

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY )  
CORPORATION FOR AN ADJUSTMENT OF ) CASE NO.  
RATES AND TARIFF MODIFICATIONS ) 2015-00343

COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION  
TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation ("Atmos-Ky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and three copies in paper medium, and an electronic version of the following information. The information requested herein is due no later than ten days from the date of this request. Responses to requests for information in paper medium 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 the 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-Ky 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-Ky fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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. When filing a document containing personal information, Atmos-Ky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to Atmos-Ky's response to Staff's Third Request for Information ("Staff's Third Request"), Items 9.a. and 9.b.

a. Of the 10,000 additional wireless meter reading ("WMR") devices Atmos-Ky was installing at the time of the response, provide the number that have been installed and the expected completion date of the installation of all 10,000 devices.

b. Explain whether the cost savings associated with installing another 10,000 WMR devices is expected to be consistent with the ratio of savings to devices for the initial 16,000 devices installed by Atmos-Ky.

2. Refer to Atmos-Ky's responses to Staff's Third Request, Item 12.b., and to Staff's Second Request for Information, Item 52.a., and Item 52.b., Attachment 1. The response to Item 12.b. is unresponsive to the request. Given what the response to 52.a. and the Item 52.b. attachment show regarding Atmos-Ky's non-pipe replacement capital expenditures, explain how this history supports a 10 percent annual increase in such expenditures in the near-term future.

3. In response to Staff's Third Request, Item 22.b., Atmos-Ky cites its response to the Attorney General's Division of Rate Intervention's ("AG") First Request for Information, Item 1, Attachment 3, file "Atmos Energy 2014 Removal Cost Study Final.pdf," for a report providing "[t]he purpose, process description and study results."

a. Clarify whether the report referenced in the response is the report titled "Atmos Energy 2014 Removal Cost Study" ("Removal Study") or another report.

b. If Alliance Consulting Group ("Alliance") was chosen to perform the Removal Study as a result of the issuance of a Request for Proposal ("RFP"), provide the RFP to which it responded.

c. If no RFP was issued, provide the contract or other document that established for Alliance the scope and purpose of the Removal Study it was chosen to perform.

d. The last paragraph on page 5 of the Removal Study indicates that a decision was made to switch to the "[i]ncremental approach to allocating removal costs for replacement projects." State when Atmos-Ky switched to the incremental approach.

4. Refer to the Rebuttal Testimony of Mark A. Martin, page 4, lines 76–77.

a. Given that its most recent depreciation study was prepared in 2012, explain why Atmos decided that a more current depreciation study should be performed.

b. Explain whether the decision that a new depreciation study should be performed was independent of the decision to file the current rate case.

5. Refer to the Rebuttal Testimony of Gregory K. Waller ("Waller Rebuttal"), starting on page 2, line 37, and continuing to page 3, line 39. Clarify what is meant by

capital spending increases having occurred the “[p]ast several years for Kentucky as a whole.” [Emphasis added.]

6. Refer to the Waller Rebuttal, the table on page 13.

a. For each of the three items for which the far right-side column of the table shows “Accept,” provide the amounts Atmos-Ky accepts of the AG adjustment that equal the Change From Revised Requested Increase of \$(201,404).

b. If the amount Atmos-Ky accepts for any of the three items is not the amount recommended by the AG, provide the derivation of the amount it accepts.

7. Refer to the Rebuttal Testimony of James H. Vander Weide (“Vander Weide Rebuttal”), page 19. Provide Table 1 reflecting the removal of flotation costs.

8. Provide the Vander Weide Rebuttal schedules electronically in Excel spreadsheet format.



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DATED JUN 06 2016

cc: Parties of Record

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