

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Atmos Energy)
Corporation for Authority to Cease Transacting)
the Business of a Natural Gas Public Utility in a) Docket No. 22-ATMG-039-CCS
Portion of Leavenworth County, Kansas)

JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT

Atmos Energy Corporation ("Atmos Energy"), Joe F. Jenkins, II, Jill A. Jenkins (collectively referred to as the "Jenkins") and Tri-County Road and Gun Club, Inc. ("Gun Club") (collectively the Jenkins and the Gun Club referred to as "Intervenors"), pursuant to K.A.R. 82-1-230a, request the Kansas Corporation Commission ("Commission") issue an Order approving the Settlement Agreement ("Agreement") attached hereto as Exhibit A. In support of this Motion, Atmos Energy and the Intervenors state and allege as follows:

1. On July 16, 2021, Atmos Energy filed an application seeking an Order permitting it to cease transacting business as a natural gas public utility to the Intervenors and to pay Intervenors for the reasonable cost to convert their utility service to propane. At the time the application was filed, Atmos believed there was insufficient projected growth and natural gas load in the area nearby the proposed abandoned quarter sections to economically justify the cost to replace the deteriorated main and service lines that were used to serve Intervenors. An aerial map showing the location of the pipeline segments Atmos Energy was proposing to abandon and the location of the Intervenors' properties was attached as Exhibit A to the application.

2. On July 29, 2021, the Intervenors filed a protest to Atmos Energy's application and requested that Atmos Energy maintain service to Intervenors.

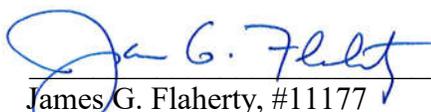
3. Subsequent to the filing of the application and protest, a developer has platted a new

subdivision in the area immediately adjacent to the Gun Club's property. This will require Atmos Energy to replace the main running east from the intersection of 190th Street and Stillwell Road that it sought to abandon under the application. In addition, the Jenkins have agreed to pay a contribution in aid to construction in the amount of \$22,500, to replace the service and yard lines that serve their residences at the time the main serving their properties is replaced. Atmos Energy and the Intervenors have reached a settlement of all issues raised in the application and protest ("Agreement"). A copy of the Agreement is attached hereto as Exhibit A.

4. Atmos Energy and the Intervenors request that the Commission approve the Agreement. Upon approval of the Agreement by the Commission, all issues raised in the application and protest will have been resolved and the case can be dismissed. Atmos Energy and the Intervenors have met with the Commission Staff ("Staff") and have discussed each of the terms contained in the Agreement. Based upon those discussions, the Staff has indicated to Atmos Energy and the Intervenors that it can support the Agreement.

WHEREFORE, Atmos Energy and the Intervenors request that the Commission issue an Order approving the Agreement attached hereto as Exhibit A and upon approval dismiss the application and protest and close this docket.

Respectfully submitted,



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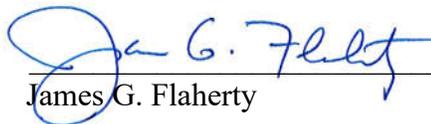
Attorneys for Joe F. Jenkins, II, Jill A. Jenkins and
Tri-County Road and Gun Club, Inc.

VERIFICATION

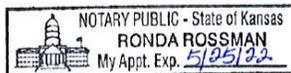
STATE OF KANSAS, COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Atmos Energy Corporation named in the foregoing Joint Motion to Approve Settlement Agreement and is duly authorized to make this affidavit; that he has read the foregoing and knows the contents thereof; and that the facts set forth therein are true and correct.


James G. Flaherty

SUBSCRIBED AND SWORN to before me this 5th day of April, 2022.





Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via U.S. Mail, postage prepaid, hand-delivery, or electronic mail, this 5th day of April, 2022, addressed to:

Kathleen R. Ocanas
Kathleen.Ocanas@atmosenergy.com

David Cohen
d.cohen@kcc.ks.gov

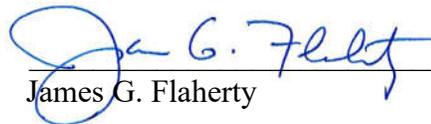
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James G. Flaherty

BEFORE THE STATE CORPORATION COMMISSION
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In the Matter of the Application of Atmos Energy)
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the Business of a Natural Gas Public Utility in a)
Portion of Leavenworth County, Kansas)

Docket No. 22-ATMG-039-CCS

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into between and among Atmos Energy Corporation ("Atmos Energy"), Joe F. Jenkins, II, Jill A. Jenkins (collectively referred to as the "Jenkins") and Tri-County Road and Gun Club, Inc. ("Gun Club") (collectively the Jenkins and the Gun Club referred to as "Intervenors"). This Agreement is being submitted to the Kansas Corporation Commission ("Commission") pursuant to K.A.R. 82-1-230a.

1. On July 16, 2021, Atmos Energy filed an application seeking an Order permitting it to cease transacting business as a natural gas public utility to the Intervenors and to pay Intervenors for the reasonable cost to convert their utility service to propane. At the time the application was filed, Atmos believed there was insufficient projected growth and natural gas load in the area nearby the proposed abandoned quarter sections to economically justify the cost to replace the deteriorated main and service lines that were used to serve Intervenors. An aerial map showing the location of the pipeline segments Atmos Energy was proposing to abandon and the location of the Intervenors' properties was attached as Exhibit A to the application.

2. On July 29, 2021, the Intervenors filed a protest to Atmos Energy's application and requested that Atmos Energy's petition be denied and that Atmos Energy be ordered to maintain service to Intervenors.

3. Subsequent to the filing of the application and protest, a developer has platted a new

subdivision in the area immediately adjacent to the Gun Club's property. This will require Atmos Energy to replace the main running east from the intersection of 190th Street and Stillwell Road that it sought to abandon under the application. In addition, the Jenkins have agreed to pay a contribution in aid to construction ("CIAC") in the amount of \$22,500.00 to replace the service and yard lines that serve their residences at the time the main serving their properties is replaced.

4. Atmos Energy and the Intervenors have reached this Agreement that settles all issues raised in the application and protest. The terms of the Agreement are as follows:

a. Atmos Energy agrees to replace the main that currently serves the Intervenors' properties as identified in the application and protest at no cost to Intervenors. The facilities that will be replaced by Atmos Energy are as follows: (1) the main running east from the intersection of 190th Street and Stillwell Road; (2) the main that runs from Stillwell Road north that serves the Jenkins' properties; (3) the service lines that run from the main to the meters on Jenkins' properties; and (4) the yard lines that run from the meters to the buildings on the Jenkins' properties. Atmos Energy plans to submit the cost (less the amount contributed by the Jenkins under paragraph 4.b. of this Agreement) relating to the replacement of the main running east from the intersection of 190th Street and Stillwell Road and the main, service lines and yard lines that currently are located on and serve the Jenkins' properties for recovery through its Gas System Reliability Surcharge ("GSRS") mechanism.

b. The Jenkins agree to pay Atmos Energy a CIAC in the amount of \$22,500.00 to be applied to the cost to replace the service and yard lines that serve the three Jenkins' properties identified in the application and protest. The Jenkins will not be charged any additional costs for the replacement of the main or the service and yard lines that serve the three Jenkins' properties identified in the application, protest and this Agreement. The

Petitioners shall pay Atmos Energy the CIAC within thirty (30) days after Atmos Energy has completed the replacement of the main, service and yard lines that serve the Jenkins' properties. Such payment by the Jenkins shall ensure that Atmos Energy will continue to provide natural gas service to the Jenkins properties as required by K.S.A. 66-1,202.

c. Pursuant to Schedule I, Section 6, Part A, Sheet 46 of 110, the Jenkins grant Atmos Energy at no cost to Atmos Energy a 20 foot permanent right of way or easement and an additional 10 foot temporary construction easement across the Jenkins's properties as necessary for the construction, operation and maintenance by Atmos Energy of Atmos Energy's new main, service lines, yard lines and other facilities necessary or incidental to the supplying of natural gas to the Jenkins' properties. Atmos Energy agrees to restore the property when the construction of the lines is completed and to pay for damages, if any, to the property caused by the construction of the lines. Atmos Energy shall be allowed to use the new main being constructed pursuant to this Agreement to serve other customers in addition to the Jenkins or the Gun Club. In the future, if Atmos Energy needs to extend the new main constructed pursuant to this Agreement on the Jenkins' property to serve customers located north of the Jenkins' property, then Atmos Energy will be required to obtain an additional easement from the Jenkins, or Jenkins' successors-in-interest, either through negotiations or eminent domain procedures.

d. The Gun Club's service line shall be connected to the new main at no cost to the Gun Club.

e. This Agreement is subject to being recommended for approval by the Staff and approved by the Commission. The Staff has indicated to Atmos Energy and the Intervenors that it is in support of the Agreement and that upon the filing of the Agreement by Atmos

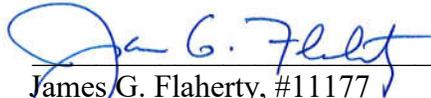
Energy and the Intervenors with the Commission that Staff will submit a report and recommendation to the Commission recommending that the Commission approve the Agreement and dismiss the application and protest. This Agreement represents a negotiated settlement that fully resolves all of the issues in this docket among Atmos Energy and the Intervenors. Atmos Energy and the Intervenors represent that the terms of this Agreement constitute a fair and reasonable resolution of the issues addressed herein. Except as specified herein, Atmos Energy and the Intervenors shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and (c) in this proceeding should the Commission decide not to approve this Agreement in this instant proceeding. If the Commission accepts this Agreement in its entirety and incorporates the same into a final order without material modification, Atmos Energy and the Intervenors shall be bound by its terms and the Commission's order incorporating its terms as to all issues addressed herein and in accordance with the terms hereof, and will not appeal the Commission's order on these issues provided that the Commission approval of this Agreement shall not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

f. The provisions of this Agreement have resulted from negotiations among Atmos Energy and the Intervenors and are interdependent. In the event that the Commission does not approve and adopt the terms of this Agreement in total, the Agreement shall be voidable and no party hereto shall be bound, prejudiced, or in any way affected by any of the agreements or provisions hereof. Further, in such event, this Agreement shall be considered privileged and not admissible in evidence or made part of the record in any proceeding. If the Agreement is voided by any party based upon this provision of the Agreement, then either

party shall have the right to request that this matter be docketed for hearing before the Commission and the issues raised in the application and protest be determined by the Commission on their merits.

g. Atmos Energy and Intervenors agree that each shall be responsible for paying their own attorneys' fees in this matter.

IN WITNESS WHEREFORE, Atmos Energy and Intervenors have executed and approved this Settlement Agreement, effective as of the 5th day of April, 2022, by having their counsel subscribe their signatures below.



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