

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE**

**IN RE:**

**ATMOS ENERGY CORPORATION  
ANNUAL RECONCILIATION OF  
ANNUAL REVIEW MECHANISM**

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**DOCKET NO. 17-00091**

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**PETITION TO INTERVENE**

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Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Consumer Protection and Advocate Division of the Office of the Attorney General (Consumer Advocate), pursuant to Tenn. Code Ann. § 65-4-118, respectfully petitions the Tennessee Public Utility Commission (TPUC or Commission) to grant the Consumer Advocate's intervention into this proceeding because consumers' interests, rights, duties or privileges may be determined or affected by the Petition of Atmos Energy Corporation for Approval of Annual Review Mechanism (Petition) filed by Atmos Energy Corporation (Atmos Energy) on August 31, 2017, and docketed in this TPUC Docket No. 17-00091. For cause, Petitioner would show as follows:

1. The Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118 to represent the interests of Tennessee consumers of public utility services by initiating and intervening as a party in any matter or proceeding before the Commission in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 *et seq.*, and Commission rules.
2. Atmos Energy is a public utility regulated by the Commission and is in the business of transporting, distributing, and selling natural gas service.<sup>1</sup>

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<sup>1</sup> Petition at page 2, paragraph 3.

3. Atmos Energy's principal place of business is located at Atmos Energy Corporation, 5430 LBJ Freeway, Suite 1800, Dallas, Texas 75240.<sup>2</sup>

4. The Petition implements the annual reconciliation process in connection with Atmos Energy's annual review mechanism (ARM), as approved in the Commission's Order Approving Settlement, filed on November 4, 2015, in TPUC Docket 14-00146 (which incorporated by reference the Stipulation and Settlement Agreement (Settlement Agreement) between the Parties in that Docket).<sup>3</sup> Specifically, the Petition in this Docket No.17-00091 is Atmos Energy's second annual reconciliation filing under the ARM, which aims to "true-up" the amounts projected for the attrition period in Docket No. 16-00013 (covering the period June 2016 through May 2017) to the actual costs that Atmos Energy incurred, as recorded in its financial books.

5. The Petition requests an increase in revenue in the amount of \$850,177, which would be included in any adjustment to rates charged to customers in Atmos Energy's next ARM filing in February 2018.<sup>4</sup> Atmos Energy's witness Gregory K. Waller states that this increase in revenue is due primarily to a pension contribution and changes in the Company's actual capital structure.<sup>5</sup> Also, Mr. Waller states that income tax expense is calculated in the Petition based on statutory income tax rates on required return, as opposed to the methodology used in Atmos Energy's initial reconciliation docket, Docket No. 16-00105, which utilized the income tax expense booked by the Atmos Energy on its financial books.<sup>6</sup>

6. The interests of consumers, including without limitation the proposed increase in revenues to be included in any adjustment to rates charged to customers in Atmos Energy's next

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<sup>2</sup> Petition at page 2, paragraph 1.

<sup>3</sup> Direct Testimony of Gregory K. Waller (Waller Testimony), as filed with the Petition at pages 2 - 3.

<sup>4</sup> Petition at page 2, paragraph 4; Waller Testimony, as filed with the Petition at page 4.

<sup>5</sup> Waller Testimony as filed with the Petition at page 4.

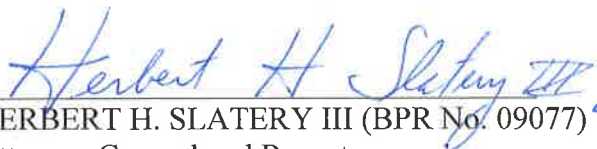
<sup>6</sup> Waller Testimony at page 4 (referencing the Direct Testimony of Jennifer K. Story, as filed with the Petition).


ARM filing, may be affected by determinations and orders made by the Commission with respect to (a) the interpretation, application, and/or implementation of Tenn. Code Ann. § 65-5-103(a), Tenn. Code Ann. § 65-5-103(d), and other relevant statutory and regulatory provisions, (b) the review and analysis of the documentation, financial spreadsheets, and materials provided by Atmos Energy, and (c) the interpretation, application, and/or implementation of the terms and conditions of the Order Approving Settlement, the Settlement Agreement that was approved, adopted, and incorporated into the Order Approving Settlement, and orders in other TPUC dockets.

7. Only by participating as a party to this proceeding can the Consumer Advocate adequately carry out its statutory duty to represent the interests of Tennessee consumers.

Wherefore, the Consumer Advocate requests the Commission to grant this Petition to Intervene.

RESPECTFULLY SUBMITTED,

  
HERBERT H. SLATTERY III (BPR No. 09077) *by Paul May, Chief Deputy*  
Attorney General and Reporter  
State of Tennessee

  
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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 26<sup>th</sup> day of September, 2017.

  
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Wayne M. Irvin