

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**September 13, 2007**

<b>IN RE:</b>	)	
	)	<b>DOCKET NO.</b>
<b>PETITION OF ATMOS ENERGY CORPORATION</b>	)	<b>07-00105</b>
<b>FOR APPROVAL OF ADJUSTMENT OF ITS RATES</b>	)	
<b>AND REVISED TARIFF</b>	)	

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**ORDER SEVERING THE TRANSPORTATION TARIFF  
AND ASSET MANAGEMENT ISSUES**

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This docket is before the Hearing Officer upon the verbal request of the parties, made during a telephone status conference on August 21, 2007, for a final determination of certain issues that have been deferred. Specifically, in the *Order Deferring Discovery Concerning Transportation Tariff and Asset Management Issues and Amending Procedural Schedule* issued on July 2, 2007, the Hearing Officer ruled that, in this docket, discovery of issues related to Atmos' transportation tariff and asset management issues were deferred pending a decision by the Authority on separate but related matters. The Authority has since ruled upon these related matters, therefore, the Hearing Officer issues this Order.

**TRANSPORTATION TARIFF**

On June 26, 2007, the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate") filed a *Motion to Consolidate Dockets* requesting that the Authority consolidate three pending dockets: *In re: Tariff Filing to Modify and Add Language Regarding Transportation Service*, TRA Docket No. 07-00020, *In re: Petition of Atmos Energy Corporation for Approval of Tariff Establishing Environmental*

*Cost Recovery Rider*, TRA Docket No. 07-00081, and the present docket, Docket No. 07-00105.<sup>1</sup> On July 6, 2007, Atmos Energy Corp. (“Atmos”) filed its *Opposition to Motion to Consolidate* for consideration of the Authority. Also on that date, intervening party, Atmos Intervention Group (“AIG”) filed its letter notifying the Authority that it joins in the motion of the Consumer Advocate in support of consolidation of the dockets. Finally, on the same date, Chairman Roberson filed his *Motion (“Motion of the Chairman”)* recommending denial of the *Motion to Consolidate Dockets*, stating that “consolidation would hamper efficiency, would not promote judicial economy or administrative economy and could lead to delays.”<sup>2</sup>

At the regularly scheduled Tennessee Regulatory Authority (“Authority”) Conference held on July 9, 2007, upon due consideration of the record, the Directors decided to deny the *Motion to Consolidate Dockets* filed by the Consumer Advocate.<sup>3</sup> In light of this decision, and as there exists another docket, Docket No. 07-00020, specifically addressing this subject, the Hearing Officer hereby severs the transportation tariff and any issues related thereto from the proceedings in this case.

#### **ASSET MANAGEMENT, CAPACITY RELEASE AND OTHER RELATED ISSUES**

On June 25, 2007, the Hearing Officer heard arguments of the parties on whether discovery should proceed on issues related to asset management and capacity release, otherwise referred to as “Phase II” issues. Also at that time, the parties acknowledged that identical or substantively similar matters are currently pending before the authority in other dockets; albeit, no decision had been rendered. Considering the arguments of the parties, as well as the administrative economy and efficiency of the Authority, the Hearing

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<sup>1</sup> *Motion to Consolidate Dockets* (June 26, 2007)

<sup>2</sup> *Motion of the Chairman* (July 6, 2007).


<sup>3</sup> See Transcript of Authority Conference, pp. 13-16, 36-39, 42 (July 9, 2007).

Officer ruled that discovery of asset management, capacity release, and other related issues should be deferred.<sup>4</sup>

At the regularly scheduled Authority Conference held on August 20, 2007, the Authority determined that issues relating to asset management and capacity release are appropriately addressed in a separate docket, and ordered that a new docket be opened for the purpose of addressing these issues.<sup>5</sup> In light of this decision, the Hearing Officer hereby severs the asset management and capacity release issues from the proceedings in this case.

**IT IS THEREFORE ORDERED THAT:**

1. The transportation tariff and issues related thereto, which are the subject of Docket No. 07-00020, shall be severed from the present docket.
2. The asset management, capacity release and other related issues, regarding which the Authority has ordered that a new docket be opened for resolution thereof, shall be severed from the present docket.

  
Chairman Eddie Roberson,  
as Hearing Officer

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<sup>4</sup> See *Order Deferring Discovery Concerning Transportation Tariff and Asset Management Issues and Amending Procedural Schedule* (July 2, 2007).

<sup>5</sup> See Transcript of Authority Conference, pp. 28-50, 79-88 (August 20, 2007).