BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

May 5, 2016

IN RE:)	
PETITION OF ATMOS ENERGY CORPORATION FOR)	DOCKET NO.
APPROVAL OF ITS 2016 ANNUAL RATE REVIEW)	16-00013
FILING PURSUANT TO TENN. CODE ANN. § 65-5-)	
103(D)(6))	

PRE-HEARING ORDER

Pursuant to Tenn. Code Ann. § 4-5-306(d) and TRA Rule 1220-1-2-.12, this matter came before the Hearing Officer of the Tennessee Regulatory Authority ("TRA" or "Authority") at a Pre-Hearing Conference held via teleconference on May 2, 2016. The Pre-Hearing Conference was held to establish the orderly conduct of the hearing scheduled during the Authority Conference to be held at 1:00 p.m. (CDT) on Monday, May 9, 2016. Atmos Energy Corporation ("Atmos") and the Consumer Protection and Advocate Division of the Office of the Attorney General ("Consumer Advocate"), the parties in this matter, participated in the Pre-Hearing Conference.

I. PROCEDURAL MATTERS

The following order of the hearing has been established and agreed upon:

A. NOTICE OF HEARING & PUBLIC COMMENT

On April 29, 2016, a *Notice of Hearing* was issued notifying the public that a hearing will be held during the Authority Conference scheduled to begin at **1:00 p.m.** (CDT) on Monday, May 9, 2016. Members of the public are encouraged to participate by filing written comments in

the docket file and/or presenting verbal comments during the hearing.

B. OPENING STATEMENTS

After any preliminary matters are considered, each party is permitted a maximum of ten (10) minutes to present an opening statement. Atmos will present its opening statement first, followed by the Consumer Advocate.

C. EXHIBITS & DOCUMENTS

The parties should exchange any demonstrative exhibits related to a witness's pre-filed testimony before that witness appears on the stand. Each party should have its own copy of all exhibits, including those appended to pre-filed testimony, available for reference during the hearing and is responsible for supplying a sufficient number of copies of any exhibits that it intends to reference or discuss with a witness. A party should use its own judgment and discretion in determining the total number of copies to have on hand, but at a minimum, copies of an exhibit should be provided to the court reporter, each Director on the panel, Legal Staff, and the Utilities Division Chief.

D. TECHNOLOGICAL AND OTHER SPECIAL REQUESTS

The parties informed the Hearing Officer that provisions for visual display aids and technology are not necessary for the hearing.

E. WITNESSES

During direct examination, witnesses will have up to ten (10) minutes to summarize their pre-filed testimony. In addition, a witness remains subject to recall for rebuttal purposes and should remain available throughout the length of the proceedings.

During the Pre-hearing Conference, the parties agreed that the Consumer Advocate will present its witness first since the Consumer Advocate filed the initial testimony in this docket.

- The Consumer Advocate will present one (1) witness:
 - 1) William H. (Hal) Novak- President, WHN Consulting.
- Atmos will present one (1) witness:
- Greg Waller- Manager, Rates and Regulatory Affairs, Atmos Energy Corporation
 In addition, Atmos will have the following individuals available for questions but do
 not plan to call them as witnesses: Kevin Akers, President Tennessee division, Atmos and
 Pace McDonald, VP of Tax for Atmos.

F. Examination of Witnesses and Questions by the Authority

While redirect examination of a witness is allowed, the parties are reminded to limit questions on redirect to matters elicited during cross-examination that require clarification. It is not appropriate to raise new issues during redirect examination. Re-cross examination is not permitted except in the event that a new issue is raised during the immediately preceding redirect examination. The Authority's Advisory Staff has the opportunity to ask questions following cross-examination, before redirect examination. The parties should be aware that the Directors might ask questions at any time during a witness's testimony, as well as following cross-examination.

G. CLOSING ARGUMENTS

The parties will present closing arguments and forgo filing post-hearing briefs. Closing arguments will be presented first by the Consumer Advocate, then Atmos. Each party will be given a maximum of ten (10) minutes to present closing arguments.

H. Preliminary Matters/Motions

The parties should make the Hearing Officer aware of any preliminary matters as soon as possible in advance of the hearing.

I. SUMMARY OUTLINE OF HEARING

For the convenience of the presiding panel and the parties, a *Procedural Outline of Hearing* has been provided as an attachment to this Order.

IT IS THEREFORE ORDERED THAT:

The hearing scheduled during the Authority Conference scheduled to begin at 1:00 p.m.

(CDT) on Monday, May 9, 2016, shall be conducted in accordance with this Pre-Hearing Order unless otherwise ordered by the Chairman/Presiding Director.

Monica Smith-Ashford

Monica Smith-Ashford

Hearing Officer

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IN RE:)	
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PETITION OF ATMOS ENERGY)	DOCKET NO.
CORPORATION FOR APPROVAL OF ITS 2016)	16-00013
ANNUAL RATE REVIEW FILING PURSUANT)	
TO TENN. CODE ANN. § 65-5-103(D)(6))	

PROCEDURAL OUTLINE OF HEARING

HEARING ON THE MERITS

- Scheduled during the Authority Conference at 1:00 p.m. (CDT) on May 9, 2016.
- A. Hearing Convened by Chairman/Presiding Director & Introductions
- B. Miscellaneous or Pre-Hearing matters
- C. Opening Statements
 - 1. Atmos
 - 2. Consumer Advocate
- D. Witness Testimony

1) Consumer Advocate witness

- Oath Administered/Witness Sworn -

*Witness Summary of Testimony Limited to 10 minutes

Cross-examination Atmos

Questions TRA Advisory Staff¹

Re-direct examination Consumer Advocate

¹ While the Directors may ask questions at any time, the TRA Advisory Staff may directly question a witness between cross and re-direct examination.

2) Atmos witness

- Oath Administered/Witness Sworn -

*Witness Summary of Testimony Limited to 10 minutes

Cross-examination Consumer Advocate

Questions TRA Advisory Staff

Re-direct examination Atmos

- E. Public comments, if any
- F. Closing Arguments
 - 1. Consumer Advocate
 - 2. Atmos
- G. Hearing Adjourned