

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

IN RE:)
)
PETITION OF ATMOS ENERGY)
CORPORATION TO REVISE) **DOCKET NO. 16-00028**
PERFORMANCE BASED)
RATEMAKING MECHANISM)
TARIFF RIDER)

**FIRST DISCOVERY REQUEST
OF THE CONSUMER PROTECTION AND ADVOCATE DIVISION
TO EXETER ASSOCIATES, INC.**

To: Mr. Jerome D. Mierzwa
Exeter Associates, Inc.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

This First Discovery Request is hereby served upon Exeter Associates, Inc. ("Exeter"). The Consumer Protection and Advocate Division of the Attorney General's Office ("Consumer Advocate") requests that full and complete responses be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Protection and Advocate Division, 315 Deaderick Street, 20th Floor, Nashville, Tennessee 37243, c/o Wayne M. Irvin, on or before 4:00 p.m. (CDT), September 26, 2016, or at such other time as may be ordered by the Hearing Officer in the adoption or approval of a procedural schedule in this TRA Docket.

PRELIMINARY MATTERS AND DEFINITIONS

These discovery requests are to be considered continuing in nature, and are to be supplemented from time to time as information is received by Exeter and any Exeter affiliate which would make a prior response inaccurate, incomplete, or incorrect.

To the extent that the data or information requested is incorporated or contained in a document, please identify the document.

Provide all responses in the format in which they are created or maintained, for example, Microsoft Word or Microsoft Excel format with all cells and formulas intact and in working order. If a document (including without limitation a financial or other spreadsheet or work paper) is not created or maintained in Microsoft Excel format, convert the document to Microsoft Excel format or provide the document in a format that enables or permits functionality like or similar to Microsoft Excel (including without limitation the functionality of working cells and formulas), or provide the software program(s) that will enable the Consumer Advocate to audit and analyze the data and information in the same manner as would be enabled or permitted if the document were provided in Microsoft Excel format.

If any objections to this discovery are raised on the basis of privilege or immunity, please include in your response a complete explanation concerning the privilege or immunity asserted. If you claim a document is privileged, identify the document and state the basis for the privilege or immunity asserted. If you contend that you are entitled to refuse to fully answer any of this discovery, please state the exact legal basis for each such refusal.

The terms “you” or “your” or “Exeter” as used herein mean Exeter Associates, Inc. and all employees, independent contractors, agents, attorneys, representatives or any other person acting or purporting to act on its behalf.

The term “Atmos Energy” means Atmos Energy Corporation.

The term “affiliate” means any entity that controls, is controlled by, or is under common control with the specified entity.

The term “person” as used herein refers to any natural person, corporation, firm, company, proprietorship, partnership, business, unincorporated association, or other business or legal entity of any sort whatsoever.

The term “communication” means any transmission of information by oral, graphic, written, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, meetings and personal conversations, or otherwise.

The term “document” as used herein shall have the broadest possible meaning under applicable law. “Document” as used herein means any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not limited to any writing, drawing, graph, chart, form, letter, note, report, electronic mail, memorandum (including memoranda, electronic mail, report, or note of a meeting or communication), workpaper, spreadsheet, photograph, videotape, audio tape, computer disk or record, or any other data compilation in any form without limitation, which is in your possession, custody or control. If any such document was, but no longer is, in your possession, custody or control, please state what disposition was made of the document and when it was made.

The term “identify” with respect to:

- (a) any natural person, means to state the full name, telephone number, e-mail address, and the last known physical business address of the person and that person’s relationship, whether business, commercial, professional, or personal with you;
- (b) any legal person, business entity or association, means to state the full name, telephone number, e-mail address, and the last known physical business address of such person or entity;

- (c) any document, means to state the type of document (e.g., letter), the title, the subject matter, the date the document bears and the date it was written; and
- (d) any oral communication, means to state the date when and the place where it was made, the identity of the person who made it, the identity of the person or persons who were present or who heard it, and the substance of it.

“Relates to” means constitutes, contains, records, discusses, summarizes, discloses, and/or refers to, in whole or in part.

“And” and “or” shall be construed conjunctively or disjunctively as necessary to make the discovery request inclusive rather than exclusive.

“Including” shall be construed to mean including but not limited to.

The singular shall include the plural, and vice-versa, where appropriate.

FIRST DISCOVERY REQUESTS

1. Refer to the Atmos Energy Corporation -- Review of Performance Based Ratemaking Mechanism Rider of Atmos Energy Corporation Prepared for the Audit Staff of the Tennessee Regulatory Authority and the Consumer Advocate and Protection Division of the Tennessee Attorney General dated August 2015 (“Exeter Report”), as filed in TRA Docket No. 07-00225 on September 18, 2015. In the Exeter Report, Exeter makes a number of recommendations regarding the incentives included in Atmos Energy’s Performance Based Ratemaking Mechanism (“PBRM”) rider. With respect to the recommendations in the Exeter Report:
 - a. Explain in detail with specificity the steps that were taken to determine each specific recommendation included in the Exeter Report, and identify any written or oral communication with Atmos Energy (or any affiliate of Atmos Energy) relating to those steps.

- b. Identify any potential recommendation that was considered by Exeter or its affiliates and/or discussed with Atmos Energy or its affiliates, but that was excluded from the Exeter Report.
- c. Explain in detail with specificity why Exeter made no similar recommendations on the incentive sharing mechanisms in the most recent triennial audit of Piedmont Natural Gas Company's Performance Incentive Plan.
- d. Explain in detail with specificity why Exeter made no similar recommendations on the incentive sharing mechanisms in the most recent triennial audit of Chattanooga Gas Company's Performance Based Ratemaking Mechanism.
- e. Identify all written or oral communications between Atmos Energy (or any affiliate of Atmos Energy) and Exeter or any affiliate of Exeter concerning whether to make, or related to the making of, the recommendations made in the Exeter Report, including any such communications related to the recommendations on the incentive sharing mechanisms in the Exeter Report.

RESPONSE:

- 2. Identify all projects or tasks, regardless as to whether memorialized in a written contract or other agreement, undertaken by Exeter or its affiliates for or on behalf of Atmos Energy Corporation or its affiliates since January 1, 2010. Provide a summary and any document, including any report, which resulted from such project or task.

RESPONSE:

- 3. Identify all contracts and agreements undertaken by Exeter or its affiliates for or on behalf of any public utility commission or similar commission or authority or state consumer advocate's office that involved the review or analysis of any aspect of the

business of Atmos Energy Corporation or its affiliates since January 1, 2010. Provide a summary and any document, including any report, which resulted from such review or analysis.

RESPONSE:

4. Identify all persons assisting in the data gathering, analysis, and preparation of the Exeter Report, and the section of the Report on which each person assisted.

RESPONSE:

5. Produce copies of all documents -- including, without limitation, work papers, spreadsheets, summaries, charts, notes, exhibits, articles, journals, treatises, periodicals, publications, reports, records, statements, Internet web pages, or financial information -- relied upon by Exeter or any affiliate of Exeter on evaluating, reaching conclusions, or formulating any recommendation or opinion in the Exeter Report.

RESPONSE:

6. Identify, for each response, all persons assisting in the answering of each of these requests. Please state the request(s) on which each such person(s) assisted.

RESPONSE:

RESPECTFULLY SUBMITTED,



Wayne M. Irvin (BPR # 030946)
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

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This the 12th day of September, 2016.



Wayne M. Irvin