

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

IN RE:)
)
PETITION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL)
OF CONTRACT METER READING) **Docket No. 14-00022**
HEIGHTENED PROCEDURES WITHIN)
STATE OF TENNESSEE)

**RESPONSE OF ATMOS ENERGY CORPORATION
TO TRA STAFF'S FIRST DATA REQUEST**

1. How many meters are currently active throughout Atmos serving area in the state of Tennessee?

Response:

Atmos currently has 133,744 active meters in the state of Tennessee.

2. How many meters are currently being read by wireless technology?

Response:

Atmos currently reads 31,671 meters using wireless meter reading (WMR) technology.

3. How many meters are currently being manually read? Provide a schedule detailing the date these meters will transition to wireless reading?

Response:

Atmos manually reads 102,073 meters. Please see attached excel file, Attachment 1 – TRA_1-3.xlsx for tentative WMR transition.

4. Provide the estimated cost savings over the next three years once all meters in the Atmos serving area transitioned to wireless reading technology (as opposed to manual reading).

Response:

The Company's plan is to purchase 40,000 WMR units in FY 2015, 29,600 units in FY 2016, 21,500 units in FY 2017, and complete the purchasing in FY 2018 with an additional 8,100 units (See response to data request 3). However, it is difficult to quantify the exact savings associated with these purchases over the next 3 years as these savings will not occur immediately. For example, the 40,000 units purchased in FY 2015 will need to be tested and installed, and the installation is unlikely to

occur evenly over time. The same is true for FY 2016, FY 2017 and FY 2018. As a meter reader retires or moves into another position, a contract meter reader would assume that responsibility until those meters are equipped with WMR. While the Company does anticipate the eventual elimination of all labor costs associated with contractor meter reading, it is difficult to estimate exactly when these savings will occur.

The Company seeks approval to utilize contract meter reading as a transitional solution as the Company moves to WMR and an end to the traditional practice of manual meter reading. During this transitional period, the Company is committed to assuring the quality of the contract meter reading performed by Harris McBurney. Atmos has utilized Harris McBurney's contract meter reading services in other jurisdictions with good results. And as summarized in the Company's pre-filed testimony, the Atmos Quality Assurance Program includes multi-level safeguards to protect against misreads. These include specifically: (1) spot audits performed within 24 hours of a read by Harris McBurney and reviewed by Atmos employees, (2) Atmos generated exception reporting to monitor meter readings that fall outside certain parameters; any necessary re-reads done by Company employees and (3) routes for Harris McBurney meter readers will be rotated each month.

Respectfully submitted,

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Atmos Energy Corporation
Kentucky Mid-States Division
Tennessee Operations
Tentative Wireless Meter Reading Roll-out
Staff 1st Set DR #3

	FY 2015	FY 2016	FY 2017	FY 2018
Franklin, TN	6,000	-	-	-
Columbia, TN	8,000	5,000	-	-
Murfreesboro, TN	10,000	10,000	5,000	-
Shelbyville, TN	-	-	1,500	3,000
Maryville, TN	16,000	-	-	-
Johnson City, TN	-	6,100	15,000	-
Morristown/Greenville, TN	-	8,500	-	-
Bristol, TN	-	-	-	5,100
	40,000	29,600	21,500	8,100