

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ATMOS)	
ENERGY CORPORATION FOR APPROVAL OF)	CASE NO.
SPECIAL CONTRACT PURSUANT TO ITS)	2023-00086
ECONOMIC DEVELOPMENT RIDER)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation (Atmos), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 22, 2023. The Commission directs Atmos to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ 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

¹ 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).

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 or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Atmos fails or 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 and scanned 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. Refer to the Application, page 2 and the Large Volume Natural Gas Service Agreement, page 1.

- a. Confirm that Wieland North America Recycling, LLC (Wieland) is a new customer that is constructing new facilities that are the subject of this special contract. If confirmed, describe the new facilities that are being constructed, the location

of those facilities, and provide when the construction will be completed. If this cannot be confirmed, explain why not.

b. Refer to Atmos's Economic Development Rider (EDR) tariff which is attached to the application. The EDR tariff states that "[t]his Rider is available for load associated with initial permanent service to new establishments, expansion of existing establishments or new customers in existing establishments. This Rider may also be available for existing customers that are experiencing financial hardship, if certain conditions can be met." Identify the category that Wieland falls under to qualify it for the EDR discount and fully explain how Wieland's situation permits it to qualify for the EDR discount.

2. Refer to the Large Volume Natural Gas Service Agreement, page 2.

a. State whether the Pipeline Replacement Program Rider rates will apply to Wieland. If not, explain why not.

b. Provide Wieland's estimated bills over the EDR contract period with associated estimated billings in excel with all formulas unprotected, intact and visible. The estimated billing should be in sufficient detail to show how all tariff rates and the EDR discounts will be applied to estimated volumes.

3. Refer to Case No. 2022-00292, October 31, 2022 Order,² page 7, which stated: "For future EDR contracts, the Commission finds that Atmos should provide more specific support for Finding 5 than a blanket statement that Atmos has adequate system capacity and that the load served will not cause it to fall below a reserve margin

² Case No. 2022-00292, *Electronic Application of Atmos Energy Corporation for Approval of Special Contract Pursuant to Its Economic Development Rider* (Ky. PSC Oct. 31, 2022), Order.

considered essential for system reliability.” State whether Atmos has adequate capacity to service Wieland and provide any analysis that Atmos conducted to determine that it has adequate capacity, with a reserve margin for system reliability, to serve Wieland.

4. Provide copies of all correspondence between Atmos and Wieland regarding the EDR, including electronic mail messages and notes of telephone conversations.

5. Refer to Application, page 4, which states “[t]he recitals of the Contract states that the Company does not anticipate any customer-specific fixed costs.” Explain why Atmos does not anticipate any customer-specific fixed costs.

6. Explain why the Large Volume Natural Gas Service Agreement does not include a provision for recovery of EDR discounts in the event Wieland defaults prior to the expiration of the eight-year term.

7. Refer to the Application, page 3, page 5 and Confidential Exhibit D.

a. Describe in greater detail what is being shown on the map. Include in the explanation the pressure differences between the difference colored lines, confirmation that the psig numbers on what appears to be the main pipeline are the pressures at interconnection junctions, and a description of the two circular points on the main pipeline, how psig is converted to Mcf/Hour, and an explanation of how the information on the map demonstrates that “[w]ith the potential addition of Wieland, Exhibit D also indicated the Shelbyville system would have a remaining capacity of approximately 150 Mcf/Hour.”

b. Explain and demonstrate in greater detail how the addition of Wieland will not cause Atmos to fall below its capacity reserve margin.

c. Provide an update to the map showing the location of interstate natural gas pipelines or other entities that could supply natural gas to Wieland and the distance of the pipelines to Wieland.

8. Refer to the Application, Large Volume Natural Gas Service Agreement, Section 2, Price.

a. Explain whether the 25 percent discount to the tariffed rate applies only after Wieland consumes the first 750 Mcf per month. If not, explain how the discount is applied to the tariffed rate.

b. Explain or point to the section of the Special Contract describing Wieland's obligation to repay any discounted amounts prior to the expiration of the eight year contract in the event of default.

9. Refer the Application, Exhibit B, Atmos's Economic Development Rider Tariff, Sheet No. 41.

a. Explain whether Atmos has discounted or waived gas main extension costs. If so, explain the total cost of the gas main extension costs and the amounts discounted.

b. If not explained above, confirm that no rates are discounted other than the EDR volumetric rate.

10. Explain whether Wieland is required to pay a deposit and if so, explain the amount.

11. Refer to the Application, Confidential Exhibit C.

a. Explain why there is no reflection of the cost to initially construct and install facilities to provide service to Wieland in the first year of service, which otherwise would be avoided but for the addition of Wieland.

b. Explain why there is no reflection of meter reading, Maintenance and Billing costs.

c. Explain why the PSC Assessment charge is applied only to the annual volumetric charge amount.

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DATED SEP 06 2023

cc: Parties of Record

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