

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC REQUEST OF ATMOS ENERGY CORPORATION FOR MODIFICATION AND EXTENSION OF ITS GAS COST ADJUSTMENT PERFORMANCE BASED RATEMAKING MECHANISM	) ) ) ) ) )	CASE NO. 2020-00289
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ORDER

On August 31, 2020, Atmos Energy Corporation (Atmos) requested that its gas cost adjustment performance based ratemaking (PBR) mechanism be extended for a period of five years. The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General), moved and was granted leave to intervene. The Commission entered a procedural schedule, and after the completion of written discovery, Atmos and the Attorney General jointly moved that they be permitted to file simultaneous briefs and that this matter be decided on the written record. The Commission granted Atmos and the Attorney General's request to file simultaneous briefs but noted that it reserved the right to take additional evidence in this matter through written requests or at a hearing.

Having reviewed this matter and being otherwise sufficiently, the Commission finds that it is necessary to take additional evidence in this matter. Specifically, the Commission finds that Atmos should respond to the requests for information attached as an Appendix to this Order on or before January 14, 2022. The Commission further finds that a hearing on Atmos's request to extend its PBR mechanism should be scheduled and that Atmos

should be prepared to present witnesses regarding any topic raised during this case, including those raised in the request for information attached hereto.

The Commission, on its own motion, HEREBY ORDERS that:

1. A hearing in this matter shall be held virtually on January 27, 2022, at 9 a.m. Eastern Standard Time.

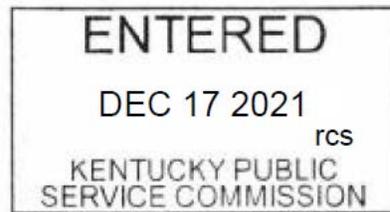
2. Commission Staff shall provide the parties with details for joining the hearing via video link.

3. Atmos shall file no later than January 14, 2022, responses to Commission Staff's Third Request for Information, attached to this Order as an Appendix.

4. Atmos shall give notice of the hearing in compliance with 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, [psc.ky.gov](http://psc.ky.gov)"; and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listed on the PSC website, [psc.ky.gov](http://psc.ky.gov)." At the time the notice is mailed or publication is requested, Atmos shall forward a duplicate of the notice and request to the Commission.

5. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

By the Commission



ATTEST:

A handwritten signature in blue ink that reads "Linda C. Bidwell". The signature is written in a cursive style.

Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00289 DEC 17 2021

#### COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation (Atmos), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on January 14, 2022. The Commission directs Atmos to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made, and 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 response if Atmos obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Atmos fails or

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

refuses to furnish all or part of the requested information, Atmos 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. When filing a paper containing personal information, Atmos shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Identify the delivery location used to determine New York Mercantile Exchange (NYMEX) Settled Closing Price.
2. Identify the delivery locations to which Atmos currently has access.
3. Identify the delivery locations at which Atmos currently has firm commitments.
4. Identify the delivery locations at which Atmos has had firm commitments in each of the last five years.
5. Explain why Atmos contends that its base load gas purchases should not be benchmarked solely against closing prices at delivery points to which Atmos has access.
6. Refer to Louisville Gas and Electric's (LG&E) gas tariff sheets, P.S.C. Gas No. 13, Original Sheet No. 87 through P.S.C. Gas No. 13, Original Sheet No. 87.3.

a. State whether Atmos contends that it would be unreasonable for the Commission to require it to benchmark its base load purchases in the same manner that LG&E benchmarks gas purchases within firm transportation entitlements.

b. Explain each basis for Atmos's contention.

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