

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

March 20, 2008

IN RE:

PETITION OF ATMOS ENERGY CORPORATION FOR
APPROVAL OF THE CONTRACT(S) REGARDING GAS
COMMODITY REQUIREMENTS AND MANAGEMENT
OF TRANSPORTATION STORAGE CONTRACTS

DOCKET NO.
08-00024

ORDER GRANTING PETITIONS TO INTERVENE
AND SETTING STATUS CONFERENCE

This matter is before the Hearing Officer upon the Petitions to Intervene filed by Atmos Intervention Group ("AIG") and the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate") on February 25, 2008 and February 27, 2008, respectively and the parties' request for entry of a protective order to review certain filings by Atmos Energy Corporation ("Atmos").

BACKGROUND

This docket was opened on February 7, 2008, upon the filing of *Atmos Energy Corporation's Preliminary Filing Request for Proposals in Expectation that Atmos Will Seek Approval of Any Resulting Contract Once Bidding Process is Complete* ("Preliminary Filing"). In the *Preliminary Filing*, Atmos stated that it issued requests for proposals ("RFPs") to a number of companies on January 29, 2008, seeking "firm gas commodity requirements and management of transportation/storage contracts serving its Tennessee and Virginia areas."¹ Atmos also stated that it would provide the RFP to any company requesting a copy of the RFP and described how Atmos

¹ *Atmos Energy Corporation's Preliminary Filing Request for Proposals in Expectation that Atmos Will Seek Approval of Any Resulting Contract Once Bidding Process is Complete* ("Preliminary Filing"), p. 1 (February 7, 2008).

would go about publicizing its RFP. The *Preliminary Filing* included a copy of the RFP and provided as follows:

Once the RFP and bidding process has been completed, Atmos will seek approval of any resulting contract. The RFP and related documents are being submitted in advance in an effort to aid in the Authority's consideration of any resulting contract.²

On February 15, 2008, Stand Energy filed a *Petition to Intervene* and *Motion to Stay* ("Motion") in this docket. During the next regularly scheduled Authority Conference held February 25, 2008, Chairman Eddie Roberson, Director Tré Hargett and Director Ron Jones, the panel assigned to this docket, voted unanimously to convene a contested case proceeding and to appoint General Counsel or his designee to act as the Hearing Officer to handle any preliminary matters prior to the Hearing, including any pending motions and entering a protective order. On February 26, 2008, Atmos filed a response to Stand Energy's *Petition* and *Motion*. On February 29, 2008, the Hearing Officer entered an *Order Denying Motion to Stay*. Subsequently, Atmos has made several filings of documents and materials in response to data requests issued by the Authority. Certain documents produced by Atmos have been designated as "confidential."

PETITIONS TO INTERVENE

In addition to the *Petition to Intervene* filed by Stand Energy, petitions to intervene were filed by the AIG and the Consumer Advocate on February 25, 2008 and February 27, 2008, respectively. On March 6, 2008, Atmos filed a Response opposing the intervention request of AIG. On March 12, 2008, Stand filed a Notice withdrawing its *Petition to Intervene*.

AIG states in its *Petition to Intervene* that, as "an informal group of large customers who purchase natural gas and/or gas transportation services from [Atmos]," AIG seeks intervention because "this proceeding may address, among other things, the terms and conditions under which AIG members purchase natural gas or gas transportation services."³ The Consumer Advocate seeks intervention, stating that it is authorized to intervene in proceedings to represent the interests of

² *Id.*

³ *Petition to Intervene of Atmos Intervention Group* at 1 (February 25, 2008).

Tennessee consumers pursuant to Tenn. Code Ann. § 65-4-118. The Consumer Advocate requests “the opportunity to advocate the consumers’ perspective for the Authority to consider during its deliberations regarding whether to approve the proposed contract(s) that Atmos plans to submit in this case.”⁴ The Consumer Advocate states that it can protect the public interest in this regard only by participating in this proceeding.

Tenn. Code Ann. § 4-5-310(a) sets forth the following criteria for granting petitions to intervene:

(a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if;

(1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;

(2) The petition states facts demonstrating that the petitioner’s legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of the law; and

(3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

After reviewing the petitions to intervene and response thereto, the Hearing Officer finds that the legal rights and interests of AIG and the Consumer Advocate may be determined in this proceeding, the petitions of AIG and the Consumer Advocate are timely and the interventions will not disrupt the orderly and prompt conduct of these proceedings. For these reasons and applying the standards set forth in Tenn. Code Ann. § 4-5-310(a), the Hearing Officer grants the petitions of AIG and the Consumer Advocate.

STATUS CONFERENCE

In light of the recent filings of Atmos and the granting of the petitions to intervene the Hearing Officer hereby sets a Status Conference for **Friday, March 28, 2008** to establish a

⁴ *Petition to Intervene* at 2 (February 27, 2008).

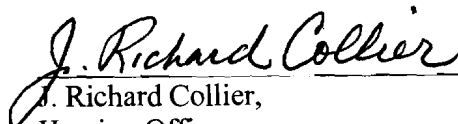
procedural schedule and discuss discovery and other preliminary matters. A separate Notice will issue setting forth specific matters for consideration during the Status Conference. The Status Conference will commence following the conclusion of the Hearing in Docket No. 07-00020 being held at 9:00 p.m. on that date.

PROTECTIVE ORDER

On February 7, 2008, Atmos filed a proposed protective order along with the filing of its RFP. Counsel for Atmos has requested that the Hearing Officer proceed to enter a protective order and has stated that counsel has discussed the proposed protective order with the Consumer Advocate and counsel for AIG. Upon review the proposed protective order, the Hearing Officer has made revisions to conform the proposed protective order with such orders entered in dockets addressing similar issues. The modified protective order is being provided to the parties and the parties are requested to provide any comments or proposed modifications to the Hearing Officer no later than **2:00 p.m. on Tuesday, March 25, 2008.**

IT IS THEREFORE ORDERED THAT:

1. The Consumer Advocate and Protection Division, Office of the Attorney General, and Atmos Intervention Group are hereby granted leave to intervene and receive copies of any notices, orders or other documents herein.
2. A Status Conference will be held following the Hearing in Docket No. 07-00020 scheduled at **9:00 a.m. on Friday, March 28, 2008.**
3. The parties shall provide comments or modifications to the Protective Order provided by the Hearing Officer, no later than **2:00 p.m. on Tuesday, March 25, 2008.**


J. Richard Collier,
Hearing Officer