

filed electronically in docket office on 01/30/14

**NEAL & HARWELL, PLC**

LAW OFFICES  
150 FOURTH AVENUE, NORTH  
SUITE 2000

NASHVILLE, TENNESSEE 37219-2498

TELEPHONE  
(615) 244-1713

FACSIMILE  
(615) 726-0573

WWW.NEALHARWELL.COM

JAMES F. NEAL (1929-2010)

AUBREY B. HARWELL, JR.  
JON D. ROSS  
JAMES F. SANDERS  
THOMAS H. DUNDON  
RONALD G. HARRIS  
ALBERT F. MOORE  
PHILIP N. ELBERT  
JAMES G. THOMAS  
WILLIAM T. RAMSEY  
JAMES R. KELLEY  
MARC T. McNAMEE  
GEORGE H. CATE, III  
PHILIP D. IRWIN  
A. SCOTT ROSS  
GERALD D. NEENAN  
AUBREY B. HARWELL, III  
W. DAVID BRIDGERS  
KENDRA E. SAMSON  
DAVID G. THOMPSON  
LISA PAIGE BINDER  
ELIZABETH S. TIPPING

CHANDRA N.T. FLINT  
STEPHEN M. MONTGOMERY  
JEFF H. GIBSON  
ROBERT A. PEAL  
J. ISAAC SANDERS  
JOHN E. HAUBENREICH  
BLIND AKRAWI  
CHANELLE A. JOHNSON  
ANDREW A. WARTH

OF COUNSEL  
LARRY W. LINDEEN

January 30, 2014

Docket No. 14-00009

Sharla Dillon, Docket Manager  
Tennessee Regulatory Authority  
Andrew Jackson State Office Building  
Fourth Floor, 500 Deaderick Street  
Nashville, TN 37242

**VIA HAND DELIVERY**

RE: *Atmos Energy Corporation*  
Petition for Approval of Contract(s) Regarding Gas Commodity Requirements  
and Management of Transportation/Storage Contracts

Dear Ms. Dillon:

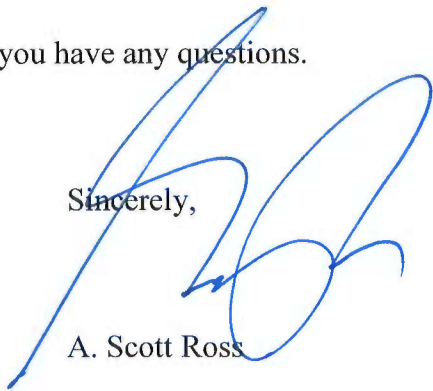
Enclosed is a Petition for Approval of Contracts Regarding Gas Commodity Requirements and Management of Transportation/Storage Contracts being filed by Atmos Energy Corporation. In accordance with TRA practice, I have enclosed an original and four copies and am also submitting an electronic version of the filing.

I also enclose a standard proposed Protective Order to preserve the confidentiality of documents that will need to be filed in this matter.

Please feel free to contact me if you have any questions.

Best regards.

Sincerely,



A. Scott Ross

ASR:prd

Enclosures

cc: Pat Childers (w/ Enclosures)

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**IN RE:**

**REQUEST OF ATMOS ENERGY  
CORPORATION FOR APPROVAL  
OF CONTRACTS REGARDING GAS  
COMMODITY REQUIREMENTS AND  
MANAGEMENT OF TRANSPORTATION/  
STORAGE CONTRACTS**

)  
)  
) **Docket No.** \_\_\_\_\_  
)  
)  
)  
)  
)  
)

---

**PETITION FOR APPROVAL OF CONTRACTS REGARDING GAS  
COMMODITY REQUIREMENTS AND MANAGEMENT OF  
TRANSPORTATION/STORAGE CONTRACTS**

---

Atmos Energy Corporation (“Atmos” or “Company”) respectfully requests that the Tennessee Regulatory Authority approve a contract with Atmos Energy Marketing, LLC (“AEM”) (hereinafter referred to as the “Asset Management Agreement” or “AMA”) regarding the Company’s gas commodity requirements and management of its transportation and storage contracts. Atmos also seeks approval of a separate delivered supply agreement with AEM for the ETNG-NORA & Jewel Ridge delivery points (hereinafter referred to as the “ETNG Delivered Supply Agreement”).

Atmos has complied fully with the bidding procedures in its approved Tariff. The AMA provides significant benefit to Atmos’ customers, including a substantial annual up front payment, the Tennessee allocated portion of which will directly benefit Tennessee ratepayers. The ETNG Delivered Supply Agreement provides favorable delivered supply pricing that avoids the cost of upstream pipeline capacity the Company otherwise would be required to purchase, which also benefits Tennessee ratepayers. Atmos respectfully requests that these agreements be

approved without delay so that gas commodity and asset management services may begin under the new agreements effective April 1, 2014.

In support of this Petition, Atmos respectfully submits the following:

1. Full name and address of the principal place of business of the company are:

Atmos Energy Corporation  
5430 LBJ Freeway S 1800  
Dallas, TX 75240

2. All correspondence and communications with respect to this Petition should be sent to the following:

Patricia D. Childers  
Vice President, Rates & Regulatory Affairs  
Mid-States Division  
Atmos Energy Corporation  
810 Crescent Centre Drive, Suite 600  
Franklin, TN 37067-6226  
(615) 771-8301 – Facsimile

A. Scott Ross, Esq.  
Neal & Harwell, PLC  
2000 One Nashville Place  
150 Fourth Avenue, North  
Nashville, TN 37219-2498  
(615) 726-0573 – Facsimile

Douglas C. Walther, Esq.  
Associate General Counsel  
Atmos Energy Corporation  
P. O. Box 650205  
Dallas, TX 75265-0205  
(972) 855-3080 – Facsimile

3. At the May 15, 2006 Authority conference in Docket No. 05-00253, the Authority directed Atmos to file all future proposed asset management agreements or renewals for pre-approval by the Authority. By Order dated December 6, 2007 in Docket No. 05-00253, the Tennessee Regulatory Authority memorialized its prior approval of Atmos Energy Corporation's

Request for Tariff Amendment to Incorporate Implementation of RFP Procedures for the Selection of an Asset Manager. The new Tariff provisions set forth RFP procedures for the selection of an asset manager and/or gas provider. The procedures require Atmos to develop a written RFP defining the Atmos assets to be managed, detailing AEC's minimum service requirements, and describing the required content of bid proposals. *See* Atmos Gas Tariff No. 1, 2<sup>nd</sup> Revised Sheet No. 45.3 and 45.4. The RFP is required to be advertised for a minimum of thirty days through a notification process that includes contacting potential asset managers, including past bidders and other asset managers, and publication in trade journals as reasonably available. The procedures also specify criteria to be used in evaluating the bids, including: the total value of the bid proposal; the bidder's ability to perform the RFP requirement; the bidder's asset management qualifications and experience; and the bidder's financial stability and strength.

4. The new agreements replace the current asset management agreement and delivered supply agreement previously approved by the Authority. The current agreements expire March 31, 2014. In anticipation of the contractual expirations, and in compliance with the RFP procedures in its Tariff, Atmos developed RFPs for the asset management, gas commodity, and delivered supply services covered by the two agreements. The ETNG Delivered Supply RFP was issued on July 15, 2013 and the AMA RFP was issued on October 3, 2013.

5. The RFP for the AMA called for a one-year agreement beginning April 1, 2014, to provide the natural gas commodity requirements, delivered services and asset management of AEC's transportation and storage contracts. The RFP for the ETNG Delivered Supply Agreement calls for a two-year agreement, also beginning April 1, 2014, to provide up to 16,567 Dth/day firm delivered gas supply to Nora/East Tennessee Natural Gas and up to 10,000 Dth/day firm delivered gas supply to Jewell Ridge/East Tennessee Natural Gas. In recognition of the fact

that the Atmos system overlaps the Tennessee-Virginia state line in Bristol, both agreements are being filed not only in Tennessee, but also in Virginia.

6. In accordance with the RFP procedures, Atmos took reasonable steps to disseminate and advertise its RFPs.

7. In accordance with the RFP procedures set forth in its Tariff, Atmos evaluated the bids received, and determined that Atmos Energy Marketing had submitted the bids providing the highest overall value to consumers, and that both contracts should be awarded to AEM. In making this evaluation, Atmos considered the criteria set forth in the RFP Tariff. The Company's analysis of the qualifying bids received and the bases for awarding the contracts to AEM are fully set forth in documents that will be submitted with the testimony of Rebecca M. Buchanan.

8. The AMA provides significant benefit to Atmos customers. The ETNG Delivery Supply Agreement will result in significant savings to Atmos gas customers. The winning bids were without question the highest value bids received, the result of a competitive bidding process conducted in accordance with the TRA-approved RFP procedures.

9. In support of this Petition, Atmos relies upon the direct testimony of Rebecca M. Buchanan and the exhibits thereto.

WHEREFORE, Atmos respectfully prays:

1. That the AMA be approved so that it may begin on April 1, 2014.
2. That the ETNG Delivered Supply Agreement be approved so that it may begin on April 1, 2014.
3. That Atmos be granted such other relief as may be warranted.

Respectfully submitted,

**NEAL & HARWELL, PLC**

By: 

A. Scott Ross, #15634  
2000 One Nashville Place  
150 Fourth Avenue, North  
Nashville, TN 37219-2498  
(615) 244-1713 – Telephone  
(615) 726-0573 – Facsimile

*Counsel for Atmos Energy Corporation*