

TENNESSEE REGULATORY AUTHORITY



2006 MAR -3 PM 1:28
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

T.R.A. DOCKET ROOM

DELIVERED VIA US POSTAL SERVICE AND EMAIL

March 3, 2006

Mr. Bill Morris
Director – Financial Planning & Rates
Piedmont Natural Gas Company
4720 Piedmont Row Drive
Charlotte, NC 28210

RE: Docket No. 03-00209 - Petition of Chattanooga Gas Company, Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. and United Cities Gas Company, a Division of Atmos Energy Corporation, for a declaratory ruling regarding the Collectibility of the gas costs portion of uncollectible accounts under the Purchased Gas Adjustment (“PGA”) Rules.

Dear Mr. Morris:

As you are aware, on April 4, 2005, the TRA extended the experimental period of the modified refund adjustment formula for an additional one year period. This extension was approved in order to allow time for a review of each company’s deferred gas cost accounting following the implementation of the modified formula. In addition to the specific activities directed by the Authority, the Authority directed that the Staff include any and all other activities that the staff deems appropriate.

In order for the TRA Staff to finalize its review, please respond to the attached data request on or before March 17, 2006. Please contact either Paul Greene or myself if you have any questions.

Sincerely,

Pat Murphy
by PG w/ permission
Pat Murphy, Manager
Utilities Division

c: Mr. David Carpenter
Ms. S. Diane Coley

Staff Data Request
March 3, 2006

**GAS COST PORTION OF UNCOLLECTIBLE ACCOUNTS UNDER THE PGA
RULE
DOCKET 03-00209**

1. For each customer account number listed on Attachment 1 provide an Excel spreadsheet in electronic format detailing the following:
 - a. Customer Account Number
 - b. Date of each individual write-off on or after March 9, 2004
 - c. Total amount of each individual write-off
 - d. Amount of the total of each individual write-off that represents gas cost
 - e. Amount of the total of each individual write-off that represents margin
 - f. The gas cost percentage rounded to two decimal points (i.e., 65.27%) of each individual write-off
 - g. The margin percentage rounded to two decimal points of each individual write-off
 - h. Date of each individual payment made against each write-off after March 9, 2004
 - i. Total amount of each individual payment made against each write-off
 - j. Amount of each individual payment applied to gas cost
 - k. Amount of each individual payment applied to margin
 - l. The gas cost percentage rounded to two decimal points of each individual payment against the write-off
 - m. The margin percentage rounded to two decimal points of each individual payment against the write-off
 - n. The difference between the gas cost percentage of the original write-off and the gas cost portion of each individual payment made against the original write-off rounded to two decimal points
2. Explain in detail the cause of any variances shown in your response to (1.n.) above. If any variances exist explain if the accounting system can be modified to address the variances.
3. Describe fully the procedure(s) followed in allocating partial payments made to written off accounts between gas cost recovery and margin recovery.

Please respond to the following questions with a yes or no answer and then explain.

4. Some companies have shown a collection agency fee netted against the gas cost portion of recoveries. Staff realizes that monthly reports were submitted prior to the Motion that was adopted by the Authority at its April 4, 2005 Conference and the companies' Response to that Motion filed on June 1, 2005.
 - a. Has the company filed any monthly report showing a collection agency fee netted or to be netted against the gas cost portion of recoveries?
 - b. If the company responds affirmatively to (a.) above, can the company recast uncollectible reports excluding netting of the collection agency fee if requested to do so?

5. Is the company's accounting system capable of applying payments and partial payments against one or more written off accounts by applying the same percentage of each individual write-off to the recovery or multiple recoveries using the first-in-first-out method 100% of the time with no exceptions?

Example: (for one customer account)

Jan. 1	Write-off	\$100	Gas Cost	\$75	Margin	\$25
Mar. 4	Recovery	\$20	Gas Cost	\$15	Margin	\$5
June 24	Write-off	\$200	Gas Cost	\$100	Margin	\$100
Sept.4	Recovery	\$180	Gas Cost	\$110	Margin	\$70

NGC
ATTACHMENT 1

0000006788001
0000039361001
0001468382001
1001443851001
2000048236001
2000070654001
3001732670001
4002266690001
5000070791005
6001643180003
6002232561001
8002229169001
9001220566005
9002244028001
9002291285001

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March 3, 2006

Mr. Archie R. Hickerson
Director, Regulatory Affairs
AGL Resources
150 W. Main Street
Norfolk, VA 23502

RE: Docket No. 03-00209 - Petition of Chattanooga Gas Company, Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. and United Cities Gas Company, a Division of Atmos Energy Corporation, for a declaratory ruling regarding the Collectibility of the gas costs portion of uncollectible accounts under the Purchased Gas Adjustment ("PGA") Rules.

Dear Mr. Hickerson:

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CGC
ATTACHMENT 1

151140466
626029436
1130454242
1562186520
1709935394
1775082268
3445970091
3558603551
6000974298
7448934206
7714586532
7771558409
7947357518
9783211593
9970585471

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March 3, 2006

Ms. Pat Childers
Vice President
Atmos Energy
Rates & Regulatory Affairs
810 Crescent Centre Drive, Suite 600
Franklin, TN 37067-6226

RE: Docket No. 03-00209 - Petition of Chattanooga Gas Company, Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. and United Cities Gas Company, a Division of Atmos Energy Corporation, for a declaratory ruling regarding the Collectibility of the gas costs portion of uncollectible accounts under the Purchased Gas Adjustment ("PGA") Rules.

Dear Ms. Childers:

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by PG w/ permission
Pat Murphy, Manager
Utilities Division

c: Mr. Ed Wilkins, Senior Analyst, Rate Administration

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ATMOS ATTACHMENT 1

Union City

262699 143528
263106 144846
263487 144316
265062 145893
346425 214366
368680 230137
4275460 222146

Other Than Union City

102885 3876
103231 4222
120402 21410
135360 36397
139844 40872
4635083 186396
4646936 53850
4696413 190103