Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

Talina R. Mathews Commissioner

April 18, 2018

PARTIES OF RECORD

Re:

Case No. 2017-00349

Electronic Application of Atmos Energy Corporation for an Adjustment of Rates

and Tariff Modifications

Attached is a copy of an electronic mail correspondence from Commission Staff to the parties of record that requested Atmos to provide supplemental information to its responses to Commission Staff's Post-Hearing Request for Information. The correspondence will be filed into the record of the above-referenced case. If you have any comments you would like to make regarding the contents, please do so within five days of receipt of this letter.

If you have any questions, please contact Angela Goad, Staff Attorney, at 502-782-2562.

Sincerely,

Gwen R. Pinson

wer R. Purson

Executive Director

AMG

Attachment



Goad, Angela M (PSC)

From:

Goad, Angela M (PSC)

Sent:

Thursday, April 12, 2018 5:21 PM 'John Hughes'; Cook, Larry (KYOAG)

To: Cc:

'randy@whplawfirm.com'; Chandler, Kent A (KYOAG); McNeil, Justin M (KYOAG); Pinney,

Jeb E (PSC); Melloan, Kyle M (PSC)

Subject:

Atmos Post-Hearing Data Responses Case No. 2017-00349

Counsel,

The Commission has determined that the following responses filed by Atmos to the Commission's Post-Hearing Requests for Information in Case No. 2017-00349 are not sufficient. In order to expedite this matter, I have listed the responses below where the Commission will require supplemental information to be provided. Please have the supplemental information filed by April 17, 2018, which is the same date that the briefs, if any, are due. Please let me know if you have any questions or concerns.

- 1. Refer to Atmos' response to the Commission's Post-Hearing Data Request, Item 3, and specifically reference the summary data worksheet titled Attachment 1 to supplement the following questions:
 - a. Provide a detailed explanation as to why the "Company Labor and Associated Costs" category expenses were not included in the totals. The numbers in the worksheet columns do not sum to the columnar totals shown. The difference in all years is the same amount that is shown as "Company Labor and Associated Costs" for the respective periods. While the annual "Company Labor and Associated Costs" dollar amounts are shown in the columns, they are not included in the totals. For example, the 2017 column total is \$39,898,050 but adding the numbers shown produces a total of \$42,115,414, a difference of \$2,217,364, which is the same amount that is shown for the 2017 "Company Labor and Associated Costs."
 - b. Provide an explanation of what "Company Labor and Associated Costs" and "Company Labor" categories consist of, and explain any differences between the two categories.
 - c. Provide the approximate miles replaced, and average cost per mile to replace information for year 2018, as was provided for years 2011-2017.
 - d. Provide a detailed explanation for the average cost per mile large monetary increase between years 2016-2017.
- 2. Refer to Atmos' response to the Commission's Post-Hearing Data Request, Item 4, to supplement the following questions:
 - a. Provide a detailed explanation as to how Atmos arrived at the 42-45 percent PRP completion estimate, and provide the associated calculations, including mileage totals, that support the completion estimate.

- b. Atmos responded that there are 220 miles of bare/ineffectively coated steel remaining on it system. Reconcile this response with Atmos' response to Commission Staff's Second Request for Information, Item 18(b), which provided the projected future PRP spending.
- 3. Refer to Atmos' response to the Commission's Post-Hearing Data Request, Item 5, to supplement the following questions:
 - a. Refer to Attachment 1, and provide the requested project listings identified and segregated by year, with the corresponding totals for costs as well as mileage.
 - b. Atmos states to refer to Case No. 2017-00308 for the detailed list of 2018 PRP projects. Provide the 2018 PRP project list, and include the associated mileage and monetary amounts for the 2018 project year.

Thank you,

Angela M. Goad Staff Attorney Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40602-0615 Office: (502) 782-2562

Fax: (502) 564-7279 Email: <u>AGoad@ky.gov</u> Website: <u>http://psc.ky.gov</u> *Honorable John N Hughes Attorney at Law 124 West Todd Street Frankfort, KENTUCKY 40601 *Eric Wilen Project Manager-Rates & Regulatory Affairs Atmos Energy Corporation 5420 LBJ Freeway, Suite 1629 Dallas, TEXAS 75420

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