COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF AN INCREASE IN

R & D RIDER PROPOSED BY ATMOS

ENERGY

) CASE NO. 2016-00070

ORDER

By Order entered on February 8, 2016, the Commission, on its own motion, established this case to investigate the Research and Development ("R&D") Rider that had been set forth in the application for a general rate adjustment filed by Atmos Energy Corporation ("Atmos") on January 15, 2016, in Case No. 2015-00343¹ ("Rate Case"). The Atmos R&D Rider is a stand-alone rate designed to recover only the actual level of Atmos's contributions to support the research of the Gas Technology Institute ("GTI"). The Attorney General's Office of Rate Intervention ("AG"), an intervenor in the Rate Case, raised as an issue in that case of the appearance of impropriety relating to the participation of the Commission's then Chairman, James W. Gardner, who was also serving as a member of GTI's Public Interest Advisory Committee. To avoid any appearance of impropriety in the Rate Case, the R&D Rider was transferred to this case, and Chairman Gardner recused himself from participating in the investigation in this case of the R&D Rider proposed by Atmos.

Chairman Gardner's term on the Commission expired on April 16, 2016, and, consequently, there is no longer any issue relating to the appearance of impropriety

¹ Case No. 2015-00343, Application of Atmos Energy Corporation for an Adjustment of Rates and Tariff Modifications (filed Jan. 15, 2016).

regarding the investigation of the Atmos R&D Rider in the Rate Case. Therefore, in the interests of administrative efficiencies, the Commission finds that the investigation of the Atmos R&D Rider should be transferred to the Rate Case, and this case should be closed.

IT IS THEREFORE ORDERED that:

- The investigation of the Atmos R&D Rider, which was attached to our February 8, 2016 Order as Appendix B, is transferred back to the pending Atmos Rate Case for purposes of review and adjudication pursuant to the procedural schedule established in the Rate Case.
- A copy of the record compiled in this case shall be transferred to, and included in, the record of Case No. 2015-00343.
 - This case is closed and removed from the Commission's docket.

By the Commission

ENTERED

MAY 13 2016

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Acting Executive Director

Eroup. Dunwall

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