

TENNESSEE REGULATORY AUTHORITY



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

April 30, 2015

A. Scott Ross, Esq.
Neal & Harwell, PLC
2000 One Nashville Place
150 Fourth Ave., North
Nashville, TN 37219-2498

Wayne M. Irvin
Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202-0207



RE: Docket No. 14-00146 – *Petition of Atmos Energy Corporation for a General Rate Increase Under T.C.A. 65-5-103(a) and Adoption of an Annual Rate Review Mechanism under T.C.A. 65-5-103(d)(6).*

Dear Mr. Ross and Mr. Irvin:

To assist the Authority in its evaluation of the above-captioned *Petition* filed on November 25, 2014, it is requested that Consumer Advocate and Atmos provide responses to the attached Data Request.

It is requested that all responses be provided no later than 4:00 p.m., May 1, 2015. In accordance with TRA rules, submit either (1) original and thirteen written copies of your response or (1) original and four written copies and an electronic version. Should you have any questions or need clarification regarding any requested item, please contact me at (615) 770-6884.

Sincerely,

David Foster, Chief
Utilities Division

Attachment

cc: Docket File
Patricia Childers (via E-Mail)
Ellen T. Weaver, Esq. (via E-Mail)

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**TRA FIRST DATA REQUEST TO ATMOS ENERGY CORPORATION AND
CONSUMER ADVOCATE AND PROTECTION DIVISION OF THE OFFICE OF THE
ATTORNEY GENERAL**

DATA REQUESTS

1. Provide the current amount an average residential customer pays per month and per year.
2. Provide the amount an average residential customer would have paid per month and per year if the original Petition requesting \$5.89 million had been approved.
3. Provide the amount an average residential customer will pay per month and per year if the Stipulation and Settlement Agreement is approved.
4. Please reconcile the Rate Base Amount of \$247,923,553 listed in the Stipulation and Settlement Agreement on page 4, paragraph 11b and the Rate Base Amount of \$247,958,276 listed on Attachment A, Schedule 7, Line 29 for the attrition period.
5. Please reference WP 4-3. The Company included the gas cost portion of bad debt expense in this rate case. Please explain whether the Company will also seek to recover the gas cost portion of bad debt expense through the ACA mechanism.
6. Paragraph 13.j.(iii) of the Stipulation and Settlement Agreement provides in part:

Following any appropriate discovery and rebuttal, and conditioned upon approval by the TRA of new rates, the Company shall calculate depreciation expenses using the newly approved rates in its subsequent Annual ARM Filing.

Atmos' proposed ARM Tariff submitted with the Stipulation and Settlement Agreement, however, provides on Original Sheet No. 34.5 under Section B.b:

Depreciation expenses shall reflect the depreciation rates approved by the Authority in the Company's most recent general rate case. If and when the Company performs a new depreciation study, the new study will be filed with the Authority, and updated depreciation rates will be utilized in the next annual review under this tariff.

It appears that language regarding TRA approval of depreciation rates differs between the Stipulation and Settlement Agreement and the proposed ARM tariff. Please confirm whether it is the intention of the parties that the tariff language be consistent with the Stipulation and Settlement Agreement and that TRA approval of depreciation rates is required before inclusion in the ARM. If so, please submit a revised tariff with language conforming to the Stipulation and Settlement Agreement.

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7. Please provide a timeline showing all filings contemplated by the Stipulation and Settlement Agreement and ARM tariff beginning with the proposed initial filing and the following three years.
8. The Settlement and ARM tariff provide for an Annual Reconciliation of actual results to the Authorized Return on Equity for the Forward Looking Test Year immediately completed to be filed on or before September 1 of each year with resulting rates to be effective on and after June 1 of each following year. When will the rates resulting from each year's Annual Reconciliation terminate?
9. Please confirm that the language found in Paragraph 16 of the Stipulation and Settlement Agreement is not intended to create, expand or limit any portion of Tenn. Code Ann. Section 65-5-103(d).
10. Please confirm that nothing in the Stipulation and Settlement Agreement or the ARM tariff is intended to limit the general rate-setting powers and discretion of the Authority to investigate, review and adjust the rates requested by the annual ARM filings.