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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

JUL 15 2019

In the Matter of:

PUBLIC SERVICE
COMMISSION

APPLICATION OF ATMOS ENERGY CORPORATION)
FOR APPROVAL OF SPECIAL CONTRACT PURSUANT)
TO ITS ECONOMIC DEVELOPMENT RIDER)

CASE No.
2019-00145

ATTORNEY GENERAL’S SUPPLEMENTAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Data Requests to Atmos Energy Corp. [hereinafter “Atmos” or “the Company”] to be answered by the date specified in the Commission’s Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for Atmos with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(6) If you believe any request appears confusing, request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or

otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, state: the identity of the person by whom it was destroyed or

transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.


(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Ms. Gwen R. Pinson, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Hon. John N. Hughes
124 W. Todd St.
Frankfort, KY 40601

Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, KY 42303

Hon. Mark R. Hutchinson
Wilson, Hutchinson & Littlepage
611 Frederica St.
Owensboro, KY 42301

This 15th day of July, 2019.



Assistant Attorney General

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Application of Atmos Energy Corporation for Approval of Special Contract Pursuant
to its Economic Development Rider
CASE No. 2019-00145
Attorney General's Supplemental Data Requests
PUBLIC REDACTED VERSION

1. Reference Atmos' response to PSC 1-9, for which the Company is seeking confidential protection.

a. Reference the [REDACTED] dated [REDACTED] from [REDACTED] of Atmos to [REDACTED]. On page 1, in the third bullet point, the following statement is made: "[REDACTED]"

[REDACTED]

- i. What is meant by the term "[REDACTED]"?
- ii. Describe how the sum of [REDACTED] was determined. Was this amount eventually included as part of the agreement? Is the same sum used for all EDR contracts?
- iii. Does the [REDACTED] payment come from Atmos? If so, identify the source of those funds, including whether they represent shareholder sums. If not, do ratepayers pay that sum? If Atmos borrowed the sums involved, did it pay any interest or carrying charges, and if so, who will pay those costs?
- iv. Is the [REDACTED] amount [REDACTED] the 25% Tariff Margin Discount provided by Atmos' EDR tariff?
- v. Describe in full what the term "[REDACTED]" means.
- vi. In the sentence that begins with the phrase, "[REDACTED] [REDACTED] . . .", identify the party or entity that would be [REDACTED].
- vii. Identify the party and amount paid by said party for each phase of construction associated with the Diageo expansion subject to the Tariff EDR rate.
- viii. Given that the sums identified in this attachment were only estimates, provide the actual sums paid under the agreement eventually executed.
- ix. Provide the total amount Atmos spent for any extensions or expansions of its facilities in order to provide service under the EDR contract.
- x. Explain whether a "[REDACTED]" is another way of referring to the term "[REDACTED]". If not, explain in full all differences between the two. Explain also what type(s) of

Application of Atmos Energy Corporation for Approval of Special Contract Pursuant
to its Economic Development Rider
CASE No. 2019-00145
Attorney General's Supplemental Data Requests
PUBLIC REDACTED VERSION

[REDACTED], if any, the final contract has, and if more than one, the differences between them.

xi. Confirm that the possible [REDACTED] were preliminary, and not included in the actual filed contract [REDACTED].

b. Reference the [REDACTED] dated [REDACTED]
[REDACTED]

i. At the end of the first paragraph on page 2, the following sentence appears: [REDACTED]
[REDACTED]

(1) Describe what the phrase [REDACTED] means.

(2) Include in your response whether it is Atmos or Diageo that under this scenario would be making a [REDACTED]

(3) State whether any estimates of such a [REDACTED] have been derived, and if so, provide the figure.

ii. Have the parties obtained the referenced permission from either [REDACTED] and/or [REDACTED]?

iii. Confirm that under the actual final contract, Atmos will not be making any contribution toward construction costs, and that Diageo paid all such costs. If not so confirmed, provide a supplemental response to AG 1-4, which stated in pertinent part, "Atmos did not pay for the expansion."

c. Reference the email from [REDACTED]
[REDACTED]

i. In numerical paragraph 1, Describe what the term "[REDACTED]" refers to.

ii. In numerical paragraph 5, describe what the term "[REDACTED]" refers to. Explain why the [REDACTED] can only be used for [REDACTED].

iii. Describe whether the [REDACTED] concept was utilized in any manner for the actual filed contract, and if so, how.

Application of Atmos Energy Corporation for Approval of Special Contract Pursuant
to its Economic Development Rider
CASE No. 2019-00145
Attorney General's Supplemental Data Requests
PUBLIC REDACTED VERSION

- d. State whether Atmos, Diageo, or both companies were in charge of overseeing construction of the facilities necessary to provide service under the actual filed EDR agreement.
 - e. Provide a description of how all funds utilized during construction were derived. For example, did Diageo front all sums? If not: (i) describe how Atmos obtained the funds used for the project; and (ii) describe the ratepayer impact for all such costs.
2. Refer to Atmos' response to Staff DR 1-3, wherein Mr. Martin states, "the Company agrees that a marginal COSS is probably a better guide."
 - a. Confirm that the Commission's September 24, 1990 order in Administrative Case No. 327 *requires* the utility to "submit, with each EDR contract, a current marginal cost-of-service study. A current study is one conducted no more than one year prior to the date of the contract."
3. Refer to Atmos' Response to Staff DR 1-3, wherein it indicates it has filed "prior EDR contracts."
 - a. Provide the Attorney General the last five (5) annual reports for each of Atmos' other active EDRs, or if none are active, the last three (3) EDRs, detailing revenues received from individual EDR customers and the marginal costs associated with serving those individual customers, in accordance with findings paragraph number 7 in the Commission's September 24, 1990 order in Administrative Case No. 327.
 - b. Provide citations to the portion of Atmos' Applications in its past three (3) rate cases whereby Atmos "demonstrate[d] through detailed cost-of-service analysis that nonparticipating ratepayers are not adversely affected by [the active EDR] customers."
4. Refer to Exhibit A to the Application, page 1, the Large Volume Natural Gas Service Agreement.
 - a. The agreement's recitation states that, "Atmos Energy does not anticipate any customer-specific fixed costs." Nevertheless, should fixed costs be identified, identify the provision of the EDR contract that provides for the recovery of EDR customer-specific fixed costs over the life of the contract.