

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:

**PETITION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL)
OF ITS 2021 ANNUAL RATE) DOCKET NO. 21-00019
REVIEW FILING PURSUANT TO)
TENN. CODE ANN. § 65-5-103(d)(6))**

**SUPPLEMENTAL PRE-FILED DIRECT TESTIMONY OF
WILLIAM D. MATTHEWS
ON BEHALF OF ATMOS ENERGY CORPORATION**

1 **I. INTRODUCTION OF WITNESS**

2 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

3 A. My name is William D. Matthews. I am Manager, Rates and Regulatory Affairs
4 with Atmos Energy Corporation (“Atmos Energy” or “Company”). My business
5 address is 5420 LBJ Freeway, Ste. 1600, Dallas, Texas 75240.

6 **Q. ARE YOU THE SAME WILLIAM MATTHEWS THAT FILED PRE-FILED**
7 **TESTIMONY IN THIS DOCKET?**

8 A. Yes.

9 **II. PURPOSE OF SUPPLEMENTAL DIRECT TESTIMONY**

10 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT**
11 **TESTIMONY?**

12 A. The purpose of my supplemental direct testimony is to provide information in the
13 record at the request of Commission Staff explaining the revised calculations to the
14 schedules that were filed in Atmos Energy’s discovery responses in this docket on
15 March 5th as well as its supplemental attachments responses to Data Request 1-08

1 submitted to the Commission in this docket.

2 **Q. HOW MANY CHANGES WILL YOU DESCRIBE?**

3 A. There were three changes reflected in Data Request 1-08 that impact the Company's
4 ARM filing. First, Workpaper 7-9 was updated to reflect a change from June 2021
5 to March 2021 for excess deferred income tax calculations. Second, in responding
6 to Data Request 1-04 the Company realized that an account related to allowance
7 for funds used during construction (AFUDC) had been omitted from the
8 Company's filing. The first two changes result in a third change, updating the
9 proposed rates provided in Schedule 11-3 to reflect the change created by the earlier
10 implementation of the excess deferred income tax amortization and the correction
11 to AFUDC.

12 **Q. PLEASE EXPLAIN THE PURPOSE OF THE REVISED CALCULATIONS**
13 **PROVIDED IN WORKPAPER 7-9.**

14 A. As stated in the Company's response to Data Request 1-08, the Company updated
15 Workpaper 7-9 in order to fulfill its obligations from Docket No. 18-00034.
16 Specifically to reflect the accelerated amortization of the Unprotected Excess
17 Accumulated Deferred Income Taxes from starting in June 2021 to beginning in
18 March 2021 in accordance with the Commission's Order in Docket No. 18-00034.

19 **Q. IS THE REVISED WORKPAPER 7-9 THE SAME WORKPAPER**
20 **PROVIDED IN RESPONSE TO STAFF DATA REQUEST IN DOCKET NO.**
21 **18-00034?**

22 A. Yes. Updated Workpaper 7-9 that was included in Attachment 1 to Data Request
23 1-08, and included in the Supplemental Attachment 1 provided by the Company in

1 its supplemental response to Data Request 1-08 in this docket is also the same as
2 the supplemental response to Staff Request 3-03 provided in Docket No. 18-00034
3 at the request of the Commission as a post-hearing data request to reflect the
4 amortization moving from June 2021 to beginning in March 2021.

5 **Q. PLEASE EXPLAIN THE REVISED CALCULATIONS REGARDING**
6 **AFUDC THAT IS SHOWN ON WORKPAPER 1-2?**

7 A. As disclosed by the Company in its response to Data Request 1-04, the Company
8 revised Workpaper 1-2 to include Account 4191 as a part of Workpaper 1-2 for
9 AFUDC and results in the filing being reduced by approximately \$1.8 million. The
10 updated Workpaper 1-2 was included in Attachment 1 to Data Request 1-08 and is
11 the same Workpaper 1-2 also included in the Supplemental Attachment 1 provided
12 by the Company in its supplemental response to Data Request 1-08 in this docket.

13 **Q. PLEASE EXPLAIN THE UPDATE TO BASE RATES PROVIDED ON**
14 **SCHEDULE 11-3?**

15 A. The Company updated Schedule 11-3 in its supplemental response to Data Request
16 1-08 to reflect the updated rate strike to include both the updated Workpaper 7-9
17 and the updated Workpaper 1-2 as mentioned above. In its original Attachment 1
18 to Data Request 1-08, the rate strike reflected on Schedule 11-3 only reflected the
19 adjustment for the updated Workpaper 7-9, and not the updated Workpaper 1-2.
20 The updated Schedule 11-3 is shown in both Attachment 1 in the supplemental
21 response to Data Request 1-08 with all the schedules, as well as individually in
22 Attachment 3.

23 **Q. HAS THE COMPANY PROVIDED A SCHEDULE THAT COMPARES THE**

1 **ORIGINAL SCHEDULE 1 TO THE SCHEDULE 1 PROVIDED IN ITS**
2 **SUPPLEMENTAL RESPONSE TO DATA REQUEST 1-08?**

3 A. Yes. Attachment 2 provided in the supplemental response to Data Request 1-08
4 shows a reconciliation of the Company's originally filed Revenue Requirement
5 model Schedule 1 in its February 1, 2021 filing to the updated Schedule 1 in
6 Attachment 1 of the supplemental response to Data Request 1-08 to note the
7 adjustments that have been made.

8 **Q. DOES ATTACHMENT 1 FILED BY THE COMPANY IN ITS**
9 **SUPPLEMENTAL RESPONSE TO DATA REQUEST 1-08 REFLECT ALL**
10 **THE SCHEDULES WITH THE REVISED CALCULATIONS?**

11 A. Yes.

12 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

13 A. Yes.

14

15

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

IN RE:

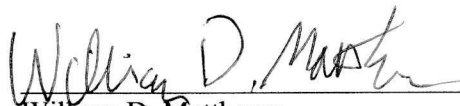
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VERIFICATION

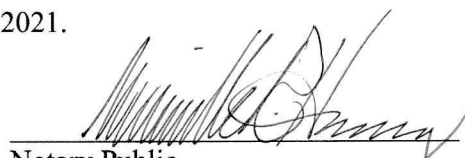
STATE OF TEXAS)

COUNTY OF DALLAS)

I, William D. Matthews, being first duly sworn, state that I am the Manager of Rates and Regulatory Affairs for Atmos Energy Corporation, that I am authorized to testify on behalf of Atmos Energy Corporation in the above referenced docket, that the amended Direct Testimony of William D. Matthews in support of Atmos Energy Corporation's filing is true and correct to the best of my knowledge, information and belief.


William D. Matthews

Sworn and subscribed before me this 11th day of March, 2021.


Notary Public

My Commission Expires: 9/01/2024

