COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

COMMISSION STAFF'S POST HEARING REQUEST FOR INFORMATION TO THE ATTORNEY GENERAL

The Attorney General, by and through the Office of Rate Intervention ("Attorney General") pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due on or before April 6, 2018. 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 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 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 Attorney General 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 Attorney General fails or refuses to furnish all or part of the requested information, the Attorney General 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 Attorney General 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 Mr. Baudino's Direct Testimony where he proposed an adjustment to the interest rate of Atmos's \$450 million senior note maturing on March 15, 2019, from 8.5 percent to 4 percent. In light of the Federal Reserve's March 21, 2018 rate increase, state whether an interest rate higher than 4 percent would be more appropriate to use in the proposed adjustment. If so, provide the amount of the interest rate along with support for its reasonableness. If not, explain why.
- Provide documentation of the consistency rule, as well as an explanation that supports Mr. Kollen's position regarding the application of the consistency rule to Atmos's tax issues.
- 3. Refer to the March 22, 2018 Hearing Video Transcript from 5:03:05 to 5:03:35, and the Direct Testimony of Lane Kollen, page 8, lines 8–11. Provide the recommended escalation rate used to forecast non-PRP capital expenditures for the last six months of the forecasted test period. If the rate is higher than 0 percent, provide revised work papers.

Lewen R. Purson

Gwen R. Pinson Executive Director

Public Service Commission

P.O. Box 615

Frankfort, KY 40602

DATED MAR 2 8 2018

cc: Parties of Record

*Honorable John N Hughes Attorney at Law 124 West Todd Street Frankfort, KENTUCKY 40601 *Eric Wilen Project Manager-Rates & Regulatory Affairs Atmos Energy Corporation 5420 LBJ Freeway, Suite 1629 Dallas, TEXAS 75420

*Justin M. McNeil Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Kent Chandler Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Atmos Energy Corporation 3275 Highland Pointe Drive Owensboro, KY 42303

*Mark R Hutchinson Wilson, Hutchinson & Littlepage 611 Frederica Street Owensboro, KENTUCKY 42301

*Rebecca W Goodman Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204