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PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)	CASE NO.
FILING OF)	2016-00129
ATMOS ENERGY CORPORATION)	

<u>PETITION FOR CONFIDENTIALITY OF INFORMATION</u> BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION

Atmos Energy Corporation ("Atmos") respectfully petitions the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001 Section 13 for confidential treatment of the information which is described below and which is attached hereto. In support of this Petition, Atmos states as follows:

1. Atmos is filing its Gas Cost Adjustment ("GCA") for the quarterly period

commencing on May 1, 2016 through July 31, 2016. This GCA filing contains a change to

Atmos' Correction Factor (CF) as well as information pertaining to Atmos' projected gas prices.

The following two attachments contain information which requires confidential treatment.

- a. The attached Exhibit D, Page 5 of 6 contains confidential information from which the actual price being paid by Atmos for natural gas to its supplier can be determined.
- b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, Page 2 of 2 contains confidential information pertaining to prices projected to be paid by Atmos for purchase contracts.

2. Information of the type described above has previously been filed by Atmos with the Commission under petitions for confidentiality. The Commission has consistently granted confidential protection to that type of information in each of the prior GCA filings since KPSC Case No. 1999-070.

3. All of the information sought to be protected herein as confidential, if publicly disclosed, would have serious adverse consequences to Atmos and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos. Atmos has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos' competitors, (including specifically non-regulated gas marketers), would clearly put Atmos to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos' gas purchases and transportation costs and strategies. The Commission has accordingly granted confidential protection to such information.

4. Likewise, the information contained in the WACOG schedule in support of Exhibit C, Page 2 of 2, also constitutes sensitive, proprietary information which if publicly disclosed would put Atmos to an unfair commercial disadvantage in future negotiations.

5. Atmos would not, as a matter of company policy, disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos' internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the attached report is not disclosed to any personnel of Atmos except those who need to know in

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order to discharge their responsibility. Atmos has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry.

6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

7. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 265.880: (a) the economic value of the information as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos maintaining the confidentiality of the information since competitors and entities with whom Atmos transacts business could obtain economic value by its disclosure.

8. The attached information is, for the reasons set forth above, entitled to confidential protection under KRS 61.878.

9. The attached information should be treated as confidential for an indefinite period because its competitively sensitive nature will last for an indefinite period.

WHEREFORE, Atmos petitions the Commission to treat as confidential all of the material and information which is included in the attached one volume marked "Confidential".

Respectfully submitted this <u>30th</u> day of March, 2016.

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Atmos Energy Corporation Estimated Weighted Average Cost of Gas For the Quarter ending July 31, 2016

Note: Filed under Petition of Confidentiality

		May-16			June-16			July-16				Total
	Volumes	Rate	Value	Volumes	Rate	Value	Volumes	Rate	Value	Volumes	Rate	Value
Texas Gas	1,485,693			1,570,978			1,349,391			4,406,062		
Trunkline	-			-			-			-		
Tennessee Gas	247,070			212,135			220,782			679,987		
Texas Gas (NNS)	(268,894)			(497,910)			(345,712)			(1,112,516)		
TN Gas Storage	(170,221)			(160,295)			(172,236)			(502,752)		
WKG Storage	(674,405)			(674,400)			(674,405)			(2,023,210)		
Midwestern				-								
	619,243			450,508			377,820			1,447,571		
Hedges			\$ -			\$ -			\$ -			\$ -
TX Gas Storage	(268,894)	2.125	(571,319)	(497,910)	2.125	(1,057,909)	(345,712)	2.125	(734,534)	(1,112,516) \$	2.125	(2,363,762)
TN Gas Storage	(170,221)	2.037	(346,706)	(160,295)	2.037	(326,488)	(172,236)	2.037	(350,810)	(502,752)	2.037	(1,024,004)
WKG Storage	(674,405)	2.125	(1,432,908)	(674,400)	2.125	(1,432,897)	(674,405)	2.125	(1,432,908)	(2,023,210)	2.125	(4,298,713)
Market	1,732,763	1.930	3,344,059	1,783,113	2.033	3,625,603	1,570,173	2.132	3,346,981	5,086,049	2.028	10,316,643
	619,243		\$ 993,126	450,508		\$ 808,309	377,820		\$ 828,729	1,447,571		\$ 2,630,164
WACOGs	\$	2.001			\$ 2.068		\$	2.123		\$	2.064	

EXHIBIT C Page 2 of 2

Atmos Energy Corporation Detail Sheet for Supply Volumes & Costs Traditional and Other Pipelines

Traditional and Other Pipelines	(a) (b) GLDecember-15			(d) anuary-16	(e) (f) February-16		
	and the second se	ember-15		cember-15		anuary-16	
Description	MCF	Cost	MCF	Cost	MCF	Cost	
1 Texas Gas Pipeline Area 2 LG&E Natural 3 Texaco Gas Marketing 4 CMS 5 WESCO 6 Southern Energy Company 7 Union Pacific Fuels 8 Atmos Energy Marketing, LLC 9 Engage 10 ERI	546,152	1,031,043	588,028	1,205,358.85	573,381	1,270,124.89	
 Prepaid Reservation Hedging Costs - All Zones 							
14 15 Total	546,152	\$1,031,042.82	588,028	\$1,205,358.85	573,381	\$1,270,124.89	
 16 17 18 Tennessee Gas Pipeline Area 19 Chevron Natural Gas, Inc. 20 Atmos Energy Marketing, LLC 21 WESCO 22 Prepaid 23 Reservation 24 Fuel Adjustment 	79,749	146,633.07	77,536	157,555.30	103,735	245,242.94	
25 26 Total 27	79,749	\$146,633.07	77,536	\$157,555.30	103,735	\$245,242.94	
28 29 Trunkline Gas Company 30 Atmos Energy Marketing, LLC 31 Engage 32 Prepaid 33 Reservation 34 Fuel Adjustment	0	199.19	0	(64.64)	114,938	258,146.49	
35 36 Total 37 38	0	\$199.19	0	(\$64.64)	114,938	\$258,146.49	
 39 Midwestern Pipeline 40 Atmos Energy Marketing, LLC 41 Midwestern Gas Transmission 42 Anadarko 43 Prepaid 44 Reservation 45 Fuel Adjustment 	(147)	(324.16)	(279)	(556.98)	75	179.48	
46 47 Total 48 49	(147)	(\$324.16)	(279)	(\$556.98)	75	\$179.48	
 50 ANR Pipeline 51 Atmos Energy Marketing, LLC 52 LG&E Natural 53 Anadarko 54 Prepaid 55 Reservation 56 Fuel Adjustment 	1,681	7,250.62	0	(140.94)	0	(144.83)	
57 58 Total 59 60	1,681	\$7,250.62	0	(\$140.94)	0	(\$144.83)	
61 All Zones 62 Total 63	627,435	\$1,184,801.54	665,285	\$1,362,151.59	792,129	\$1,773,548.97	

**** Detail of Volumes and Prices Has Been Filed Under Petition for Confidentiality ****

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