

September 2, 2010

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PUBLIC SERVICE COMMISSION

Honorable Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602

Subject: Case No. 2010-00146

Dear Mr. Derouen:

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

Please feel free to contact me at 270.685.8024 if you have any questions and/or need any additional information.

Sincerely,

Mark A. Martin

Vice President, Rates & Regulatory Affairs

Enclosure

cc: Service List

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF NATURAL GAS) ADMINISTRATIVE RETAIL COMPETITION PROGRAMS) CASE NO. 2010-00146

COMMISSION STAFF'S SECOND INFORMATION REQUEST TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation ("Atmos"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due no later than September 3, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Atmos shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Atmos fails or refuses to furnish all or part of the requested information,

Atmos shall provide a written explanation of the specific grounds for its failure to

completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible.

When the requested information has been previously provided in this proceeding in the

requested format, reference may be made to the specific location of that information in

responding to this request.

1. Refer to the response to Item 1 of Commission Staff's First Information

Request. If the utility's pipeline capacity was not assigned to the participating marketer,

explain how Atmos would propose to recover stranded costs associated with the utility's

pipeline capacity.

2. Refer to the response to Item 1.9e of Stand Energy Corporation's First

Information Request. Should the General Assembly require expanded transportation

service, explain whether Atmos will allow all marketers the same services and prices it

provides its affiliates.

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Executive Director

Public Service Commission

P.O. Box 615

Frankfort, Kentucky 40602

DATED AUG 2 0 2010

cc:

Parties of Record

Lonnie E Bellar VP - State Regulation an Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 ouisville, KY 40202 Michael T Griffith ProLiance's 111 Monument Circle Suite 2200 Indianapolis, IN 46204 Honorable Robert M Watt, III Attorney At Law STOLL KEENON OGDEN PLLC 300 West Vine Street Suite 2100 Lexington, KY 40507-1801

John B Brown Chief Financial Officer, Treasurer Delta Natural Gas Company, Inc. 3617 Lexington Road Winchester, KY 40391 Honorable Lisa Kilkelly Attorney at Law Legal Aid Society 416 West Muhammad Ali Boulevard Suite 300 Louisville, KY 40202 Katherine K Yunker John B. Park Yunker & Park, PLC P.O. Box 21784 Lexington, KY 40522-1784

Judy Cooper Manager, Regulatory Services Columbia Gas of Kentucky, Inc. 2001 Mercer Road P. O. Box 14241 Lexington, KY 40512-4241 Brooke E Leslie Columbia Gas of Kentucky, Inc. 200 Civic Center Drive P.O. Box 117 Columbus, OH 43216-0117

Rocco D'Ascenzo Senior Counsel Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201 Honorable Matthew R Malone Attorney at Law Hurt, Crosbie & May PLLC The Equus Building 127 West Main Street Lexington, KY 40507

Honorable John M Dosker General Counsel Stand Energy Corporation 1077 Celestial Street Building 3, Suite 110 Cincinnati, OH 45202-1629 Mark Martin VP Rates & Regulatory Affairs Atmos Energy Corporation 3275 Highland Pointe Drive Owensboro, KY 42303

Trevor L Earl Reed Weitkamp Schell & Vice PLLC 500 West Jefferson Street Suite 2400 Louisville, KY 40202-2812 John B Park Kathernine K. Yunker Yunker & Park, PLC P.O. Box 21784 Lexington, KY 40522-1784

Thomas J FitzGerald Counsel & Director Kentucky Resources Council, Inc. Post Office Box 1070 Frankfort, KY 40602 Iris G Skidmore 415 W. Main Street, Suite 2 Frankfort, KY 40601

Atmos Energy Corporation KPSC Second Data Request Dated August 20, 2010 Case No. 2010-00146

Witness: Mark A. Martin

1. Refer to the response to Item 1 of Commission Staff's First Information Request. If the utility's pipeline capacity was not assigned to the participating marketer, explain how Atmos would propose to recover stranded costs associated with the utility's pipeline capacity.

RESPONSE: If the Commission decides that retail choice is a viable option, the Company prays that retail choice programs are not mandated. If retail choice programs were mandated, the Company does not believe that a significant portion of its customer base would be interested in such an option. As such and with the obligation of being the supplier of last resort, the Company does not envision stranded costs associated with the utility's pipeline capacity. The Company would like to re-emphasize its initial response to Item 1 which was that a marketer should have their own capacity similar to transportation service. With the existing transportation service, the marketer has its own capacity to serve the respective customer, the marketer bills the respective customer, the Company is not the "supplier of last resort", and the Company is not forced to buy any receivables associated with such service. A marketer should not be able to use the Company's assets for their own financial gain.

Atmos Energy Corporation KPSC Second Data Request Dated August 20, 2010 Case No. 2010-00146 Witness: Mark A. Martin

2. Refer to the response to Item 1.9e of Stand Energy Corporation's First Information Request. Should the General Assembly require expanded transportation service, explain whether Atmos will allow all marketers the same services and prices it provided its affiliates.

RESPONSE: The Company plans to address a number of misrepresentations made by Stand Energy during the rebuttal testimony phase of this docket. Please note that the Company has not, does not and will not provide any of its affiliates with preferential treatment. The Company has policies and procedures in place to make sure that no marketer is given preferential treatment. The Company takes the Code of Conduct policies very seriously and works diligently to comply with such policies. Any existing business with an affiliate was awarded through a competitive bid process and approved by this Commission prior to any contract being finalized. The Company does not provide any affiliate or non-affiliate with any services as referenced by Stand Energy Corporation.