

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY CORPORATION )  
FOR AN ORDER APPROVING THE ACCOUNTING )  
TREATMENT OF COSTS AND EXPENSES INCURRED ) CASE NO.  
IN CONNECTION WITH ENVIRONMENTAL REMEDIAL ) 2008-00230  
ACTIONS ASSOCIATED WITH A MANUFACTURED GAS )  
PLANT SITE IN OWENSBORO, KENTUCKY )

SUPPLEMENTAL DATA REQUEST OF COMMISSION STAFF  
TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation ("Atmos"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due not later than September 4, 2008. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Atmos shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which

Atmos fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the response to Item 1.b of Commission Staff's July 21, 2008 data request ("Staff's first request"). Show the dollar amounts and provide the specific account(s) – account title and account number – in which Atmos has recorded each of the expenditures shown on the invoice from Linebach & Funkhouser, Inc.

2. Refer to the responses to Items 1.b and 2.c of Staff's first request.

a. Aside from the \$40,000 identified as donations, will the remainder of the \$60,000 in additional expenditures consist entirely of legal expenses? If no, explain the response.

b. Show the dollar amounts and provide the specific account(s) – account title and account number – in which Atmos anticipates recording the portion of the \$60,000 that will not be identified as donations.

3. Refer to the first paragraph of the response to Item 4 of the Staff's first request. Given that KRS 278.183(1) requires a utility to submit an environmental compliance plan to the Commission prior to implementing an environmental surcharge,

explain how the surcharge statute can be considered to support the recovery of non-recurring costs such as those applicable to Atmos's specific situation.

4. Refer to the last paragraph of the response to Item 4 and the response to Item 6 of Staff's first request.

a. Describe the extent to which Atmos has tracked the costs incurred during the 12 months ended June 30, 2008, the forecasted test period in its last rate case, Case No. 2006-00464,<sup>1</sup> to determine whether the costs it has incurred were costs it had budgeted in its revenue requirements calculation.

b. Given that Case No. 2006-00464 was resolved via a settlement agreement, which did not state a specific level of expenses, a specific level of earnings, or a specific return on equity upon which the agreed-upon rates were based, describe the relationship of those settlement rates to the costs Atmos budgeted in its revenue requirements calculation.

c. Explain whether Atmos can verify that every expense item it budgeted in its revenue requirements calculation in Case No. 2006-00464 was incurred in the 12 months ended June 30, 2008 in an amount at least as great as the amount it had budgeted.

DATED: AUGUST 21, 2008

cc: All Parties

  
Stephanie Stumbo  
Executive Director  
Public Service Commission  
P.O. Box 615  
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<sup>1</sup> Case No. 2006-00464, Application of Atmos Energy Corporation for an Adjustment of Rates, Final Order dated July 31, 2007.