

IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE

IN RE:)	
)	
DOCKET TO INVESTIGATE AND)	
CONSIDER MODIFICATIONS TO)	DOCKET NO. 18-00112
ATMOS ENERGY CORPORATION'S)	
ANNUAL RATE REVIEW)	
MECHANISM (ARM) UNDER TENN.)	
CODE ANN. § 65-5-103(6))	

PETITION TO INTERVENE

Herbert H. Slatery III, Attorney General and Reporter for the State of Tennessee, by and through the Financial Division, Consumer Advocate Unit, 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 *Docket to Investigate and Consider Modifications to Atmos Energy Corporation's Annual Rate Review Mechanism (ARM) under Tenn. Code Ann. § 65-5-103(6)* (Investigation) which opens this current TPUC Docket pursuant to the Commission's directive in TPUC Order No. 18-00067.¹ For cause, the Consumer Advocate 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 utilities services by initiating and intervening as a party in any matter or proceeding before the Commission in accordance with the

¹ Order Approving 2018 Annual Rate Review Filing, In Re: Petition of Atmos Energy Corporation for Approval of its 2018 Annual Rate Review Filing Pursuant to Tenn. Code Ann. § 65-5-103(d)(6), pg. 10, Item 2, TPUC Docket No. 18-00067, (Dec. 4, 2018).

Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 *et seq.*, and Commission rules.

2. Atmos Energy Corporation (Atmos) is a public utility regulated by the Commission and provides natural gas service to approximately 132,000 residential, commercial, and industrial customers in Tennessee. The Utility's principal place of business is located at Atmos Energy Corporation, 5430 LBJ Freeway, Suite 1800, Dallas, Texas 75240.²

3. On August 28, 2018, Atmos and the Consumer Advocate were directed by TPUC Staff to respond to three specific questions on modifications to the ARM.³

4. On September 17, 2018, Atmos and the Consumer Advocate filed Direct Testimony responding to the three specific questions on modifications to the ARM. Although open to the concept of a single filing per year, Atmos stated the need to ensure the elimination of regulatory lag in any ARM modification.⁴ In its testimony, the Consumer Advocate identified negative implications of the current Atmos ARM⁵, addressed concerns regarding regulatory lag⁶, and provided red-lined versions detailing proposed changes to the existing Atmos Tariff⁷ and Existing Methodologies⁸ as requested by the questions presented.⁹

5. After the initial responses were filed, Atmos and the Consumer Advocate filed

² *Petition of Atmos Energy Corporation for a General Rate Case and Petition to Adopt Annual Review Mechanism and ARM Tariff*, pg. 2, ¶ 4, TPUC Docket No. 14-0014 (Nov. 25, 2014).

³ *Order Establishing Procedural Schedule*, pgs. 2-3, TPUC Docket No. 18-00067 (Aug. 28, 2018).

⁴ Direct Testimony of Gregory K. Waller on Behalf of Atmos Energy, pg. 2, lines 19-22 and pg. 7, lines 4-8, TPUC Docket No. 18-00067 (Sept. 17, 2018).

⁵ Direct Testimony of David Dittmore on Behalf of the Consumer Advocate, pg. 7, lines 1-18, TPUC Docket No. 18-00067 (Sept. 17, 2018).

⁶ *Id.* at pgs. 5-9.

⁷ *Id.* at Attachment DND-5.

⁸ *Id.* at Attachment DND-7.

⁹ The Consumer Advocate noted in its Testimony that Atmos proposed a one-step ARM approach in Kansas. *Id.* at pg. 16, lines 15-16, fn. 6. See Direct Testimony of Gary L. Smith for Atmos Energy, *In the Matter of the Application of Atmos Energy Corporation for Review and Adjustment of its Gas Rates*, State Corporation Commission of Kansas, Docket No. 16-ATMG-079-R75, pg. 13, line 11 – pg. 14, line 1 (Aug. 13, 2015). The testimony can be accessed at <http://estar.kcc.ks.gov/estar/ViewFile.aspx/S20150813114742.pdf?id=b7513741-9cee-4009-959a-880c0eabf714>.

Rebuttal Testimony on September 26, 2018.¹⁰

6. On December 4, 2018, the Commission issued its *Order Approving 2018 Annual Rate Reviewing Filing* in TPUC Docket No. 18-00067. In this Order, the Commission directed the opening of a new docket “to examine and consider a one-step approach for Atmos Energy Corporation’s annual rate review mechanisms and other changes and/or modifications necessary to implement a more streamlined and transparent annual rate review mechanism.”¹¹

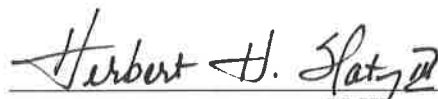
7. By a filing on December 4, 2018, Ryan McGehee, David Foster and Joe Shirley were designated as TPUC Staff who will participate as Parties in this Docket.

8. As set out in the Consumer Advocate’s Direct and Rebuttal Testimony in TPUC Docket No. 18-00067¹², the interests of consumers may be affected by the determinations and orders made by the TPUC with respect to the Investigation of modifications to the ARM.

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

WHEREFORE, Petitioner respectfully asks the Commission to grant this Petition to Intervene in TPUC Docket No. 18-00112.

RESPECTFULLY SUBMITTED,



HERBERT H. SLATTERY III (BPR #09077)
Attorney General and Reporter
State of Tennessee

¹⁰ Rebuttal Testimony of Gregory K. Waller on Behalf of Atmos Energy, TPUC Docket No. 18-00067 (Sept. 26, 2018) and Rebuttal Testimony of David Dittemore on Behalf of the Consumer Advocate, TPUC Docket No. 18-00067 (Sept. 26, 2018).

¹¹ *Order Approving 2018 Annual Rate Reviewing Filing*, pg. 10, TPUC Docket No. 18-00067 (Dec. 4, 2018).

¹² Direct Testimony of David Dittemore on Behalf of the Consumer Advocate, TPUC Docket No. 18-00067 (Sept. 17, 2018) and Rebuttal Testimony of David Dittemore on Behalf of the Consumer Advocate, TPUC Docket No. 18-00067 (Sept. 26, 2018).

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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 8th day of January 2019.


KAREN H. STACHOWSKI