

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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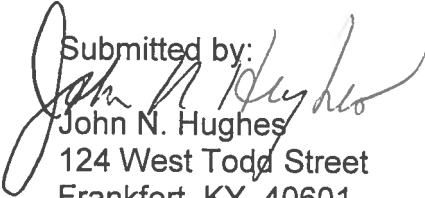
PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF WKG STORAGE, INC. FOR) CASE NO.
RATE ADJUSTMENT FOR SMALL UTILITIES) 2016-00053
PURSUANT TO 807 KAR 5:076)

COMMENTS OF ATMOS ENERGY CORPORATION

Atmos Energy Corporation, (Atmos Energy) by counsel, pursuant to the Commission's order of June 17, 2016, submits its response to the comments of the Attorney General filed on July 8th. On page 4 of his comments, the Attorney General says: "If WKG is allowed to be treated as a rate-regulated utility, the abovementioned precedent will be overturned and Atmos Energy will be earning a profit, recoverable through the PGA." Atmos Energy earns no return on its WKG storage contract because the WKG storage charges are recovered on a dollar-for-dollar pass-through basis in its PGA filing. These gas costs are not part of Atmos Energy's rate base on which its general rates are calculated.

Submitted by:

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