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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF ATMOS)
ENERGY CORPORATION FOR)
AUTHORITY TO DEVIATE FROM)
THE REQUIREMENTS OF)
807 KAR 5:006 Section 26 (5)(a)1.c.)
And (5)(c))

Case No. 2017-00169

APPLICATION

1. Comes Atmos Energy Corporation (“Atmos Energy” or “Company”), by counsel, and respectfully moves the Kentucky Public Service Commission (the “Commission”) for an order authorizing Company to deviate from the requirements of 807 KAR 5:006 Section 26 (5)(a)1.c. and (5)(c) . Correspondence and communications with respect to this Application should be directed to:

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Atmos Energy is a utility as defined by KRS 278.010 (3)(b) and is subject to the jurisdiction of the Public Service Commission ("Commission"), pursuant to KRS 278.040. Atmos Energy was initially incorporated in Texas on February 6, 1981 and in Virginia on July 21, 1997. Its articles of incorporation were filed in Case No. 2013-00148. Applicant attests that it is a foreign corporation in good standing to operate in Kentucky. Atmos Energy does not operate under an assumed name in Kentucky.

BACKGROUND

807 KAR 5:006 Section 26 (5)(a)1.c. provides as follows:

- “1. At intervals not to exceed every fifteen (15) months, but at least once each calendar year, the utility shall inspect and visually examine:
 - c. Accessibility of the curb box and valve on a service line.”

807 KAR 5:006 Section 26(5)(c) provides as follows:

- (c) At intervals not to exceed the periodic meter test intervals, the curb box and valve on the service line shall be inspected for operable condition.

Atmos Energy has historically inspected and currently inspects both the accessibility of the curb box and valves on service lines and their operable condition on an annual basis. The Company believes that the intent of the Commission’s gas safety regulations can be satisfied by the Company inspecting both the accessibility and the operable condition of all curb boxes and valves on service lines at least once every thirty-six (36) months.

ARGUMENT

Pursuant to the Commission's Order of October 12, 2004, in The Matter Of: The Application of Atmos Energy Corporation For Approval Of A Permanent Meter Sampling Test Program, KPSC Case No. 2004-00121, Atmos Energy's request to continue the statistical sample meter test plan, originally approved on a pilot basis in Case No. 1999-00059, on a permanent basis was approved. Atmos Energy has continually utilized this plan since it was originally approved by the Commission in 1999.

Atmos Energy further requested, in Case No. 2004-00121, a deviation from the requirements of 807 KAR 5:006, Section 25(5)(b), which require all customer service regulators, vents and relief valves be checked for satisfactory operation at intervals not to exceed the periodic meter test intervals under 807 KAR 5:022 Section 8(5). The Commission approved the Company's request to deviate from that requirement and authorized the Company to inspect service regulators in accordance with the meter test intervals in the Company's approved statistical sample meter test plan.


The Commission's approval of the Company's statistical sample meter test plan, as well as the corresponding deviation relating to inspection of customer service regulators, vents and relief valves, has resulted in significant cost savings to the Company's ratepayers with no increase in safety related incidents or concerns.

The Company believes that significant cost savings for ratepayers, with no corresponding increase in safety related concerns or incidents, can be achieved by the Commission's approval of the deviation herein requested.

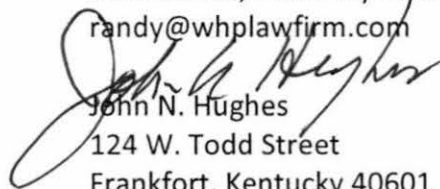
Atmos Energy currently has 3,360 curb boxes installed in Kentucky. As stated above, the Company inspects each of the curb boxes for accessibility and operable condition, on a twelve (12) month cycle at an annual estimated cost of \$161,280. The Company is requesting authority to implement a thirty-six (36) month inspection cycle, with one-third (1/3) of all curb boxes and valves being inspected and tested during any given year. The estimated cost savings under this plan would be \$107,519 per year. These savings can be achieved without creation of any new or additional risk to public safety.

WHEREFORE, Atmos Energy requests applies to the Commission for an order authorizing it to deviate from the requirements of 807 KAR Section 26(5)(a)1.c. and (5)(c) for good cause pursuant to 807 KAR 5:006(28) and to implement a program under which curb boxes and valves on all service lines are inspected for both accessibility and operable condition at least once each thirty-six (36) month interval.

Respectfully submitted this 17th day of April, 2017.



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