

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

November 3, 2021

IN RE:)	
)	
PETITION OF ATMOS ENERGY)	DOCKET NO.
CORPORATION FOR AMEND TARIFF FOR)	21-00068
ALLOWANCE OF PERMANENT “SOFT)	
CLOSE”)	

**ORDER APPROVING PETITION TO AMEND TARIFF
FOR ALLOWANCE OF PERMANENT “SOFT CLOSE” PROCEDURE**

This matter came before Chairman Kenneth C. Hill, Vice Chairman Herbert H. Hilliard, Commissioner Robin L. Morrison, Commissioner John Hie, and Commissioner David F. Jones of the Tennessee Public Utility Commission (“TPUC” or the “Commission”), the voting panel assigned to this docket, during a regularly scheduled Commission Conference held on September 20, 2021, for consideration of the *Petition to Amend Tariff for Option to Allow Active Gas Service to be Transferred from One Customer to Another at the Same Location for a Period of Time with No Actual Disconnection or Interruption of Service* (“*Petition*”) filed by Atmos Energy Corporation (“Atmos or the “Company”). In summary, the *Petition* was granted.

BACKGROUND

On June 15, 2021, Atmos filed the *Petition* to update its tariff, General Rules and Regulations, 4th Revised Sheet No. 60, 1.2 Limitations on Discontinuance of Service. The proposed change is to include an option that would allow an active gas service to be transferred from one customer to another at the same location without actual disconnection or interruption of service.

In response to the COVID-19 emergency addressed in Commission Docket No. 20-00047, including the moratorium on disconnection of gas service due to non-payment for regulated public utilities, the Company implemented a wide range of procedures to ensure the safety of its customers and employees. Among these was a “soft close” procedure, as outlined in its April 6, 2020 letter to the Commission, filed in the above-mentioned docket.¹ Atmos found that the use of the “soft close” procedure has benefited the Company and its customers by reducing the need for service calls and entering customers’ premises, as well as a more efficient procedure for initiating service for new customers.²

In support of the *Petition*, the Company submitted pre-filed testimony of Mr. Brannon C. Taylor, Vice President-Rates and Regulatory Affairs for Atmos’s Kentucky/Mid-States Division, with a description of the “Soft Close Procedure” from the Company’s Service Procedure Manual. According to Mr. Taylor, the normal close process for transferring service required a service technician to physically turn off the meter at an address when a customer left and to physically turn it on for the new customer at the same address.³ Under the Soft Close Procedure, once the service technician has verified the service order and determines that the inlet meter valve is in the ON position, he/she can record the meter reading and leave the appropriate door tag to notify the new customer that the gas is currently on.

Mr. Taylor testified that the Soft Close process was successfully implemented in Tennessee during the pandemic. Benefits included (1) limiting interactions between customers and employees; (2) reducing customer confusion regarding the turn-on process; and (3) handling the transition process safely and reliably through the Company’s information technology processes.⁴

¹ See *In Re: Emergency Petition to Suspend Service Disconnections Filed by the Consumer Advocate Unit of the Financial Division of the Office of the Tennessee Attorney General*, Docket No. 20-000047, *Letter of Atmos Energy Company to Tennessee Public Utility Commission* (April 6, 2020).

² *Petition*, pp. 1-2 (June 15, 2021).

³ Brannon C. Taylor, Pre-Filed Direct Testimony, p. 3 (June 15, 2021).

⁴ *Id.* at 4.

From a practical standpoint, when a customer terminates service, a final meter reading is taken for that customer. When a new customer initiates service, a new meter reading is taken automatically, and the new customer has an established premise in the Company's billing system. Any minor amounts of gas used between customers would be accounted for in Lost and Unaccounted for Gas calculations in the Purchased Gas Cost Adjustment process. Additionally, the avoided cost of sending service technicians to physically disconnect and reconnect gas service is reflected in lower Operation and Maintenance ("O&M") expense in the annual rate review mechanism ("ARM") filing.⁵

With the expiration of the Governor's State of Emergency Order in Tennessee, Atmos's *Petition* makes a request to make the Soft Close process permanent. According to the Company, the proposed change is a practical approach, and it can be safely used without diminishing the Company's high standard of customer service. It is a practice that the Company has already successfully used in Colorado, Kansas, Louisiana, and Texas.⁶ No party sought intervention in this matter.

THE HEARING

The hearing on the *Petition* was noticed by the Commission on September 10, 2021 and held during the regularly scheduled Commission Conference on September 20, 2021. Appearances were made by the following:

Atmos Energy Corporation – Erik Lybeck Esq., Neal & Harwell, 1201 Demonbreun Street, Suite 1000, Nashville, Tennessee 37203.

The *Petition* was presented to the panel, during which Mr. Brannon Taylor provided testimony in support of the *Petition*. Members of the public were given an opportunity to offer comments, but no one sought recognition to do so.

⁵ *Id.* at 4-5.

⁶ *Id.* at 3 and 5.

FINDINGS & CONCLUSIONS

After reviewing the evidentiary record, the panel voted unanimously that the proposed revision to the Company's General Rules and Regulations to include a permanent Soft Close option should be approved. The Company was directed to file a tariff consistent with the Commission's decision.

IT IS THEREFORE ORDERED THAT:

1. The *Petition to Amend Tariff for Option to Allow Active Gas Service to be Transferred from One Customer to Another at the Same Location for a Period of Time with No Actual Disconnection or Interruption of Service* filed by Atmos Energy Corporation on June 15, 2021, is APPROVED.

2. Atmos Energy Corporation shall file tariffs reflecting this decision.

3. Any party aggrieved by the Commission's decision in this matter may file a Petition for Reconsideration with the Commission within fifteen (15) days from the date of this Order.

4. Any party aggrieved by the Commission's decision in this matter has the right to judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from the date of this Order.

FOR THE TENNESSEE PUBLIC UTILITY COMMISSION:

**Chairman Kenneth C. Hill,
Vice Chairman Herbert H. Hilliard,
Commissioner Robin L. Morrison,
Commissioner John Hie, and
Commissioner David F. Jones concurring.**

None dissenting.

ATTEST:



Earl R. Taylor, Executive Director