COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ATMOS)ENERGY CORPORATION FOR AN ADJUSTMENT)CASE NO.OF RATES AND TARIFF MODIFICATIONS)2017-00349

<u>order</u>

On September 28, 2017, Atmos Energy Corporation ("Atmos") tendered for filing an application for tariff modifications and an adjustment of its gas rates based on a fully forecasted test period. The application proposed that the new rates become effective on October 28, 2017.

By letter dated October 3, 2017, the Commission notified Atmos that its application had been rejected because it contained four deficiencies. On October 4, 2017, Atmos filed responses to the deficiencies and a motion for deviation. On October 5, 2017, Atmos filed a supplemental response to the deficiencies. The motion for deviation was granted by the Commission's October 11, 2017 Order, which allowed Atmos to publish a corrected notice in a newspaper of general circulation for two consecutive weeks, rather than the three consecutive weeks required by 807 KAR 5:011, Section 8(2)(b)(3). By letter dated October 6, 2017, the Commission notified Atmos that it had cured the filing deficiencies, and its application was accepted for filing on October 5, 2017.

Pursuant to KRS 278.180(1), no change in utility rates is permitted except upon 30 days' notice to the Commission. Therefore, since the application was accepted for filing as of October 5, 2017, the earliest date that Atmos's proposed rates can be effective is November 4, 2017. Having reviewed Atmos's application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that an investigation cannot be completed by November 4, 2017. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for six months, up to and including, May 3, 2018.

The Commission further finds that a procedural schedule should be established to review the reasonableness of the proposed rates. The procedural schedule is attached hereto as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

1. Atmos's proposed rates are suspended for six months, up to and including, May 3, 2018.

 The procedural schedule set forth in the Appendix to this Order shall be followed.

3. a. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed and shall include the name of the witness who will be responsible for responding to questions related to the information provided, with the original and six copies in paper medium and an electronic version to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or

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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.

c. A party 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.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. 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.

f. Any party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

4. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8, and shall also file the original and six copies in paper medium. The original and six copies in paper medium shall be appropriately bound, tabbed, and indexed.

As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either
(1) a special interest in the proceeding which is not adequately represented in the case,

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or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) requires that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene filed after October 25, 2017, shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

6. Atmos shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time publication is requested, Atmos shall forward a duplicate of the notice and request to the Commission.

 At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

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

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9. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

10. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTEST:

Executive Director

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APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00349 DATED OCT 17 2017

Last day for intervention requests to be accepted10/25/17
All initial requests for information to Atmos shall be filed no later than
Atmos shall file responses to initial requests for information no later than11/29/17
All supplemental requests for information to Atmos shall be filed no later than12/13/17
Atmos shall file responses to supplemental requests for information no later than01/03/18
Intervenor testimony, if any, in verified prepared form shall be filed no later than01/17/18
All requests for information to Intervenors shall be filed no later than01/31/18
Intervenors shall file responses to requests for information no later than02/14/18
Atmos shall file, in verified form, its rebuttal testimony no later than02/28/18
Last day for Atmos to publish notice of hearing To be scheduled
Public Hearing to be held in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Atmos and Intervenors
Post-Hearing Briefs, if any To be scheduled

*Honorable John N Hughes Attorney at Law 124 West Todd Street Frankfort, KENTUCKY 40601

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