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RECEIVED

MAR 4 2016

PUBLIC SERVICE
COMMISSION

March 4, 2016

James Gardner
Acting Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2016-00052

Dear Mr. Gardner:

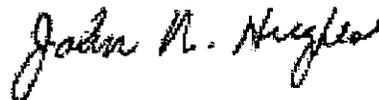
Atmos Energy Corporation submits its responses to the Commission's First Data Request and a petition for confidentiality for responses to Items 1, 2, and 3. I certify that the electronic documents are true and correct copies of the original documents.

If you have any questions about this filing, please contact me.

Submitted By:

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And



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Attorneys for Atmos Energy Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FILING OF SEVEN (7) SPECIAL
INDUSTRIAL CONTRACTS BY ATMOS
ENERGY CORPORATION

) CASE NO.
) 2016-00052

PETITION FOR CONFIDENTIALITY

Atmos Energy Corporation (Atmos Energy) petitions for an order granting confidential protection of its responses to Items 1, 2 and 3 of the Commissions first request. This petition is filed pursuant to 807 KAR 5:001, Section 13 and KRS 61.878. The information sought in the data requests is commercial information which if disclosed could cause substantial competitive harm to Atmos Energy. This information is not publicly available. It would be difficult or impossible for someone to discover this information from other sources. If this information were available to competitors in this form, they could use it to the competitive detriment of Atmos Energy. This information is not generally disclosed to non-management employees of Atmos Energy and is protected internally by the Company as proprietary information. The disclosure of this proprietary information would result in significant or irreparable competitive harm to Atmos Energy by providing its competitors with non-reciprocal competitive advantage. No public purpose is served by the disclosure of such information.

The Kentucky Open Records Act exempts from disclosure certain confidential or proprietary information. KRS 61.878(1)(c). To qualify for this exemption, and, therefore,

maintain the confidentiality of the information, a party must establish that disclosure of the information would permit an unfair commercial advantage to competitors of the party seeking confidentiality. The Commission's items 1 and 2 request:

1. Provide a comparison of the existing contract rates and proposed contract rates, and the respective annual revenue estimates for each customer to be served under one of the seven special contracts identified as 2016-00052-A through 201600052-G in the Commission's February 9, 2016 Order in this proceeding and attached as an Appendix to that Order.
2. Provide a complete description of the unique circumstances of each special contract customer that justify offering the customer a discount from the applicable tariff rate(s). The descriptions should include the specific threat of bypass posed for each customer.
3. State whether any contract term, other than the rate(s) relating to the provision of service to any of the seven special contract customers is being changed in the proposed contracts. If so, list each change for each customer

The responses to these items provide information that identifies customer name, customer identifiable information, such as contracts, location, and specific volumetric usage and plant facilities associated with the customer. All of this information is protected by the scope of confidentiality. The applicable statutes provide that "records confidentially disclosed to an agency or required by any agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records" shall remain confidential unless otherwise ordered by a court of competent jurisdiction." KRS 81.878(1).

The natural gas industry is very competitive. Atmos Energy has competitors, who could use this information to their advantage and to the direct disadvantage of Atmos Energy. Atmos Energy would be at a competitive threat of loss of business due to the ability of its competitors to leverage the information to their advantage. The public disclosure of the customer name, customer identifiable information, monetary terms negotiated with each customer and critical monetary terms would permit an unfair advantage to those competitors. With the identity of the customer and the knowledge of the contract terms, competitors would have inside information to target these customers. For these reasons, the customer name, customer identifiable information, and monetary terms in the contracts are exempt from public disclosure pursuant to KRS 61.878(c)(1).

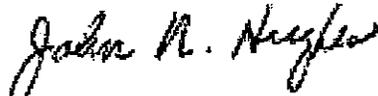
The Commission has previously ruled that these contract submissions are confidential in the prior rate case 2013-00148. The contract terms are also excluded from public disclosure by KRS 278.160(3). This same information is the subject of a pending petition for confidentiality filed with the submission of these contracts and in response to the Commission's data requests in Case 2015-00343, which are incorporated by reference.

Atmos Energy requests that the information be held confidentially indefinitely. The statutes cited above do not allow for disclosure at any time. Given the competitive nature of the natural gas business and the efforts of non-regulated competitors to encroach upon traditional markets, it is imperative that regulated information remain protected and that the integrity of the information remain secure.

For these reasons, Atmos Energy requests that the items identified in this petition be treated as confidential. Should the Commission determine that some or all of the material is not to be given confidential protection, Atmos Energy requests an hearing prior to any public release of the information to preserve its rights to notice of the grounds for the denial and to preserve its right of appeal of the decision.

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE FILING OF)
SEVEN (7) SPECIAL INDUSTRIAL) Case No. 2016-00052
CONTRACTS BY ATMOS ENERGY)
CORPORATION)

AFFIDAVIT

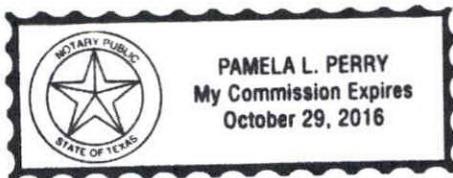
The Affiant, Gary L. Smith, being duly sworn, deposes and states that the attached responses to Commission Staff's first request for information are true and correct to the best of his knowledge and belief.



Gary L. Smith

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Gary L. Smith on this the 14 day of March, 2016.





Notary Public
My Commission Expires: 10-29-16

Case No. 2016-00052
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Provide a comparison of the existing contract rates and proposed contract rates, and the respective annual revenue estimates for each customer to be served under one of the seven special contracts identified as 2016-00052-A through 2016-00052-G in the Commission's February 9, 2016 Order in this proceeding and attached as an Appendix to that Order.

RESPONSE:

Please see Confidential redacted Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-01_Att1 - Redacted - Special Contract Existing vs Proposed Rates.xlsx, 1 Page.

Respondent: Gary Smith

Atmos Energy Corporation
 Kentucky / Mid-States Division
 Kentucky Operations
 Case No. 2016-00052
 Staff DR Set 1 - 1
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Docket Customer ID	Current Commodity/Mcf	Proposed Commodity/Mcf	Est. Vol (Mcf)	Current Revenue ^a	New Revenue ^a	Revenue Change ^a
A		All Volumes				
B		1 - 100,000 Mcf >100,001 Mcf				
F		All Volumes				
G		All Volumes (Yr 1) All Volumes (Yr 2) All Volumes (Yr 3 to 10)				
C		1 - 100,000 Mcf >100,001 Mcf				
E		All Volumes				
D		All Volumes				

Total

Note 1 -Excludes revenues associated with tariff monthly customer charges and transportation administration fees. These additional charges apply to each customer.

Case No. 2016-00052
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Provide a complete description of the unique circumstances of each special contract customer that justify offering the customer a discount from the applicable tariff rate(s). The descriptions should include the specific threat of bypass posed for each customer.

RESPONSE:

Please see Confidential redacted Attachment 1 and Confidential Attachment 2 through Confidential Attachment 8.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-03_Att1 - Redacted - Competitive Circumstances.pdf, 2 Pages.

ATTACHMENT 2 - Atmos Energy Corporation, Staff_1-02_Att2 - Customer A Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 3 - Atmos Energy Corporation, Staff_1-02_Att3 - Customer B Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 4 - Atmos Energy Corporation, Staff_1-02_Att4 - Customer C Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 5 - Atmos Energy Corporation, Staff_1-02_Att5 - Customer D Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 6 - Atmos Energy Corporation, Staff_1-02_Att6 - Customer E Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 7 - Atmos Energy Corporation, Staff_1-02_Att7 - Customer F Map (CONFIDENTIAL).pdf, 1 Page.

ATTACHMENT 8 - Atmos Energy Corporation, Staff_1-02_Att8 - Customer G Map (CONFIDENTIAL).pdf, 1 Page.

Respondent: Gary Smith

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KPSC Case No. 2016-00052

Staff Request 1-2

Unique competitive circumstances for each customer.

Docket Customer ID – A

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 2)
- Pipeline route is very manageable, adjacent to a roadway.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of
-

Docket Customer ID – B

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 3)
- Pipeline route is very manageable, adjacent to a roadway.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of

Docket Customer ID – C

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 4)
- Pipeline route is very manageable, adjacent to a roadway.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of

Docket Customer ID – D

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 5)
- Pipeline route is very manageable, on farm land along a property line.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of

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KPSC Case No. 2016-00052

Staff Request 1-2

Page 2

Docket Customer ID – E

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 6)
- Near other large gas consumers who could potentially share/reduce tap and/or pipeline costs.
- Pipeline route is very manageable, on open, undeveloped land.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of . Lower simple payback if costs were shared with other nearby large gas consumers.

Docket Customer ID – F

- Customer consumes
- Located only feet from a potential interstate pipeline tap. (See map attached as Attachment 7)
- Pipeline route is very manageable, adjacent to a roadway.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of years.

Docket Customer ID – G

- Customer consumes
- Located only miles from a potential interstate pipeline tap. (See map attached as Attachment 8)
- Near other large gas consumers who could potentially share/reduce tap and/or pipeline costs.
- Pipeline route is very manageable, on open, undeveloped land and along roadways.
- Depending on construction and tap costs, avoided tariff transportation charges would provide a simple payback on bypass of . Lower simple payback if costs were shared with other nearby large gas consumers.

Case No. 2016-00052
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

State whether any contract term, other than the rate(s), relating to the provision of service to any of the seven special contract customers is being changed in the proposed contracts. If so, list each change for each customer.

RESPONSE:

Please see Confidential redacted Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-03_Att1 - Redacted - Special Contract Terms.pdf, 2 Pages.

Respondent: Gary Smith

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KPSC Case No. 2016-00052

Staff Request 1-3

Changes in contract terms other than pricing

All contracts contain new language regarding confidentiality and electronic flow metering requirements. Additional changes for each contract are as follows:

Docket Customer ID – A

- All volumes on
- Updated Peak Day Volume
- Updated Peak Hour Volume
- Added MDQ

Docket Customer ID – B

- Updated T-3 Peak Day Volume
- Updated T-3 Peak Hour Volume
- Added T-3 MDQ
- Eliminated T-4 service.
- Changed Primary Term
- Changed term notification requirement

Docket Customer ID – C

- Service Type changed
- No longer identify volumes at varying Priority of Service levels.
- Lowered aggregate Peak Day and Peak Hour Volumes
- Adjusted monthly maximum
- Changed length of term on successive rollovers

Docket Customer ID – D

- Updated Peak Day Volume
- Updated Peak Hour Volume
- Added MDQ

Docket Customer ID – E

- Updated Peak Day Volume
- Updated Peak Hour Volume
- Added MDQ

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KPSC Case No. 2016-00052

Staff Request 1-3

Page 2

Docket Customer ID – F

- Updated the Peak Day Volume
- Updated the Peak Hour Volume
- Added an MDQ

Docket Customer ID – G

- Updated Peak Day Volume
- Updated Peak Hour Volume
- Added MDQ
- Adjusted monthly maximum