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OVERNIGHT DELIVERY

August 1, 2014

Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602

**RE: Case No. 2014-00187- Atmos Energy Corporation
Response to Staff's Second Data Request**

Dear Mr. Derouen:

Atmos Energy Corporation (Company) submits an original and ten (10) copies of the Company's responses to Commission Staff's Second Request for Information, in the above referenced case.

Very truly yours,



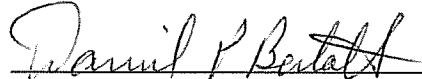
Mark R. Hutchinson

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

APPLICATION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL OF)
A SPECIAL CONTRACT PURSUANT) Case No. 2014-00187
TO ITS ECONOMIC DEVELOPMENT)
RIDER)

AFFIDAVIT

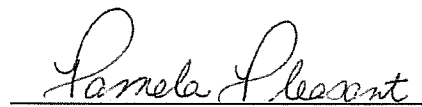
The Affiant, Daniel P. Bertotti, being duly sworn, deposes and states that the attached responses to the Kentucky Public Service Commission Staff's second request for information are true and correct to the best of his knowledge and belief.



Daniel P. Bertotti

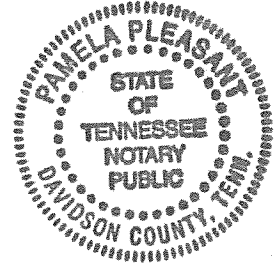
STATE OF Tennessee
COUNTY OF Williamson

SUBSCRIBED AND SWORN to before me by Daniel P. Bertotti on this the 28th day of July, 2014.



Notary Public

My Commission Expires: May 3, 2016



Case No. 2014-00187
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 2
Question No. 2-01
Page 1 of 1

REQUEST:

Describe the circumstances under which Atmos and Kobe Aluminum Automotive Products, LLC ("Kobe") first discussed Kobe's expansion. The description should include details of discussions regarding the availability of the Economic Development Rider ("EDR") tariff, when those discussions were initiated, by whom the discussions were initiated, and whether Kobe has stated that its expansion is dependent upon receiving the EDR discount.

RESPONSE:

Atmos was contacted by Kobe in May 2013 about their proposed expansion, which estimated an additional usage of 71 Mcf/hr. Atmos met on-site with Kobe's production advisory manager to discuss the planned expansion. Atmos personnel present at that meeting do not have specific recollection of whether the EDR tariff was discussed, although the EDR had recently received approval by the Kentucky Public Service Commission and it may well have been discussed at that meeting. In January 2014, Atmos and Kobe discussed informally future Kobe expansions and the availability of the EDR provision. In March 2014, Kobe again contacted Atmos to discuss remaining expansion plans and if Kobe qualified for the EDR tariff. From these discussions, and at the request of Kobe, Atmos pursued an Economic Development Rider with Kobe. Kobe has not stated that the expansion is dependent upon receiving the EDR discount.

Witness: Danny Bertotti

Case No. 2014-00187
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 2
Question No. 2-02
Page 1 of 1

REQUEST:

Provide copies of all correspondences between Atmos and Kobe regarding the EDR, including electronic mail messages, notes of telephone conversations, as well as any announcements or press releases by Kobe concerning the expansion.

RESPONSE:

Please see Attachment 1 and Attachment 2 for correspondence between Atmos Energy and Kobe regarding the EDR. As mentioned in the response to Staff 2-01, some discussions of the EDR with Kobe were communicated verbally as well. In addition, there were multiple announcements and press releases by Kobe and other publications concerning the expansion. Links to a few of these announcements are provided in the response.

ATTACHMENTS:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_2-02_Att1 - RE_ KAAP Additional NG usage and required job .pdf, 4 Pages.

ATTACHMENT 2 - Atmos Energy Corporation, Staff_2-02_Att2 - RE_ Kobe Aluminum Furnace Ignition Issues.pdf, 3 Pages.

Witness: Danny Bertotti

From: Sadler, Frank
To: Stallins, Anthony; Bertotti, Danny P.
Cc: Bonner, Don; Benningfield, Ronnie D.; Oost, William B
Subject: RE: KAAP Additional NG usage and required job
Date: Tuesday, May 07, 2013 7:30:05 AM

Danny:

I will be in Hopkinsville on Wednesday.

It looks like if I am reading the load sheet correctly, they have roughly 125 mcfh existing load, added 16+ mcfh back in February and now will add an additional 71 + mcfh for a total connected of 213 mcfh.

I know when they added the 16 mcfh we were able to add this load with no meter improvements because of a lot of diversity between the total connected and the actual usage (only about 50 +/- mcfh actual).

I also looked back at some of our past e-mails and saw where I had run some flow numbers on the system capacity. All things considered we should be able to supply the additional load (although I will go back to verify everything). One thing is the relocation of Kobe Dr. for the new plant expansion. We will have to relocate several hundred feet of our existing 4" steel main and a large part of their service line at a cost of \$111,429.11 loaded. My thought was that we would relocate the line and build the new meter set at the same time with only one shut down. Please discuss the timing of the road relocation so I know the time frame needing the meter set and so forth.

Thanks;

Frank

Frank Sadler
Sr Engineer
Atmos Energy Corporation
Kentucky/Mid-States Division
615-771-8416 Office
615-771-8302 Fax
Frank.Sadler@atmosenergy.com

From: Stallins, Anthony
Sent: Monday, May 06, 2013 7:57 PM
To: Bertotti, Danny P.
Cc: Bonner, Don; Benningfield, Ronnie D.; Sadler, Frank; Oost, William B
Subject: RE: KAAP Additional NG usage and required job

Hey Danny,

I will be out of the office Wednesday afternoon and I think Don is scheduled for a 1st Aid Class. I will check to see if Byron is available.

Anthony

James A. Stallins

Operations Supervisor
Atmos Energy Corporation
Kentucky/Mid-States Division
270-901-1704 Office
270-842-0228 Fax
Anthony.Stallins@atmosenergy.com

From: Bertotti, Danny P.
Sent: Monday, May 06, 2013 7:20 PM
To: Chihiro Kitamoto
Cc: Stallins, Anthony; Bonner, Don; Craig Fukushima
Subject: RE: KAAP Additional NG usage and required job

Yes, I will meet you at 3 pm on Wednesday.

Thanks
Danny

From: Chihiro Kitamoto [<mailto:chihirok@kobeal.com>]
Sent: Monday, May 06, 2013 7:17 PM
To: Bertotti, Danny P.
Cc: Stallins, Anthony; Bonner, Don; Craig Fukushima
Subject: RE: KAAP Additional NG usage and required job

Danny-san

Thank you for your quick reply.
And I'm sorry for late hour reply.

I will be available from 3PM on this Wednesday.

Can we have discuss from 3 5/8/2013 ?

Thanks,
Milky

From: Bertotti, Danny P. [<mailto:Danny.Bertotti@AtmosEnergy.com>]
Sent: Monday, May 06, 2013 7:11 PM
To: Chihiro Kitamoto
Cc: Stallins, Anthony; Bonner, Don
Subject: RE: KAAP Additional NG usage and required job

Milky,

I am pleased to hear about KAAP's future expansion.

I would be available to meet with you this Wednesday (May 8th). I am available anytime after 1:30 pm.

If your not available Wednesday, I will not be available again until the week of May 20th.

Please let me know if your available on Wednesday.

Thanks
Danny Bertotti

Sales Representative
Atmos Energy
200 Noah Drive
Franklin, TN 37064
615-794-2596 x335 (office)
615-310-3001 (cell)
615-794-1063 (fax)

From: Chihiro Kitamoto [<mailto:chihirok@kobeal.com>]
Sent: Monday, May 06, 2013 6:14 PM
To: Bertotti, Danny P.
Subject: KAAP Additional NG usage and required job

Danny-san

How do you do ?

I'm Milky of Kobe Aluminum. I'm in charge at expansion.

As you know we are going to expand the building and add some production facilities from end of 2013.

Please see attached file that calculated for our future NG usage including our additional use of Feb. 2013. It seems that we need some modification for the primary gas train and primary piping.

I'd like to meet and discuss the primary NG pipe size and confirm what we have to do before expansion. Please let me know what date you will available.

Thanks,
Milky

CHIHIRO KITAMOTO (MILKY)
Production Advisory Manager

Kobe Aluminum Automotive Products
One Kobe Way
Bowling Green, KY 42101
Office: (270) 842-6492 ext.236
Cell: (270) 784-3403
chihirok@kobeal.com
www.kobeal.com

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From: [Gregory Head](#)
To: [Bertotti, Danny P.](#)
Subject: RE: Kobe Aluminum Furnace Ignition Issues
Date: Friday, March 07, 2014 7:44:17 AM
Attachments: [image003.jpg](#)

Danny, please see my responses below.

Kind Regards,

Greg



“Suspicion tends to create what’s suspected while Trust provides opportunity for growth - for both.”

Gregory Head
Corporate Secretary/General Affairs
One Kobe Way . Bowling Green, KY. 42101
m. 270.784.2468
www.kobeal.com
gregory.head@kobeal.com

From: Bertotti, Danny P. [mailto:Danny.Bertotti@AtmosEnergy.com]
Sent: Thursday, March 06, 2014 5:09 PM
To: Gregory Head
Subject: RE: Kobe Aluminum Furnace Ignition Issues

Yes, it should be. We need to do a special contract, and have it approved by the Public Service Commission.

Can you tell me roughly the number of jobs created by the latest expansion and the capital investment for the expansion?

[Gregory Head] 100

I will forward that to our legal and have them draft a contract.

The contract must be twice the length of the discount period, so if the discount period is 4 years, it will be an 8 year contract length.

When do you expect the gas usage to increase, based on the latest expansion (that we set a new meter and service line last July?)

[Gregory Head] In Casting - April 2014 should see a 25% increase going forward although we increased our capacity 33%. In Forging we are adding two additional billet furnaces (50%

increase in capacity) and should see a 25%-30% increase in usage. In 2015 we will see and increase across the board in equipment capacity utilization due to increased demand.

Thanks
Danny

From: Gregory Head [Gregory.Head@kobeal.com]
Sent: Wednesday, March 05, 2014 5:14 PM
To: Bertotti, Danny P.
Subject: Re: Kobe Aluminum Furnace Ignition Issues

Danny, how about the cost savings we discussed, is this available?

Sent from my iPhone

On Mar 5, 2014, at 2:28 PM, "Bertotti, Danny P." <Danny.Bertotti@AtmosEnergy.com> wrote:

Greg,

While we were attending the WKU Basketball game a couple of months ago, you mentioned an issue Kobe had with re-lighting the furnaces after the holiday shut downs. I apologize it's taken me some time to move forward with this, but I have contacted the Gas Technology Institute (GTI) to see if they could offer any assistance.

Harry Kurek, with GTI, has offered to contact you to see if he can offer any assistance. I believe he has a list of questions for you to help get the process going. He should be able to contact you tomorrow.

I hope everything works out. Please keep me informed of the progress.

Harry can be reached at: 847-687-5252.

Thanks
Danny Bertotti

Sales Representative
Atmos Energy
200 Noah Drive
Franklin, TN 37064
615-794-2596 x335 (office)
615-310-3001 (cell)
615-794-1063 (fax)

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Case No. 2014-00187
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 2
Question No. 2-03
Page 1 of 1

REQUEST:

State when Kobe's expansion is expected to be complete.

RESPONSE:

Kobe's current expansion is expected to be complete within 2014.

Witness: Danny Bertotti