

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF ATMOS ENERGY CORPORATION	)	
FOR MODIFICATION AND EXTENSION OF ITS GAS	)	CASE NO.
COST ADJUSTMENT PERFORMANCE BASED	)	2021-00430
RATEMAKING MECHANISM	)	

ATMOS ENERGY CORPORATION PETITION FOR CLARIFICATION

Atmos Energy Corporation (“Atmos Energy” or “Company”) respectfully requests clarification of the Kentucky Public Service Commission’s (“Commission”) March 31, 2016 Order (“Order”) in this proceeding. The Company’s requested clarification is intended to resolve the ambiguity of the current status of its Performance Based Ratemaking (“PBR”) mechanism given the lack of an order in Case No. 2020-00289.

1. The Order extended Atmos Energy’s PBR mechanism for an additional five years through May 31, 2021.

2. The Order also required Atmos Energy to file an evaluation report on the results of the PBR within 90 days of the end of the fourth year of the five-year extension, which the Commission would review for the purpose of determining whether the PBR mechanism should be continued, modified, or terminated.

3. Atmos Energy timely filed its evaluation report in Case No. 2020-00289.

4. While the Order contemplated an extension of the PBR mechanism for five years and a subsequent Commission determination regarding whether the PBR mechanism should be continued, modified, or terminated, that subsequent determination did not occur prior to May 31, 2021. Additionally, the Commission’s Order in Case No. 2019-00437 further indicated that PBR components would be evaluated in a subsequent proceeding.

5. As of the filing of this Request for Clarification, the Commission has not yet issued a final order in Case No. 2020-00289 indicating whether or not the PBR mechanism should be continued,

modified, or terminated. The Commission has also not yet issued an order evaluating the PBR components in any other proceeding.

6. The Company respectfully requests that the Commission clarify that the Order's did not intend for the PBR mechanism to terminate on May 31, 2021 absent any subsequent Commission determination based upon the Company's 2020 evaluation report and that the PBR mechanism is still in effect until such time as the Commission issues an order stating otherwise.

7. The requested clarification is important, as the Company needs to make long-term contracting decisions regarding supply and pipeline capacity that are part of the PBR mechanism and those decisions cannot be "undone" if the Commission were to modify or extend the PBR mechanism.

8. Accordingly, the Company asks that the Commission clarify that the Order intended that the PBR mechanism terminate only after the Commission reached such a determination in response to the Company's 2020 evaluation report filed in Case No. 2020-00289 and not merely through inaction.

9. The Company also requests a ruling whether the existing PBR mechanism can continue in effect until a final determination is issued pursuant to the anticipated review as indicated in Case No. 2015-00298 and/or Case No. 2019-00437.

**WHEREFORE**, for the reasons stated herein, Atmos Energy Corporation respectfully requests clarification of the Commission's Order as above stated.

Respectfully submitted on this 18<sup>th</sup> day of November, 2021.

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