COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF AN INCREASE IN) CASE NO. R & D RIDER PROPOSED BY ATMOS ENERGY) 2016-00070

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO THE ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), pursuant to 807 KAR 5:001, is to file with the Commission an original in paper medium and an electronic version of the following information. The information requested herein is due on or before May 13, 2016. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to 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 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.

The AG shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the AG fails or refuses to furnish all or part of the requested information, the AG shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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 filing a paper containing personal information, the AG 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 Direct Testimony and Exhibits of Lane Kollen ("Kollen Testimony"), page 3, lines 10–14. Confirm that, despite the magnitude of the proposed increase in the R&D Rider charge being five times the current charge, the impact on the average monthly residential bill is 7.6 cents.

2. Refer to the Kollen Testimony, page 4, wherein it states that the cost is not necessary for the provision of utility service and that no quantifiable benefits are identified from the present R&D charge, and which references the history of the charge as explained in the Direct Testimony of Mark A. Martin. State whether the AG is aware that the pre-1999 interstate pipeline charges related to research and development were charges that had been through the regulatory process at the federal level and were approved by the Federal Energy Regulatory Commission as reasonable charges.

3. Refer to the Kollen Testimony, pages 5–6. Explain more specifically what private industry is benefited by Atmos Energy Corporation's investment in Gas Technology Institute projects, and why its customers do not benefit in a practical way by

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advances in natural gas distribution and operational technology, for example those that target decreases in pipeline damage and leaks.

4. State whether the AG is aware that Columbia Gas of Kentucky collects \$300,000 annually through a \$.0139 per Mcf charge set out in its Rider for Natural Gas Research & Development tariff.

Carrah. Granull

Aaron D. Greenwell Acting Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED APR 2 9 2016

cc: Parties of Record

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