

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

IN RE:)	
)	
ATMOS ENERGY CORPORATION)	DOCKET NO. 22-00010
FOR APPROVAL OF ITS 2022 ANNUAL RATE)	
REVIEW FILING PURSUANT TO TENN.)	
CODE ANN. § 65-5-103(d)(6))	

**ATMOS ENERGY CORPORATION'S FIRST DISCOVERY REQUEST
TO THE OFFICE OF THE TENNESSEE ATTORNEY GENERAL FINANCIAL
DIVISION, CONSUMER ADVOCATE UNIT**

To: Office of the Tennessee Attorney General
Financial Division, Consumer Advocate Unit

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Referring to your statement that “A Cash Working Capital calculation aims to determine the cash on hand needed to finance daily operations.” Please provide citations to all support relied upon for that definition of Cash Working Capital. (Reference Page 9, A17, Lines 1-2)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Regarding the cost rate associated with the Company's short-term debt, you argue that the Company has failed to adequately support such a rate. Do you agree or disagree that the Company correctly calculated the cost rate associated with short-term debt? If you disagree, please explain why you believe the Company's calculation is incorrect. (Reference Page 11, Q24 & A24)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

Is it Mr. Dittmore's belief that short-term debt should be permanently excluded from the capital structure or only when the cost of short-term debt exceeds the imbedded cost of long-term debt?
(Reference Page 11, Q24 & A24)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-04
Page 1 of 1

REQUEST:

Is it Mr. Dittmore's belief that the fees paid by the Company for its short-term debt facilities are excessive? Please provide any analysis or comparison of fees paid for short-term debt facilities that Mr. Dittmore reviewed or relied upon. (Reference Page 11, Q25 & A25)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-05
Page 1 of 1

REQUEST: Referring to your statement that “The existing approach used by the Company is inconsistent with the regulatory theory supporting Cash Working Capital.” Please identify the basis for Mr. Dittmore’s regulatory theory supporting Cash Working Capital, including citations to all sources relied upon. (Reference Pages 8-9, Q17 & A17)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-06
Page 1 of 1

REQUEST:

Referring to your modification of the Company's proposed capital structure. Is the inclusion of short-term debt in the Company's capital structure consistent with the methodology used in prior ARM dockets? In general rate case proceedings? If anything other than a unqualified yes, please explain. (Reference Pages 10-11, Q23 & A23)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-07
Page 1 of 1

REQUEST:

Admit or deny, Mr. Dittmore provides his opinion but no literature supporting his assertion regarding the exclusion of depreciation expense and return on equity from the cash working capital study. (Reference Page 8, Q17 & A17)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-08
Page 1 of 1

REQUEST:

Please provide a copy of the cited TPUC rules on the recognition of non-cash items within the lead-lag study. If no such rules promulgated by TPUC exist, please so state. (Reference Page 10, Q20 & A20)

ANSWER:

Docket No. 22-00010
Atmos Energy Corporation, Tennessee Division
Atmos Energy DR Set No. 1
Question No. 1-09
Page 1 of 1

REQUEST:

Is it Mr. Dittmore's belief that every accounting methodology approved in another jurisdiction is appropriate for adoption by the TPUC? If anything other than a unqualified yes, please explain. (Reference Page 10, Q21 & A21)

ANSWER: