

TENNESSEE PUBLIC UTILITY COMMISSION



502 Deaderick Street, 4th Floor
Nashville, TN 37243-0001

January 19, 2021

Erik C. Lybeck
Neal & Harwell, PLC
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Nashville, TN 37203
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VIA E-MAIL

RE: Docket No. 18-00034 – *Response of Atmos Energy Corporation to the Commission's Order Opening an Investigation and Requiring Deferred Accounting Treatment*

Staff Data Request Set No. 3 to Atmos Energy Corporation

Dear Mr. Lybeck:

To assist the Commission in its evaluation of the above-captioned docket, it is requested that Atmos Energy Corporation provide responses to the following:

1. Please refer to paragraph 16 of the proposed Stipulation and Settlement Agreement. Please file **Exhibit 1**, IRS Rev. Proc. 2020-039, referenced therein.
2. In response to Staff Data Request No. 2, Question 2-02, filed in this docket on February 25, 2019, Atmos responded that the agreed-upon estimated total Excess ADIT balance is \$29,111,410. In paragraph 23 of the proposed Stipulation and Settlement Agreement, the parties state and agree that Unprotected Excess ADIT is \$18,854,236 and Protected Excess ADIT is \$10,483,029, for a combined total Excess ADIT amount of \$29,337,265. Please provide an explanation, including supporting calculations, of the \$225,856 difference between the total Excess ADIT amounts. Please provide all calculations in Excel format with working formulas.

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3. In response to Staff Data Request No. 2, Question 2-02, filed in this docket on February 25, 2019, Atmos responded that its updated annual amortization amount of total Excess ADIT is \$1,039,693, based upon a 28-year amortization period. In accordance with paragraph 51 of the Stipulation and Settlement Agreement approved in this docket by order entered on June 24, 2019, the Commission approved an appropriate estimated amortization period for Protected ADIT of 28 years, relying upon the RSGM method. In paragraph 19 of the proposed Stipulation and Settlement Agreement, the parties recommend a 3-year amortization period for Unprotected Excess ADIT. Please provide detailed calculations of your proposed annual amortization amounts for both Protected Excess ADIT and Unprotected Excess ADIT, and please explain the accounting and ratemaking basis for such calculations. In your explanation, please specifically address your treatment of prior amortized amounts of Excess ADIT. Please provide all calculations in Excel format with working formulas.

It is requested that your response be provided no later than **2:00 p.m. January 22, 2021**. In accordance with the Commission's *Amended Notice of Docket Filing Procedures* issued March 31, 2020, please file your response electronically by email to tpuc.docketroom@tn.gov with one hard copy mailed to the Docket Manager. Please file one .pdf with all components of the filing organized in the desired order of arrangement. In addition, please forward a copy of your response, including Excel files, to Michelle Mairs at michelle.mairs@tn.gov. Should you have any questions or need clarification regarding any requested item, please contact Michelle Mairs by email or telephone at (615) 770-6891.

Sincerely,



David Foster, Director
Utilities Division

cc: Karen H. Stachowski by email (Karen.Stachowski@ag.tn.gov)
Vance L. Broemel by email (Vance.Broemel@ag.tn.gov)
Docket File