

ORDINANCE NO. _08-20

AN ORDINANCE AMENDING THE EXISTING GAS FRANCHISE BETWEEN THE CITY AND ATMOS ENERGY CORPORATION TO PROVIDE FOR A DIFFERENT CONSIDERATION; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR ACCEPTANCE BY ATMOS ENERGY CORPORATION; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Atmos Energy Corporation ("Company") is engaged in the business of furnishing and supplying gas to the general public in the City, including the transportation, delivery, sale, and distribution of gas in, out of, and through the City for all purposes, and is using the public streets, alleys, grounds and rights-of-ways within the City for that purpose under the terms of a franchise ordinance duly passed by the governing body of the City and duly accepted by Company or its predecessor in interest; and

WHEREAS, the City and Company desire to amend said franchise ordinance to provide for a different consideration;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE TEXAS: that

SECTION 1: The consideration payable by Company for the rights and privileges granted to Company by the franchise ordinance duly passed by the governing body of this City and accepted by Company or its predecessor in interest is hereby changed to be five percent (5%) of the Gross Revenues, as defined in the franchise ordinance.

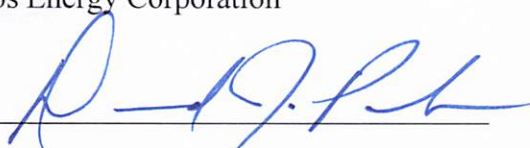
SECTION 2: Franchise payments shall be made on the dates prescribed in the existing franchise and shall be for the rights and privileges of the respective period during which the payment is made.

SECTION 3: This ordinance shall take effect on May 1, 2008 provided that City sent a written notice of election to increase franchise rates postmarked on or before June 1, 2008 to the Company. Otherwise, this ordinance shall take effect on the first day of the month following the date of final passage and approval. Company shall, within thirty (30) days from the receipt of this ordinance, file its written acceptance of this ordinance with the Office of the City Secretary in substantially the following form:

To the Honorable Mayor and City Council:

Atmos Energy Corporation, acting by and through the undersigned authorized officer, hereby accepts in all respects, on this the 3rd day of October, 2008, Ordinance No. 08-20 amending the current gas franchise between the City and Atmos Energy Corporation.

Atmos Energy Corporation

By 

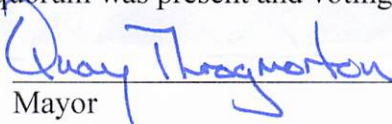
Vice President, Mid-Tex Division

SECTION 4: In all respects, except as specifically and expressly amended by this ordinance, the existing franchise ordinance heretofore duly passed by the governing body of the City shall remain in full force and effect.

SECTION 5: The City shall provide a copy of this Ordinance to Mr. David Park, VP of Rates and Regulatory Affairs, Atmos Energy Corp., 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75240, no later than ten (10) business days after its final passage and approval.

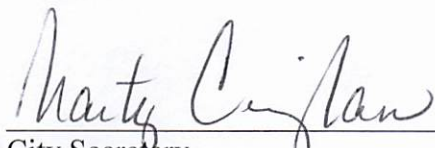
SECTION 6 It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS, this the 14 day of September, 2008, at which meeting a quorum was present and voting.



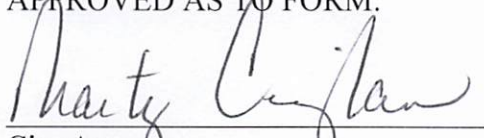
Mayor

ATTEST:



City Secretary

APPROVED AS TO FORM:

 for

City Attorney

ORDINANCE NO. _08-20

AN ORDINANCE AMENDING THE EXISTING GAS FRANCHISE BETWEEN THE CITY AND ATMOS ENERGY CORPORATION TO PROVIDE FOR A DIFFERENT CONSIDERATION; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR ACCEPTANCE BY ATMOS ENERGY CORPORATION; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Atmos Energy Corporation ("Company") is engaged in the business of furnishing and supplying gas to the general public in the City, including the transportation, delivery, sale, and distribution of gas in, out of, and through the City for all purposes, and is using the public streets, alleys, grounds and rights-of-ways within the City for that purpose under the terms of a franchise ordinance duly passed by the governing body of the City and duly accepted by Company or its predecessor in interest; and

WHEREAS, the City and Company desire to amend said franchise ordinance to provide for a different consideration;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE TEXAS: that

SECTION 1: The consideration payable by Company for the rights and privileges granted to Company by the franchise ordinance duly passed by the governing body of this City and accepted by Company or its predecessor in interest is hereby changed to be five percent (5%) of the Gross Revenues, as defined in the franchise ordinance.

SECTION 2: Franchise payments shall be made on the dates prescribed in the existing franchise and shall be for the rights and privileges of the respective period during which the payment is made.

SECTION 3: This ordinance shall take effect on May 1, 2008 provided that City sent a written notice of election to increase franchise rates postmarked on or before June 1, 2008 to the Company. Otherwise, this ordinance shall take effect on the first day of the month following the date of final passage and approval. Company shall, within thirty (30) days from the receipt of this ordinance, file its written acceptance of this ordinance with the Office of the City Secretary in substantially the following form:

To the Honorable Mayor and City Council:

Atmos Energy Corporation, acting by and through the undersigned authorized officer, hereby accepts in all respects, on this the ____ day of _____, 2008, Ordinance No. _____ amending the current gas franchise between the City and Atmos Energy Corporation.

Atmos Energy Corporation

By _____

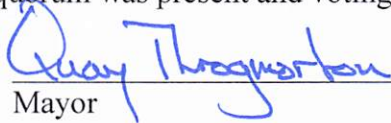
Vice President, Mid-Tex Division

SECTION 4: In all respects, except as specifically and expressly amended by this ordinance, the existing franchise ordinance heretofore duly passed by the governing body of the City shall remain in full force and effect.

SECTION 5: The City shall provide a copy of this Ordinance to Mr. David Park, VP of Rates and Regulatory Affairs, Atmos Energy Corp., 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75240, no later than ten (10) business days after its final passage and approval.

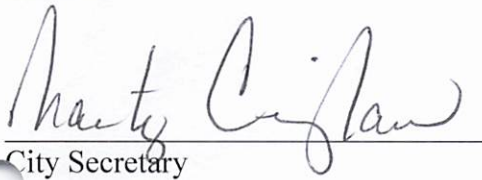
SECTION 6 It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS, this the 16 day of September, 2008, at which meeting a quorum was present and voting.



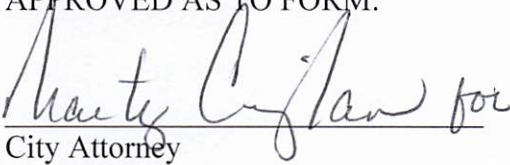
Mayor

ATTEST:



City Secretary

APPROVED AS TO FORM:



City Attorney