

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE
STATE OF MISSISSIPPI**

ATMOS ENERGY CORPORATION
GC123008100

DOCKET NO. 2021-UA-24

RE: APPLICATION OF ATMOS ENERGY CORPORATION TO EXPAND ITS
CERTIFICATED AREA IN MONTGOMERY COUNTY, MISSISSIPPI, AND FOR
APPROVAL OF A SPECIAL CONTRACT

ORDER

THIS DAY, this cause came on for consideration in the above-referenced matter, and the Mississippi Public Service Commission ("Commission"), finds as follows:

1. Atmos Energy Corporation ("Atmos Energy" or "Company") is a natural gas distribution company operating as a public utility in the State of Mississippi as defined by Miss. Code Ann. §77-3-3(d)(ii).

2. The Commission has jurisdiction of the parties and the subject matter in this proceeding.

3. Atmos Energy filed on January 27, 2021, with the Commission its Application seeking to expand its certificated area in Montgomery County and to Approve a Special Contract with Biewer Sawmill-Winona, Incorporated ("Biewer"). This application included Exhibits "A" and "B", which included, respectively, the legal description and plat for the area for which Atmos Energy seeks a certificate of public convenience and necessity. Additionally, it included a Confidential Exhibit "C", which included the contract between Atmos Energy and Biewer. Finally, it included Exhibit "D", which contained the testimony of James E. McKenzie, Vice-President of Technical Services for Atmos Energy's Mississippi Division.

4. On March 3, 2021, Atmos Energy filed a Petition for a Temporary Waiver of the Commission's Requirements 11 and 12 of Schedule 2, Appendix "A" of the Public Utilities Rules of Practice and Procedure in this action. Atmos Energy does not presently have completed engineering plans and specifications for the proposed area, nor does it have all necessary permits required to construct those facilities necessary to serve this area. This Petition requested the Commission temporarily waive these requirements, and approve the Application subject to Atmos Energy's subsequent filing of the materials in Requirements 11 and 12 of Schedule 2 when they are available.

5. Biewer is building a sawmill in Montgomery County in an area not served by a gas distribution company and has been in negotiations with Atmos Energy to obtain gas service. Atmos Energy estimates that the facilities necessary to provide Biewer with natural gas service will require a capital expenditure of \$4,000,000 to construct. Once operational, the Biewer facility will employ 150 - 175 people and have the ability to produce 350,000,000 board feet of lumber annually.

6. This investment by Atmos Energy is a continuation of Atmos Energy's support of economic development pursuant to the Company's Supplemental Growth program. These costs will be spread over two fiscal years, and Atmos does not expect these costs to exceed the \$5,000,000 budget approved for the program in either year.

7. Atmos Energy is willing and able to serve Biewer once the Commission grants it a certificate and approves its special contract with Biewer.

8. The terms and conditions of the contract contained in Exhibit C of the Application are the result of an arms-length negotiation between Atmos Energy and Biewer. It achieves the necessary goals of a special contract, including a price sufficiently competitive

to attract and retain the customer. The revenues received by Atmos Energy pursuant to the contract will provide a contribution to margin that will have no adverse effects on rates charged to existing customers.

9. The Commission has duly considered the pleadings, documentation contained in the file, and other evidence and does hereby find that granting the relief sought in this Application and the Petition for Temporary Waiver are in the best interest of the public.

IT IS THEREFORE ORDERED THAT:

1. The Petition for Temporary waiver is granted. Atmos Energy shall file with the Commission the materials required by Requirements 11 and 12 of Schedule 2, Appendix "A" of the Public Utilities Rules of Practice and Procedure at such time as they are available.

2. The present and future public convenience and necessity will be served by granting Atmos Energy a permanent Certificate of Public Convenience and Necessity to serve the areas of Montgomery County included in Exhibits "A" and "B" of its Application, and hereby attached to this Order, and such Certificate is hereby granted.

3. The Special Contract between Atmos Energy and Biewer contained in confidential Exhibit "C" is hereby approved.

4. This Order shall be deemed issued on the day it is served on the parties herein by the Executive Secretary of this Commission who shall note such date of service in the file of this Docket.

COMMISSION VOTE

Chairman Dane Maxwell voted Aye X Nay _____

Commissioner Brent Bailey voted Aye X Nay _____

Commissioner Brandon Presley voted Aye X Nay _____

SO ORDERED, this the 6th day of April, 2021.

MISSISSIPPI PUBLIC SERVICE COMMISSION



Dane Maxwell
DANE MAXWELL, CHAIRMAN

Brent Bailey
BRENT BAILEY, COMMISSIONER

Brandon Presley
BRANDON PRESLEY, COMMISSIONER

ATTEST: A True Copy

Katherine Collier
Katherine Collier, Executive Secretary

Effective this the 6th day of April, 2021.

Proposed Atmos Energy Corporation
Certificated Area Extension, Montgomery County, MS
Date: 01/21/2021

MONTGOMERY COUNTY, MS

Beginning at the SW corner of the NW $\frac{1}{4}$ of Section 13, T-19-N, R-5-E, Montgomery County, MS, said point also being located on Atmos Energy Corporation's Existing Certificated Area Number 58; Thence North 3.0 miles along the West Section Line of Sections 13, 12, and 1, T-19-N, R-5-E, and Section 36, T-20-N, R-5-E, to the NW corner of the SW $\frac{1}{4}$ of Section 36; Thence East 1.0 miles along the North Line of the South Half of Section 36 to the NE corner of the SE $\frac{1}{4}$ of Section 36; Thence South 3.0 miles along the East Section Line of Section 36, T-20-N, R-5-E, and Sections 1, 12, and 13, T-19-N, R-5-E, to the SE corner of the NE $\frac{1}{4}$ of Section 13; Thence West 1.0 miles along the South Line of the North Half of Section 13 to the SW corner of the NW $\frac{1}{4}$ of Section 13, T-19-N, R-5-E, said point being the Point of Beginning.

Exhibit "A"

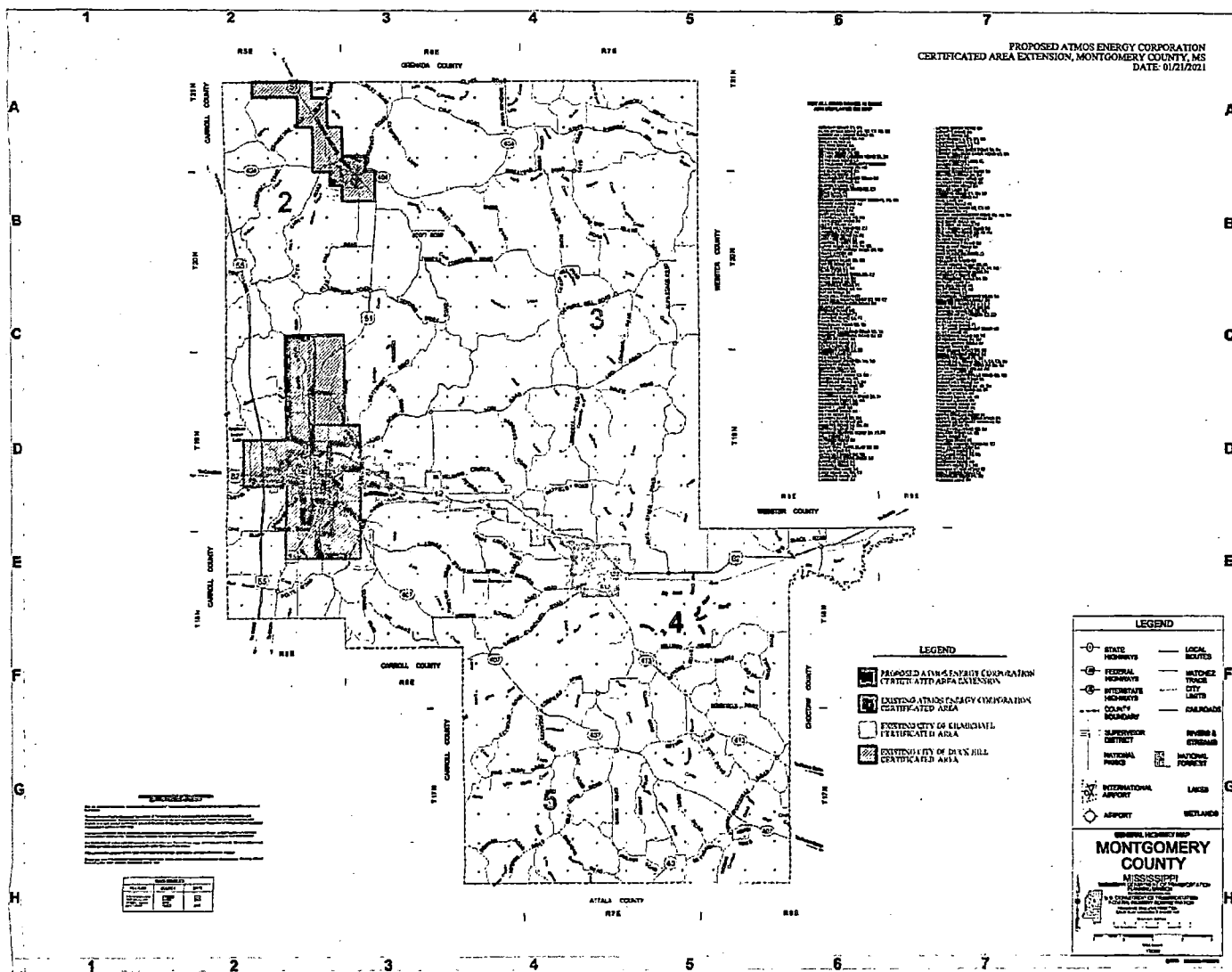


Exhibit "B"