost allocation, and rate design are implicated by any provision of the franchise agreement, those issues will be analyzed in an appropriate Commission proceeding. Approval of the franchise agreement does not constitute approval of, or precedent regarding any principle or issue in revenue requirement, cost allocation, or rate design in any natural gas adjustment, refund, or rate case proceedings.

15. Atmos Energy, and its predecessors, have provided gas services in the Town since 1952, subject to a relevant franchise agreement. Because the areas encompassed by the above-mentioned franchises are currently served by Atmos Energy, the Company is not required to provide a feasibility study for each area as set forth in Rule 4100(b)(VI), 4 CCR 723-4 of the Commission's Rules Regulating Gas Utilities.

16. We find that Atmos Energy has the financial ability and is qualified and competent to conduct the utility operations sought under its application.

17. Atmos' natural gas service tariffs, currently on file with the Commission, will be used for service under this application.

18. Providing uninterrupted service to the residents of Pierce is in the public interest. Therefore, 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 filed by Atmos Energy Corporation, (“Atmos Energy” or “Atmos”) for a Certificate of Public Convenience and Necessity (“CPCN”) to exercise franchise rights pursuant to Ordinance No. 2025-02 in the Town of Pierce, is deemed complete for purposes of § 40-6-109.5, C.R.S., and is granted.

2. The grant of the CPCN to operate under the terms of this franchise agreement is in the public interest and in accordance with the terms of § 40-5-102, C.R.S.

3. The request by Atmos Energy to waive Rule 4002(b)(IX), 4 *Code of Colorado Regulations* (“CCR”) 723-4, due to a financial burden on Atmos and its customers, is granted.

4. The franchise shall remain in effect for a period of 20 years and terminates on March 10, 2045.

5. The 20-day time period provided by § 40-6-114(1), C.R.S., to file an Application for Rehearing, Reargument, or Reconsideration shall begin on the first day after the Commission issues this Decision.

6. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 10, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

Commissioners

COMMISSIONER TOM PLANT,
ABSENT