

Hinton, Daniel E (PSC)

From: Martin, Mark
Sent: Friday, May 31, 2019 4:37 PM
To: Hinton, Daniel E (PSC)
Subject: FW: KY-PSC Electronic Filing Center NotificationTFS2019-00290
Attachments: GenCanna Minimum Margin.xlsx; Gencanna Flow Model.pdf

****CAUTION** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov for any assistance.**

Daniel,

Please see our responses to your questions related to GenCanna as well as the attachments for #s 3 & 7. Please let us know if you need any additional information and/or have any additional questions.

Have a nice weekend,

Mark

From: Bertotti, Danny P
Sent: Thursday, May 30, 2019 12:42 PM
To: Martin, Mark ; Densman, Josh C
Cc: Austin, Ryan R ; Dobbs, Kevin
Subject: FW: KY-PSC Electronic Filing Center NotificationTFS2019-00290

Mark,

Please see my answers to Daniel's questions below. I'd be happy to put the answers in a different format if I need to, rather than inserting them into his email.

Attached is a sample calculation of the annual margin for Question #3 and a flow model for Question # 7.

Thanks for your help.

Danny

From: Martin, Mark
Sent: Tuesday, May 21, 2019 8:03 AM
To: Randy Hutchinson ; Bertotti, Danny P
Subject: FW: KY-PSC Electronic Filing Center NotificationTFS2019-00290

Danny,

See Daniel's questions below. Let us know if there is anything that we can do to help.

Thanks,

MM

From: Hinton, Daniel E (PSC) [<mailto:dehinton@ky.gov>]

Sent: Tuesday, May 21, 2019 6:03 AM

To: Martin, Mark

Subject: [EXT] RE: KY-PSC Electronic Filing Center NotificationTFS2019-00290

CAUTION: Don't be quick to click. This e-mail originated from outside of Atmos Energy. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Mr. Martin,

Staff has a couple of questions regarding the contract between Atmos and GenCanna Global USA. Please see below:

1. State whether GenCanna will be considered a commercial or industrial customer. **Industrial**

2. State whether the Weather Normalization Adjustment will apply to GenCanna. **No, it will not.**

3. Explain how Atmos will determine the annual gross margin. Provide a sample calculation. **Annual Gross margin will be a twelve month aggregate of the sum of the monthly charges including the base charge, the tiered distribution charges, and any future PRP charges. In the event the customer elects transportation service, in addition to the monthly base charge, the tiered "transportation" charges, and any PRP charges stated previously, the annual gross margin will also include the monthly Transport Admin Fee.**

4. Provide the estimated total and per foot cost of the extension. **Total estimate of \$350,000. The estimated average cost per foot is \$159/foot.**

5. State whether the extension is a distribution main extension or service line extension. If the extension is a service line, confirm that Atmos will own, operate, and maintain the service line. **The extension is a distribution main extension.**

6. Explain why Atmos is not using the contribution in aid of construction approach for GenCanna's extension in excess of 100 feet. Due to the guaranteed revenue of the agreement, Atmos is able to install the extension at no cost to the customer and still meet the company's allowed rate of return, which produces no financial burden on the Company's existing rate payers in Kentucky.

7. State whether the distribution or transmission main that will service the GenCanna extension has adequate capacity to properly supply GenCanna's expected annual volumes. Provide any analysis that Atmos performed to determine the same. Yes, they system has adequate capacity. Please see the attached flow model.

Responses can be e-mailed back to me at this e-mail address.

If you have any questions, please give me a call at (502) 782-2626 or respond to this e-mail.

Thanks.

Daniel

From: KY Public Service Commission <psc.tariffs@ky.gov>
Sent: Monday, May 20, 2019 9:26 AM
To:
Cc: PSC - Tariffs <psc.tariffs@ky.gov>
Subject: KY-PSC Electronic Filing Center NotificationTFS2019-00290

This notification has been sent to you regarding your recent Tariff filing : TFS2019-00290 file(s) have been transmitted successfully.
Documents received for Tariff filing: TFS2019-00290 for Atmos Energy Corporation
5/20/2019 9:26:05 AM

File Summary:
File Name: Atmos_Letter.pdf
Description: Cover Letter
File Name: Atmos_Contract.pdf
Description: Contract

Thank you.