

TENNESSEE REGULATORY AUTHORITY

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Pat Miller, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

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T.R.A. DOCKET ROOM

MEMORANDUM

TO: Docket File

FROM: Pat Murphy, Manager *PM*
Paul Greene, Utility Rate Specialist *PG*
Utilities Division

DATE: July 20, 2006

REFERENCE: **Docket No. 03-00209** – Petition of Chattanooga Gas Company, Nashville Gas Company, a division of Piedmont Natural Gas Company, Inc. and Atmos Energy Corporation for a Declaratory Ruling Regarding the Collectibility of the Gas Cost Portion of Uncollectible Accounts under the Purchased Gas Adjustment (PGA) Rules.

After Staff review of selected customer account information provided by Atmos on March 16, 2006, in response to the Staff Data Request dated March 3, 2006, Staff asked Atmos six follow-up questions via email dated July 12, 2006. The Company provided responses via return email on July 19, 2006. The questions asked and responses received are attached.

C: Chairman Sara Kyle
Director Eddie Roberson
Director Pat Miller
Director Ron Jones
Darlene Standley
David Foster
Gary Lamb
Betty Kendall
Vance Broemel
Misty Kelley
James Jefferies
J.W. Luna

From: "Wilkins, Edwin" <Edwin.Wilkins@atmosenergy.com>
To: "Paul Greene" <Paul.Greene@state.tn.us>
Date: 7/19/2006 11:26:44 AM
Subject: RE: Docket 03-00209 - Uncollectibles

Paul, the responses have been added to the questions you originally sent (see below). Let me know if you have any other questions or need further clarification. Have a great day.

-----Original Message-----

From: Paul Greene [mailto:Paul.Greene@state.tn.us]
Sent: Wednesday, July 12, 2006 2:02 PM
To: Wilkins, Edwin
Cc: Gary Lamb; Pat Murphy
Subject: Docket 03-00209 - Uncollectibles

Hi Ed:

After review of selected customer account information provided on March 16, 2006, in response to the Staff Data Request dated March 3, 2006, I have a few follow-up questions.

1. Please provide the dates of any disconnections and reconnections for the following customers from March 2004 to present:

- a. Union City customer # 368680 230137
- b. Tn excluding Union City customer # 103231 4222
- c. Tn excluding Union City customer # 139544 40872

Response to 1. and 2.

C#368680 P#2230137

Off for delinquent bill 8/30/04, reconnected 10/15/04.

Off for delinquent bill 1/25/05, reconnected 1/25/05. Customer was allowed to reconnect with a partial payment due to Cold Weather Rules.

Off for delinquent bill 3/31/05, no reconnect order issued. Account has a bad debt balance of \$1259.10.

No payment arrangements were made on this account during the time period in question.

C#103231 P#4222

Delinquency turn off order issued on 1/20/05. Order was canceled due to partial payment of \$335.00 and verbal promise to pay remaining balance due with February bill. Delinquency turn off order issued on 2/17/05.

Order was canceled due to partial payment of \$350.00 and verbal promise to pay the remaining balance by the following Friday. No follow up payment was received. Off for delinquent bill 3/9/05, no reconnect order issued. Account has a bad debt balance of \$1160.96.

Customer had no formal payment arrangements entered in Banner, only the verbal arrangements mentioned above.

C#139844 P#40872

No delinquency orders issued during the time period in question.

No payment arrangements were made on this account during the time period in question.

2. From March 2004 to present have any of the customers listed in #1 entered into a payment arrangement with Atmos? If so, provide the details of such arrangements.

RESPONSE: See 1. Above

3. Does Atmos disconnect customers at the time their account is written-off?

RESPONSE: NO, ATMOS TENNESSEE CUSTOMERS ARE ELIGIBLE FOR DISCONNECTION AFTER 11 DAYS PAST DUE. IF THE ACCOUNT IS DISCONNECTED AND REMAINS UNPAID APPROXIMATELY 90 DAYS AFTER DISCONNECTION, THE ACCOUNT IS WRITTEN OFF.

4. Are there any circumstances in which Atmos will continue service to a customer once their account is written-off and remains uncollected?

RESPONSE: THERE MIGHT BE SUCH AN INSTANCE, BUT NONE THAT COME TO MIND. AS A POLICY, ALL WRITTEN OFF ACCOUNTS MUST BE PAID IN FULL BEFORE THE CUSTOMER RE-ESTABLISHES SERVICE.

5. Does Atmos have a written policy regarding disconnection of a customer's service due to the write-off of uncollected charges? If so, please provide a copy.

RESPONSE: THERE ARE NO DISCONNECTIONS OF A CUSTOMER'S SERVICE DUE TO THE ACCOUNT BEING WRITTEN OFF. THE ACCOUNT WAS DISCONNECTED SOME 90 DAYS PRIOR TO THE ACCOUNT BEING WRITTEN OFF.

6. Provide the number of customers currently being served who have accounts that have been written-off and remain uncollected.

RESPONSE: ATMOS MAKES EVERY REASONABLE EFFORT TO IDENTIFY DEBT OWED BY CUSTOMERS ESTABLISHING/RE-ESTABLISHING SERVICE; THEREFORE TO ATMOS' KNOWLEDGE, NO ACTIVE TENNESSEE CUSTOMERS OWE WRITTEN OFF MONEY.

Please provide your responses as soon as possible but no later than July 20, 2006. If you have any questions or concerns please contact me by return email or at (615) 741-2904 ext. 156. Thanks for your assistance
Ed.

Paul

CC: "Gary Lamb" <Gary.Lamb@state.tn.us>, "Pat Murphy" <Pat.Murphy@state.tn.us>, "Childers, Patricia D." <Pat.Childers@atmosenergy.com>, "Edwards, Victor" <Victor.Edwards@atmosenergy.com>