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January 3, 2018

Gwen Pinson
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation:
Case No. 2017-00343

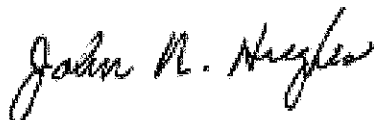
Dear Ms. Pinson:

Atmos Energy Corporation submits its responses to the Commission's Third Data request. Atmos Energy certifies that the electronic version of this filing is a true and accurate copy of the filed paper copies; the paper copies of this filing will be submitted to the Commission; and that no party has been excused from electronic filing procedures.

Submitted by:

Mark R. Hutchinson
Wilson, Hutchinson and Littlepage
611 Frederica St.
Owensboro, KY 42301
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randy@whplawfirm.com

And



John N. Hughes
124 West Todd St.
Frankfort, KY 40601
502 227 7270
jnhughes@johnnhughespsc.com

Attorneys for Atmos Energy Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

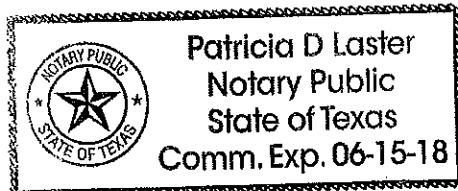
The Affiant, Derek W. Boyd, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of his knowledge and belief.

Derek W. Boyd
Derek W. Boyd

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Derek W. Boyd on this the 20 day of December, 2017.

Patricia S. Laster
Notary Public
My Commission Expires: 6-15-18



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

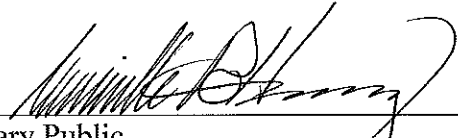
The Affiant, Joe T. Christian, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of his knowledge and belief.



Joe T. Christian

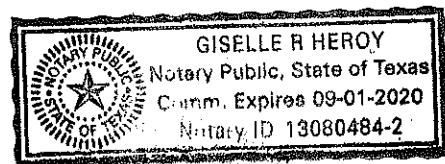
STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Joe T. Christian on this the 29th day of December, 2017.



Notary Public

My Commission Expires: 9/01/2020



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

The Affiant, Mark A. Martin, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of his knowledge and belief.

Mark A. Martin
Mark A. Martin

STATE OF Kentucky
COUNTY OF Daviess

SUBSCRIBED AND SWORN to before me by Mark A. Martin on this the 29th day of December, 2017.

Jeanne Henderson
Notary Public ID # 506385
My Commission Expires: 3-22-18


COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

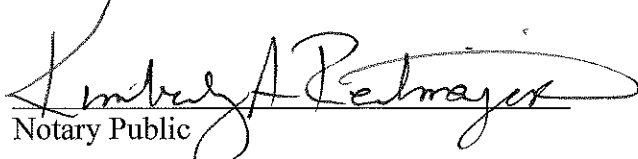
The Affiant, Kimberly D. Pettineo, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of her knowledge and belief.



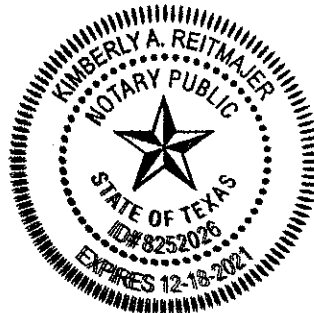
Kimberly D. Pettineo

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Kimberly D. Pettineo on this the 14th
day of December, 2017.



Notary Public
My Commission Expires: 18 DEC 21



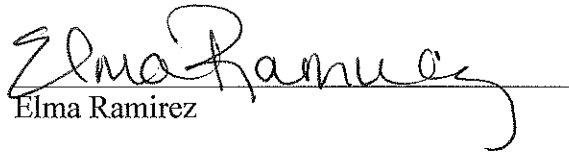
COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

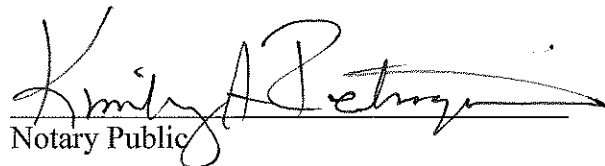
AFFIDAVIT

The Affiant, Elma Ramirez, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of her knowledge and belief.

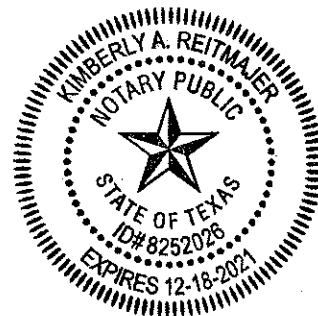

Elma Ramirez

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Elma Ramirez on this the 14th day of December, 2017.


Notary Public

My Commission Expires: 18 DEC 21



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

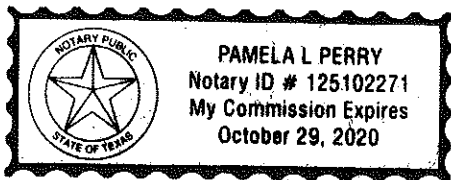
The Affiant, Gregory K. Waller, being duly sworn, deposes and states that the attached responses to Commission Staff's third request for information are true and correct to the best of his knowledge and belief.




Gregory K. Waller

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Gregory K. Waller on this the 29th day of December, 2017.





Notary Public
My Commission Expires: 10-29-20

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-01
Page 1 of 1

REQUEST:

Refer to Atmos's response to Commission Staff's First Request for Information ("Staff's First Request"), Item 65, Attachment 1.

- a. Provide the percentage of base wages that Atmos contributes to employees' defined benefit retirement plans and matching contribution guidelines for 401 (k) plans.
- b. Explain whether "Exempt (Salaried)" indicates employees that are exempt from the Fair Labor Standards Act minimum wage and overtime provisions.
 - (1) If confirmed, explain why this class has overtime pay.
 - (2) If not confirmed, explain this classification title.

RESPONSE:

- a) Please see the Company's response to Staff DR No. 1-69, which includes a description of the Company's retirement plans and contributions. Annual pay is the total amount paid to an employee as reported on the employee's Federal Income Tax Withholding Statement plus any pre-tax contributions under Sections 125 and 401(k), but not including any of the following:
 - Expense reimbursements
 - Bonuses
 - Contributions under the PAP or any other deferred compensation or welfare benefit plan (except under Sections 125 and 401(k))
 - Other special payments of any kind that are unrelated to your activities associated with or in lieu of an employee's performance of services for Atmos Energy or a Participating Affiliate

Annual Pay is subject to a statutory limit, which is \$270,000 for 2017.

- b) The Company confirms that the term "Exempt (Salaried)" in the Company's amended response to Staff DR No. 1-65 indicates employees that are exempt from the Fair Labor Standards Act minimum wage and overtime provisions. The information provided in the Company's amended response to Staff DR No. 1-65 is based on each employee's job category (Director, Executive, Exempt (Salaried), Manager, Non-Exempt (Hourly) or Supervisor) at the last day of the time period provided (CY 2013, CY 2014, CY 2015, CY 2016 and January - August 2017). The payroll information for each employee includes the total requested payroll amounts during the entire time period (CY 2013, CY 2014, CY 2015, CY 2016 and January - August 2017). Each Exempt (Salaried) employee with overtime dollars was a Non-Exempt (Hourly) employee at some point during the given time period and thus eligible for overtime pay.

Respondents: Kim Pettineo and Elma Ramirez

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-02
Page 1 of 1

REQUEST:

Refer to Atmos's responses to Commission Staff's Second Request for Information ("Staff's Second Request"), Items 1 and 13.d. Provide a detailed explanation of why Atmos's Weather Normalization Adjustment tariff and procedures would still be necessary if the Commission were to approve Atmos's Annual Review Mechanism ("ARM") tariff as proposed, and why any variability in revenues that would impact earnings would not be addressed by the annual ARM adjustments.

RESPONSE:

The WNA mechanism protects both customers and the Company by providing real-time smoothing of volatility of both customers' bills (at an individual customer level) and Company revenues, both of which would otherwise fluctuate with weather. Eliminating WNA would eliminate the "real-time billing" credit and/or surcharge and the *aggregate* of dollars that would otherwise have been credited or surcharged during those winter months would not be directly billed, but rather would be included in an ARM true-up. Deferring the impact of WNA to an ARM true-up filing would not serve a timely smoothing function on a customer level, as it would occur only in the aggregate, and after a lag of up to two years with the true-up provision in the Company's ARM proposal. Because of the inherent lag, an ROE true-up could greatly exacerbate bill variability. Assume, for example, that there is an abnormally warm period in Year 1, which ultimately results in an upward adjustment to rates under the ARM true-up mechanism. The upward adjustment would not actually make its way into rates until Year 3 given the ARM as proposed. If the weather in Year 3 is abnormally cold, the upward adjustment in Year 3 caused by the true-up increases gas bills when they are already high due to cold weather. Whereas the WNA would have smoothed the effects of weather-related variability in bills, the ARM true-up by itself has made matters worse in this example. Furthermore, the WNA has worked successfully since its inception in 2000-01 and customers are accustomed to its operation. The dollars credited or collected during those time periods have been timely applied to each customer's monthly bill. Continuation of the WNA as a real time billing adjustment is necessary to appropriately assign credit or surcharge on a customer-specific basis and avoid subsidization issues through a deferral. Eliminating the real time WNA and deferring WNA revenues to the ARM true-up disconnects the assignment of revenues from the direct causal relationship for the appropriate class of customers while creating unnecessary volatility in customers' bills as well as the Company's earnings. Because the true-up adjustment would presumably be spread proportionally to all classes just like each annual adjustment, eliminating WNA would effectively result in weather related true-up revenue requirement being spread to non-heat-load customers.

Respondents: Mark Martin and Greg Waller

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-03
Page 1 of 1

REQUEST:

Refer to the response to Staff's Second Request, Item 3. The response does not include all the requested information, which was a comparison of Atmos's average annual customer bills for 2007 through 2016, and for the most recent 12-month period, broken down by rate class and rate components (*i.e. monthly base charges, Mcf rates, gas cost rates for sales customers, PRP charges, DSM charges, etc.*). Provide the information requested.

RESPONSE:

Please refer to Attachment 1 for the requested break-out of rate components. Note that R&D and DSM charges are balance sheet items; not rolled into "revenues" on the Company's income statement. Revenues from the income statements had been the source data for previously supplied information; thus, R&D and DSM charges are additive to the average annual residential customer bills cited previously.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_3-03_Att1 - Rate Components.xlsx, 3 Pages.

Respondent: Mark Martin

Case No. 2017-00349

Atmos Energy Corporation, Kentucky Division

STAFF RFI Set No. 3

Question No. 3-03

Attachment 1

Annual	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	TME 11/30/17
Average Customers	153,662	153,440	152,754	153,117	153,758	153,931	155,082	155,638	155,556	155,983	156,824
Average Annual Usage	66.74	67.68	67.52	69.18	69.70	53.70	66.87	75.11	71.06	55.60	53.81
Customer Charges	\$ 93.12	\$ 112.72	\$ 112.58	\$ 121.66	\$ 150.43	\$ 150.31	\$ 149.74	\$ 175.44	\$ 190.46	\$ 192.09	\$ 208.42
Distribution Charges	78.90	80.00	79.87	81.57	76.19	58.81	73.36	91.97	96.44	74.46	83.92
R & D Rider	0.23	0.24	0.24	0.24	0.24	0.19	0.23	0.26	0.25	0.19	0.18
DSM Recovery	1.31	6.29	(3.51)	5.26	3.84	3.25	6.78	5.70	5.46	4.98	6.49
PRP				1.63	1.04	13.74	21.76	10.67	16.46	28.96	19.52
WNA	5.51	2.76	0.29	(2.38)	(0.42)	11.99	0.78	(7.85)	(5.35)	14.25	16.09
Gas Cost	585.19	643.41	660.63	414.87	340.26	290.40	333.09	451.23	409.03	220.02	238.08
Average Annual Bill	\$ 764.28	\$ 845.43	\$ 850.09	\$ 622.85	\$ 571.59	\$ 528.67	\$ 585.75	\$ 727.43	\$ 712.75	\$ 534.97	\$ 572.70
Monthly	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	TME 11/30/17
Customer Charges	\$ 7.76	\$ 9.39	\$ 9.38	\$ 10.14	\$ 12.54	\$ 12.53	\$ 12.48	\$ 14.62	\$ 15.87	\$ 16.01	\$ 17.37
Distribution Charges	6.58	6.67	6.66	6.80	6.35	4.90	6.11	7.66	8.04	6.21	6.99
R & D Rider	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
DSM Recovery	0.11	0.52	(0.29)	0.44	0.32	0.27	0.57	0.48	0.45	0.42	0.54
PRP	-	-	-	0.14	0.09	1.14	1.81	0.89	1.37	2.41	1.63
WNA	0.46	0.23	0.02	(0.20)	(0.03)	1.00	0.07	(0.65)	(0.45)	1.19	1.34
Gas Cost	48.77	53.62	55.05	34.57	28.36	24.20	27.76	37.60	34.09	18.34	19.84
Average Monthly Bill	\$ 63.69	\$ 70.45	\$ 70.84	\$ 51.90	\$ 47.63	\$ 44.06	\$ 48.81	\$ 60.62	\$ 59.40	\$ 44.58	\$ 47.72

Effective Rates	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	TME 11/30/17	
Base Rate	7.68	9.39	9.38	10.14	12.54	12.53	12.48	14.62	15.87	16.01	17.37	
PRP Rates (Base	-	-	-	0.14	0.09	1.14	1.81	0.89	1.37	2.41	1.63	
Commodity Rate	1.18	1.18	1.18	1.18	1.09	1.10	1.10	1.22	1.36	1.34	1.56	
Gas Cost Rate	8.77	9.51	9.78	6.00	4.88	5.41	4.98	6.01	5.76	3.96	4.42	
Annual	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	TME 11/30/17	
Average Customer	153,662	153,440	152,754	153,117	153,758	153,931	155,082	155,638	155,556	155,983	156,824	
Average Usage	66.74	67.68	67.52	69.18	69.70	53.70	66.87	75.11	71.06	55.60	53.81	
Base Charge	\$ 92.13	\$ 112.65	\$ 112.58	\$ 121.66	\$ 150.43	\$ 150.31	\$ 149.74	\$ 175.44	\$ 190.46	\$ 192.09	\$ 208.42	17,368,16479
Commodity Charge	78.90	80.00	79.87	81.57	76.19	58.81	73.36	91.97	96.44	74.46	83.92	
WNA	5.51	2.76	0.29	(2.38)	(0.42)	11.99	0.78	(7.85)	(5.35)	14.25	16.09	
PRP				1.63	1.04	13.74	21.76	10.67	16.46	28.96	19.52	
Taxes, Surcharge, Other	0.99	0.07	(0.00)									
Gas Cost	585.19	643.41	660.63	414.87	340.26	290.40	333.09	451.23	409.03	220.02	238.08	
Annual Bill	\$ 762.73	\$ 838.90	\$ 853.37	\$ 617.34	\$ 567.50	\$ 525.24	\$ 578.73	\$ 721.46	\$ 707.04	\$ 529.79	\$ 566.03	
Monthly Bill	63.56	69.91	71.11	51.45	47.29	43.77	48.23	60.12	58.92	44.15	47.17	
Revenue Stat	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	TME 11/30/17	
Avg Base Charge	153,662	153,440	152,754	153,117	153,758	153,931	155,082	155,638	155,556	155,983	156,615	
Monthly Bill	\$ 64	\$ 70	\$ 71	\$ 51	\$ 47	\$ 44	\$ 48	\$ 60	\$ 59	\$ 44	\$ 46	
Annual Bill	\$ 763	\$ 839	\$ 853	\$ 617	\$ 568	\$ 523	\$ 578	\$ 721	\$ 707	\$ 530	\$ 550	
Annual Margin	\$ 178	\$ 195	\$ 193	\$ 202	\$ 228	\$ 233	\$ 245	\$ 270	\$ 298	\$ 310	\$ 324	
Annual Gas Cost	\$ 585	\$ 643	\$ 661	\$ 415	\$ 340	\$ 290	\$ 333	\$ 451	\$ 409	\$ 220	\$ 226	
Annual Usage/ t	67	68	68	69	70	54	67	75	71	56	52	
Annual GCA Rate	\$ 8.77	\$ 9.51	\$ 9.78	\$ 6.00	\$ 4.88	\$ 5.41	\$ 4.98	\$ 6.01	\$ 5.76	\$ 3.96	\$ 4.35	
Annual GTI R&D	\$0.23	\$0.24	\$0.24	\$0.24	\$0.24	\$0.19	\$0.23	\$0.26	\$0.25	\$0.19	\$0.18	
Annual DSM	\$1.31	\$6.29	-\$3.51	\$5.26	\$3.84	\$3.25	\$6.78	\$5.70	\$5.46	\$4.98	\$6.49	
	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	
	0.0197	0.093	-0.052	0.0761	0.0551	0.0605	0.1014	0.0759	0.076783333	0.0896	0.1245	
Monthly GTI R&	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	
Monthly DSM	\$0.11	\$0.52	-\$0.29	\$0.44	\$0.32	\$0.27	\$0.57	\$0.48	\$0.45	\$0.42	\$0.54	

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-04
Page 1 of 1

REQUEST:

Refer to the response to Staff's Second Request, Item 11.c. State whether Atmos's Kansas and Colorado distribution systems contribute to GTI annually. If so, provide the information requested in Item 11 .c. If not, state the reason for the lack of contribution.

RESPONSE:

The Company has attempted to receive approval for ratepayer-funded contribution programs in Kansas, but the regulatory body has not yet supported the concept. Due to the Company's relatively small customer base in Colorado, the Company has not yet asked for GTI funding in that jurisdiction but the Company is not opposed to potentially considering a GTI funding program in the future.

Respondent: Mark Martin

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-05
Page 1 of 1

REQUEST:

Refer to the response to Staff's Second Request, Item 13.b. State whether pre-approved projects as described in this response would be projects for which Atmos would request and the Commission would approve certificates of public convenience and necessity.

RESPONSE:

Yes. The Company would seek and the Commission would have to approve certificates of public convenience and necessity for such projects before implementation.

Respondent: Mark Martin

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-06
Page 1 of 1

REQUEST:

Refer to the response to Staff's Second Request, Item 14.b.

- a. Confirm that Tennessee ARM Consumption rates are shown in Ccf for 2016, and in Mcf for 2017.
- b. Explain the annual rates provided for Mississippi, including what volumetric rates were charged each year, and why the Stable Rate Factor rates are shown only for 2015-2017.

RESPONSE:

- a) Confirm.
- b) Please see an update in Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_3-06_Att 1 - ARM Results updated.xlsx, 7 Pages.

Respondent: Greg Waller

Tennessee ARM
Schedule of Rates

	2016		2017	
	Proposed	Approved	Proposed	Approved
<u>Residential</u>				
Customer Charge (October through April)	\$ 18.30	\$ 18.30	\$ 19.75	\$ 19.75
Customer Charge (May through September)	\$ 15.30	\$ 15.30	\$ 17.75	\$ 17.75
Consumption	\$ 0.1322	\$ 0.1322	\$ 0.1414	\$ 0.1409
<u>Commercial/Industrial</u>				
Customer Charge	\$ 37.80	\$ 37.80	\$ 42.00	\$ 42.00
Consumption	\$ 0.2548	\$ 0.2548	\$ 0.2783	\$ 0.2779
<u>Large Commercial/Industrial</u>				
Customer Charge	\$ 405.00	\$ 405.00	\$ 445.00	\$ 445.00
Consumption	\$ 0.2224	\$ 0.2224	\$ 0.2453	\$ 0.2450
<u>Demand/Commodity/Interruptible</u>				
Customer Charge	\$ 440.00	\$ 440.00	\$ 455.00	\$ 455.00
Consumption				
First 20,000	\$ 0.1246	\$ 0.1246	\$ 0.1374	\$ 0.1373
Second 480,000	\$ 0.0825	\$ 0.0825	\$ 0.0910	\$ 0.0909
Over 500,000	\$ 0.0382	\$ 0.0382	\$ 0.0421	\$ 0.0421

Mid-Tex Cities RRM
Schedule of Rates

	2011		2012 No RRM Filing, Statement of Intent	2013		2014		2015		2016		2017	
	Proposed	Approved		Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Residential													
Customer Charge per month	\$7.85	\$7.50		\$17.70	\$17.70	\$18.20	\$18.20	\$18.70	\$18.60	\$19.10	\$19.10	\$19.60	\$19.60
Consumption Charge per MCF	\$2.4228	\$2.5116		\$ 0.0641	\$ 0.0583	\$ 0.0900	\$ 0.0874	\$ 0.1045	\$ 0.0993	\$ 0.1188	\$ 0.1138	\$ 0.1525	\$ 0.1443
Commercial													
Customer Charge per month	15.15	\$16.75		36.00	\$35.75	\$38.75	38.50	40.30	\$40.00	\$42.00	41.75	45.25	\$44.70
Consumption Charge per MCF	\$1.0628	\$1.0217		\$0.0704	\$0.0689	\$0.0768	\$0.0765	\$0.0822	\$0.0802	\$0.0862	\$0.0849	\$0.0945	\$0.0928
Industrial & Transportation													
Customer Charge per month	\$460.00	\$450.00		\$625.00	\$620.00	\$675.00	\$675.00	\$711.25	\$700.00	\$745.25	\$738.00	\$812.50	\$799.75
Consumption Charge per MMBTU:													
First 1500 MMBTU	\$0.2805	\$0.2750		\$0.2609	\$0.2565	\$0.2828	\$0.2797	\$0.2970	\$0.2937	\$0.3129	\$0.3096	\$0.3427	\$0.3374
Next 3500 MMBTU	\$0.2055	\$0.2015		\$0.1912	\$0.1879	\$0.2072	\$0.2049	\$0.2175	\$0.2151	\$0.2292	\$0.2267	\$0.2509	\$0.2470
Over 5000 MMBTU	\$0.0442	\$0.0433		\$0.0410	\$0.0403	\$0.0444	\$0.0440	\$0.0467	\$0.0461	\$0.0491	\$0.0486	\$0.0538	\$0.0530

Mid-Tex DARR
Schedule of Rates

	2012		2013		2014		2015		2016		2017	
	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Residential												
Customer Charge per month	\$17.50	\$17.25	\$18.00	\$17.75	\$18.75	\$18.50	\$19.50	\$19.00	\$ 20.00	\$20.00	\$ 21.25	\$ 21.00
Consumption Charge per Ccf	\$0.05292	\$0.04151	\$0.04994	\$0.04888	\$0.07677	\$0.06980	\$0.09003	\$0.08651	\$0.10748	0.09774	\$0.13042	\$0.12208
Commercial												
Customer Charge per month	\$34.50	\$33.50	\$35.50	\$35.00	\$38.00	\$37.00	\$39.75	\$38.25	\$ 41.00	\$40.25	\$ 44.25	\$ 43.00
Consumption Charge per Ccf	\$0.06002	\$0.05700	\$0.06030	\$0.05850	\$0.06801	\$0.06351	\$0.07134	\$0.06778	\$0.07544	0.07143	\$0.08210	\$0.07708
Industrial												
Customer Charge per month	\$623.00	\$607.00	\$625.00	\$622.00	\$675.00	\$665.00	\$714.50	\$690.50	\$ 743.50	\$735.00	\$ 811.50	\$ 802.75
Consumption Charge per MMBtu	\$0.1455	\$0.1351	\$0.1460	\$0.1402	\$0.1678	\$0.1570	\$0.1789	\$0.1735	\$0.1975	0.1891	\$0.2243	\$0.2124
Consumption Charge per MMBtu	\$0.1059	\$0.0983	\$0.1062	\$0.1020	\$0.1221	\$0.1142	\$0.1301	\$0.1262	\$0.1437	0.1375	\$0.1631	\$0.1544
Consumption Charge per MMBtu	\$0.0168	\$0.0156	\$0.0169	\$0.0162	\$0.0194	\$0.0181	\$0.0206	\$0.0200	\$0.0228	0.0218	\$0.0259	\$0.0245

WTX RRM
Schedule of Rates

	2015		2016		2017	
	Proposed	Approved	Proposed	Approved	Proposed	Approved
Residential						
Customer Charge per month	\$ 15.50	\$ 15.50	\$ 16.00	\$ 16.00	\$ 16.50	\$ 16.50
Consumption Charge per Ccf	\$ 0.15103	\$ 0.14241	\$ 0.17251	\$ 0.16331	\$ 0.20525	\$ 0.19570
Commercial						
Customer Charge per month	\$ 39.00	\$ 38.25	\$ 41.50	\$ 40.75	\$ 44.75	\$ 44.00
Consumption Charge per Ccf	\$ 0.11605	\$ 0.11375	\$ 0.12530	\$ 0.12253	\$ 0.13733	\$ 0.13458
Industrial/Transportation						
Customer Charge per month	\$ 343.25	\$ 336.50	\$ 372.50	\$ 364.00	\$ 417.50	\$ 407.00
Consumption Charge per Ccf	\$ 0.08265	\$ 0.08137	\$ 0.08812	\$ 0.08654	\$ 0.09326	\$ 0.09207
Public Authority						
Customer Charge per month	\$ 111.00	\$ 109.25	\$ 118.00	\$ 116.00	\$ 126.75	\$ 124.50
Consumption Charge per Ccf	\$ 0.10214	\$ 0.10043	\$ 0.11001	\$ 0.10770	\$ 0.11970	\$ 0.11774

TLA RSC
 Schedule of Rates

		2011		2012		2013		2014		2015		2016		2017	
		Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
RS	Customer Charge	\$ 13.00	\$ 13.50	\$ 13.00	\$ 13.00	\$ 13.50	\$ 13.50	\$ 14.00	\$ 14.00	\$ 14.50	\$ 14.00	\$ 14.50	\$ 14.50	\$ 15.00	\$ 15.00
	Commodity Charge	\$ 0.3244	\$ 0.3167	\$ 0.3209	\$ 0.3209	\$ 0.3622	\$ 0.3537	\$ 0.3563	\$ 0.3563	\$ 0.3625	\$ 0.3513	\$ 0.4551	\$ 0.4551	\$ 0.4605	\$ 0.4605
GS	Customer Charge	\$ 13.00	\$ 13.50	\$ 13.00	\$ 13.00	\$ 13.50	\$ 13.50	\$ 14.00	\$ 14.00	\$ 14.50	\$ 14.00	\$ 14.50	\$ 14.50	\$ 15.00	\$ 15.00
	1 - 500 Ccf	\$ 0.5204	\$ 0.5080	\$ 0.5148	\$ 0.5147	\$ 0.5810	\$ 0.5674	\$ 0.5711	\$ 0.5711	\$ 0.5775	\$ 0.5632	\$ 0.7295	\$ 0.7295	\$ 0.7382	\$ 0.7382
	next 500	\$ 0.4804	\$ 0.4688	\$ 0.4752	\$ 0.4751	\$ 0.5362	\$ 0.5237	\$ 0.5271	\$ 0.5271	\$ 0.5336	\$ 0.5198	\$ 0.6733	\$ 0.6733	\$ 0.6814	\$ 0.6814
LGS	Customer Charge	\$ 158.82	\$ 164.93	\$ 158.82	\$ 158.82	\$ 164.93	\$ 164.93	\$ 171.04	\$ 171.04	\$ 177.15	\$ 171.04	\$ 177.15	\$ 177.15	\$ 183.26	\$ 183.26
	Commodity Charge	\$ 0.4400	\$ 0.4294	\$ 0.4352	\$ 0.4352	\$ 0.4912	\$ 0.4797	\$ 0.4829	\$ 0.4829	\$ 0.4893	\$ 0.4762	\$ 0.6168	\$ 0.6168	\$ 0.6242	\$ 0.6242
NGAC	Customer Charge	\$ 158.82	\$ 164.93	\$ 158.82	\$ 158.82	\$ 164.93	\$ 164.93	\$ 171.04	\$ 171.04	\$ 177.15	\$ 171.04	\$ 177.15	\$ 177.15	\$ 183.26	\$ 183.26
	Commodity Charge	\$ 0.0672	\$ 0.0656	\$ 0.0665	\$ 0.0665	\$ 0.0751	\$ 0.0733	\$ 0.0744	\$ 0.0744	\$ 0.0803	\$ 0.0733	\$ 0.0949	\$ 0.0949	\$ 0.0961	\$ 0.0961
FAS	Customer Charge	\$ 10.84	\$ 11.26	\$ 10.84	\$ 10.84	\$ 11.26	\$ 11.26	\$ 11.68	\$ 11.68	\$ 12.10	\$ 11.68	\$ 12.10	\$ 12.10	\$ 12.52	\$ 12.52
	1 - 500 Ccf	\$ 0.2303	\$ 0.2248	\$ 0.2278	\$ 0.2278	\$ 0.2571	\$ 0.2511	\$ 0.2531	\$ 0.2531	\$ 0.2592	\$ 0.2496	\$ 0.3232	\$ 0.3232	\$ 0.3271	\$ 0.3271
	next 500	\$ 0.1902	\$ 0.1856	\$ 0.1881	\$ 0.1881	\$ 0.2123	\$ 0.2074	\$ 0.2091	\$ 0.2091	\$ 0.2152	\$ 0.2062	\$ 0.2671	\$ 0.2671	\$ 0.2703	\$ 0.2703

Louisiana LGS RSC
Schedule of Rates

	2011		2012		2013		2014		2015		2016		2017	
	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
RS														
Customer Charge	13.7	13.7	13.2	13.2	13.65	13.46	13.96	13.96	14.46	14	14.5	14.5	15	15
Commodity Charge	0.2692	0.26647	0.28595	0.28446	0.28472	0.28462	0.2876	0.2839	0.28375	0.28966	0.32902	0.32902	0.35439	0.35439
A/C Service [1]	0.0901	0.08919	0.0957	0.09521	0.09529	0.09526	0.09626	0.09501	0.09496	0.09694	0.11011	0.11011	0.1186	0.1186
GS														
Customer Charge	22.81	22.81	21.98	21.98	22.73	22.41	23.24	23.24	24.07	23.31	24.14	24.14	24.97	24.97
Commodity Charge	0.42901	0.42466	0.45572	0.45334	0.45376	0.4536	0.45835	0.45245	0.45221	0.46163	0.52435	0.52435	0.56479	0.56479
A/C Service [1]	0.2499	0.24737	0.26544	0.26406	0.2643	0.26421	0.26698	0.26354	0.26407	0.26889	0.30543	0.30543	0.32898	0.32898
Farm/Agricultural Service	0.30246	0.2994	0.32129	0.31961	0.3199	0.31979	0.32314	0.31898	0.31881	0.32545	0.36967	0.36967	0.39818	0.39818
	0.20175	0.20986	0.09227	0.22403										
LGS														
Customer Charge	152.24	152.24	146.68	146.68	151.68	149.57	155.13	155.13	160.69	155.57	161.13	161.13	166.69	166.69
1 - 3000 Ccf	0.37478	0.37099	0.39811	0.39604	0.3964	0.39626	0.40041	0.39526	0.39505	0.40328	0.45808	0.45808	0.49341	0.49341
next 2000	0.35373	0.35014	0.37575	0.37379	0.37413	0.374	0.37792	0.37305	0.37286	0.38062	0.43234	0.43234	0.46568	0.46568
next 5000	0.33375	0.33037	0.35453	0.35268	0.353	0.35288	0.35658	0.35199	0.35181	0.35913	0.40793	0.40793	0.43939	0.43939
next 20000	0.31473	0.31154	0.33432	0.33258	0.33288	0.33277	0.33626	0.33193	0.33176	0.33867	0.38469	0.38469	0.41436	0.41436
next 20000	0.29673	0.29372	0.31519	0.31355	0.31384	0.31373	0.31702	0.31293	0.31277	0.31928	0.36266	0.36266	0.39063	0.39063
over 50000	0.27955	0.27672	0.29695	0.29541	0.29568	0.29558	0.29868	0.29483	0.29468	0.30081	0.34168	0.34168	0.36803	0.36803
PHS														
Customer Charge	13.7	13.7	13.2	13.2	13.65	13.46	13.96	13.96	14.46	14	14.5	14.5	15	15
Commodity Charge	0.2322	0.22985	0.24665	0.24536	0.24558	0.2455	0.24807	0.24487	0.24474	0.24984	0.28379	0.28379	0.30568	0.30568

Mississippi SRF
 Schedule of Rates

Base Rates	2011		2012		2013		2014		2015		2016		2017	
	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved	Proposed	Approved
Stable Rate Factor	1.53542	1.49759	1.58759	1.56171	1.56171	1.56171	1.69702	1.6415	1.805548	1.809169	1.92572	1.80049	2.07897	1.89049
Customer Charge - Residential	\$10.67	\$10.41	\$11.03	\$10.85	\$10.85	\$10.85	\$11.79	\$11.41	\$12.83	\$12.57	\$13.38	\$13.14	\$14.45	\$13.14
Customer Charge - Small Commercial	\$17.30	\$16.88	\$17.89	\$17.60	\$17.60	\$17.60	\$19.13	\$18.50	\$20.80	\$20.39	\$21.70	\$21.31	\$23.43	\$21.31
Distribution Charge - Residential	0.20375	0.19776	0.20964	0.20622	0.20622	0.20622	0.22409	0.21676	0.24370	0.23690	0.25479	0.24964	0.27453	0.24964
distribution Charge - Small Commercial	0.26454	0.25802	0.27353	0.26907	0.26907	0.26907	0.29238	0.28281	0.31797	0.31170	0.33176	0.32571	0.35819	0.32571

*No change for year

The SRF applies across the board to all non-gas rates except: flex rate and municipal rates.

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-07
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 15, page 2 of 3, in which Atmos states, "Without a mechanism such as the one being suggested [ARM], Atmos has no real opportunity to earn its reasonable rate of return."

- a. Provide Atmos's rate base, operating income, rate of return, capital structure, and authorized return on equity ("ROE") for the last five years.
- b. Confirm that Atmos has used a fully forecasted test year in every general rate filing with this Commission since 1999.

RESPONSE:

- a) The calculations necessary to determine rate base, operating income and return for regulatory filing purposes are lengthy and complex. The Company, therefore, only makes such calculations in the context of preparing general rate cases (as it did recently in Kentucky in 2013 and 2015) and annual mechanisms. Therefore, other than in the context of the Company's recent two cases and instant case, the requested information is not available. Please see Attachment 1 for the requested information for 2013 and 2015.
- b) Confirm. However, the request seems to imply that a fully forecasted test year should allow the Company the opportunity to earn its reasonable rate of return. In reality, the only way for the Company to avoid the regulatory lag that otherwise prevents it from earning its authorized return within the current regulatory construct would be to file annual general rate cases with fully forecasted test years. Such a plan would be costly in terms of rate case expenses primarily borne by customers as well as the resources of Commission Staff and other parties. For these reasons, the Company has proposed the ARM as a way to avoid the expense and resource constraints inherent in general cases.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_3-07_Att1 - 2013 & 2015 KY Rate Case Detail.xlsx, 1 Page.

Respondent: Greg Waller

Atmos Energy Corporation
Staff 3-07

<i>Test years, as filed (except ROE)</i>	2013	2015
Rate Base	\$ 252,914,292	\$ 335,832,639
Operating Income	\$ 13,460,079	\$ 25,262,560
ROR	5.32%	7.52%
Capital Structure		
Equity	49.16%	55.31%
LTD	45.68%	38.21%
STD	5.16%	6.47%
Total	100%	100%
Authorized ROE (per Order)	9.80%	9.80%

(stated for use in PRP)

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-08
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 16, and the Attorney General's First Request for Information ("AG's First Request"), Item 15.

- a. Explain how Atmos's five-year plan was developed.
- b. Provide Atmos's five-year plans for fiscal years 2014 through 2016, and the actual capital expenditures for 2012 through 2015.

RESPONSE:

- a) Please see the Waller testimony pages 20-22 and page 13, which describes the Company's planning process. The development of each year's capital budget and five year capital investment plan is consistent with that description.
- b) Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_3-08_Att1 - 2014-2016 Five-Year Plans.xlsx, 1 Page.

Respondent: Greg Waller

Atmos Energy Corporation
Kentucky Capital Spending
5 Yr Plan
\$ in Thousands

	2012	2013	2014	2015	2016	2017	2018	2019	2020
5 yr Plans									
2014			\$ 44,081	\$ 49,285	\$ 53,599	\$ 51,029	\$ 58,581		
2015				\$ 58,171	\$ 64,549	\$ 71,146	\$ 78,301	\$ 86,159	
2016					\$ 64,000	\$ 71,146	\$ 78,301	\$ 86,159	\$ 94,774
Actuals	\$ 37,829	\$ 35,512	\$ 49,287	\$ 55,487					

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Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-09
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 18, page 3 of 4. This page shows that the Annual PRP Investment will more than double, from approximately \$40 million in 2017, to more than \$88 million in 2025. Given that Atmos's ARM proposal would eliminate the PRP, explain whether Atmos would submit with its ARM filing a list of projects included for replacement in a similar manner to that provided in Atmos's PRP applications.

RESPONSE:

Yes. Should the Commission desire such a list, the Company is able to provide it in each ARM filing.

Respondent: Greg Waller

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-10
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 23. Define "settlement expenses" and "auto claims" and explain any measures Atmos takes to control these costs.

RESPONSE:

Settlement expenses include expenses associated with an accident or incident including but not limited to settlement amounts, legal fees, mediation expenses, third party administrator costs, vehicle repairs, and other claim payments (payments for bodily injury and/or property damage).

Auto claims include any accidents involving a Company vehicle, Personal vehicle on Company business, or Rental vehicle while on Company business.

In addition to regular safety huddles and safety related training, the Company has utilized Smith System Defensive Driving training as well as vehicle safety technology to attempt to limit claims and reduce accidents.

The Company has hired a third-party administrator to manage and advise matters relating to settlement expenses and auto claims.

Respondent: Derek Boyd

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-11
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 24, Attachment 1. If available, provide this same information for the forecasted test year.

RESPONSE:

Because the Company does not budget at the level of detail reflected in the response to Staff 1-65, this information is not available for the test year.

Respondent: Greg Waller

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-12
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's Second Request, Item 49. Confirm that Atmos Energy Corporation's Form 10-K does not provide the most current earned ROE for all of Atmos's distribution utilities as requested.

- a. If confirmed, provide the requested information.
- b. If not confirmed, provide the location of the information.

RESPONSE:

Confirm.

- a) The most current available earned return for jurisdictions where the calculation is performed as part of earnings monitoring reports or rate models is as follows:

State	Filing	ROE	ROR
Colorado			7.67%
Louisiana	TLA	9.19%	
Louisiana	LGS	7.98%	
Mississippi		9.20%	
Tennessee		8.26%	
Texas	Mid-Tex		7.05%
Texas	WT		6.44%
Virginia	AIF	9.48%	

- b) Not applicable.

Respondent: Joe Christian

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-13
Page 1 of 2

REQUEST:

Provide the following information by state for Atmos's distribution systems in Texas, Mississippi, Louisiana, and Tennessee.

- a. The number of gas distribution and electric utilities regulated by the state utility regulatory commission that is the equivalent of the Kentucky Commission.
- b. The number of gas distribution utilities and electric utilities that are eligible to file using ARMs, and that actually file ARM applications with the state utility regulatory commission.
- c. State whether Atmos has experienced a rate decrease in any year in which the ARM has been used to adjust rates annually.

RESPONSE:

The responses to subparts (a) and (b) of this request represent the best knowledge of the Company at the time of the response. The responses may or may not be 100% complete as they relate to utility regulation in the four states in the request.

- a) Texas - For gas distribution utilities, primary jurisdiction lies with each individual municipality served. The Texas Railroad Commission has appellate jurisdiction. As of 2015 (the latest information per the Commission's website) it regulates 30 utilities (counting the Company's Mid-Tex and West Texas divisions as two separate utilities). Electric utilities are regulated by the Public Service Commission ("PSC"). The Company is not intimately familiar with the PSC's operations.

Mississippi - the Mississippi PSC regulates three gas investor owned utilities and two electric investor owned utilities.

Louisiana - The Louisiana PSC regulates 12 electric co-ops, three electric investor owned utilities, and 11 natural gas distribution utilities.

Tennessee - The Tennessee Public Utility Commission regulates three investor owned gas distribution utilities, six smaller gas utilities, and five electric utilities.

- b) Texas - The annual mechanisms used by the Company's utilities in Texas are the product of local negotiations with the municipalities that have primary jurisdiction. Texas' GRIP statute, an annual infrastructure mechanism similar to the Company's PRP in Kentucky, is used by six of the 30 gas utilities identified in subpart (a).

Mississippi - All regulated utilities are eligible to file annual mechanisms and all do file such mechanisms.

Louisiana - All regulated utilities are eligible to file annual mechanisms. Every investor owned utility and some of the co-ops file such mechanisms.

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-13
Page 2 of 2

Tennessee - The Company is only familiar with the three investor owned gas utilities, all of which are eligible to file mechanisms pursuant to Tennessee statute. Of the three, the Company and Piedmont Natural Gas have filed pursuant to the statute.

- c) The Company has experienced a rate decrease in the following proceedings:

West Texas GRIP filing
City of Dallas annual mechanism (2012)
Louisiana RSC (TransLa 2014)

In addition, while not specifically requested, the Company would note that its first filing under an annual mechanism in Georgia resulted in a decrease to rates.

Respondents: Joe Christian and Greg Waller

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-14
Page 1 of 2

REQUEST:

Refer to the response to the AG's First Request, Item 4 7 .b, Attachment 1.

- a. Refer to the Rate Stabilization Clause tariff of Atmos's Louisiana Gas Service Rate Division, third revised page 50. Provide an explanation of paragraph (8) under Annual Earnings Calculations, which describes the O&M benchmark.
- b. Refer to the Stable Rate Adjustment Rider of Atmos's Mississippi distribution system, page 1 of 27. Provide an explanation of how rates are adjusted annually based on expected Return on Rate Base Equity results.
- c. Refer to the ARM tariff of Atmos's Tennessee distribution system. Compare the requirements set out in the ARM Filing Section, A. Contents of the Annual Filing and B. Revenue Requirements with those contained in Section IV. ARM Filing of Atmos's proposed ARM tariff in this proceeding. Provide an explanation for each difference in filing requirements.
- d. Refer to Atmos Tennessee's ARM Filing Section, C. New Matters, which is identical in most respects to the same C. New Matters section in the proposed Atmos Kentucky ARM tariff. Confirm that the Kentucky Commission must approve any change in approved tariff methodologies.

RESPONSE:

- a) The settlement in the case in which Atmos Energy acquired the Louisiana Gas Service Rate Division provided for a mechanism through which savings achieved from the combination would be shared between customers and the Company. The O&M benchmark referenced in the request describes the mechanics of the sharing mechanism.
- b) Each year, a study is prepared to determine the actual return on equity, otherwise referred to as the Expected Return on Equity. If the actual return on equity for the evaluation year differs from the allowed return on equity by more than 100 basis points, rates are adjusted to achieve an expected return within 25 basis points of the benchmark rate of return. In effect, if the actual return indicates an earnings deficiency in excess of the earnings band, rates are adjusted upward to within 25 basis points of the allowed return but if the actual return indicates an earnings sufficiency in excess of the earnings band, rates are lowered to within 25 basis points of the allowed return. If the actual return on equity is within the +/- 100 basis points band around the benchmark earnings rate, rates are unchanged for the following year.

As of December 5, 2017, the Mississippi Commission ordered the earnings band be reduced to +/- 50 basis points and eliminated the 25 basis points productivity adjustment to the ROE midpoint.

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Atmos Energy Corporation, Kentucky Division
STAFF RFI Set No. 3
Question No. 3-14
Page 2 of 2

- c) In both the Tennessee ARM and proposed Kentucky ARM, the Contents sections mimic the information, support and revenue requirements model and calculations traditionally used in each respective jurisdiction. In the Tennessee ARM, the Schedules 1-12 make up the revenue requirements model that was and continues to be the basis for calculating revenue requirements. The Relied-Upon Files and remainder of Contents are a subset of the informal minimum filing requirements and other traditionally filed information for that state (pared down to include only the information necessary for and relevant to calculating revenue requirement). The Revenue Requirements section covers, at a high level, how various components of cost of service shall be calculated, with references to the detailed "Approved Methodologies" in the Settlement Agreement from the docket that resulted in the ARM tariff.

Similarly, in the Company's ARM proposal in the instant case, IV. ARM Filing is the subset of Minimum Filing Requirements necessary for and relevant to calculating revenue requirement (subject to Commission review and approval). Included in the list are the MFRs that comprise the traditional revenue requirement model used by the Company in general cases in Kentucky. The Revenue Requirements section covers, at a high level, how various components of cost of service shall be calculated, with references to the detailed "Approved Methodologies" which, under the Company's proposal, will be determined in the instant case.

- d) Confirm.

Respondent: Greg Waller