

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 17, 2016

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2016 JUN 17 P 12: 36

APPLICATION OF

ATMOS ENERGY CORPORATION

CASE NO. PUE-2016-00057

For approval of a SAVE Rider adjustment

ORDER FOR NOTICE AND COMMENT

On June 7, 2016, Atmos Energy Corporation ("Atmos" or "Company") filed with the State Corporation Commission ("Commission") an application for approval of the Company's Infrastructure Replacement Reconciliation Rate ("IRRR") pursuant to § 56-604 E of the Code of Virginia ("Code") to reconcile actual 2014-2015 ("Year 3") and 2015-2016 ("Year 4") costs incurred through the Steps to Advance Virginia's Energy ("SAVE") Plan and the actual Infrastructure Reliability and Replacement Adjustment ("IRRA") collections ("Application").

The Company's SAVE Plan was originally approved by the Commission in its Order Approving SAVE Plan and Rider on August 21, 2012 ("2012 Order")¹ and on August 27, 2014, the Commission entered an Order Approving Amended SAVE Plan and Rider ("2014 Order").² On May 16, 2016, Atmos filed a Motion to Consolidate SAVE Plan Filings ("Motion") in this docket, and the Commission granted the Company's Motion on May 26, 2016.³

¹ *Application of Atmos Energy Corporation, For approval of a SAVE Plan and Rider pursuant to Virginia Code §§ 56-603 et seq.*, Case No. PUE-2012-00049, 2012 S.C.C. Ann. Rept. 449, Order Approving SAVE Plan and Rider (Aug. 21, 2012).

² *Application of Atmos Energy Corporation, For approval of a 2014-2015 SAVE Plan and Rider adjustment and to amend the SAVE Plan*, Case No. PUE-2014-00044, 2014 S.C.C. Ann. Rept. 433, Order Approving Amended SAVE Plan and Rider (Aug. 27, 2014).

³ *Application of Atmos Energy Corporation, For approval of a SAVE Rider adjustment*, Case No. PUE-2016-00057, Doc. Con. Cen. No.160550134 , Order Granting Motion (May 26, 2016).

160550134

In the instant Application, the Company requests approval of the IRRRs to reconcile the actual SAVE Plan costs for the Company and the actual IRRA collections by Atmos for Year 3 and Year 4 investments. Atmos states that it anticipates this Application to be the Company's final filing pursuant to its SAVE Plan as approved in the 2012 Order and amended in the 2014 Order. According to the Company, it will credit the IRRR for both years to customers through the IRRA beginning on October 1, 2016 through September 30, 2017. According to the Company the total revenue requirement for Year 3 and Year 4 is negative \$180,618. The average residential customer using 52.48 Ccf will see an annual bill reduction of approximately \$17.26.

NOW THE COMMISSION, having considered the Company's Application and the applicable law, is of the opinion and finds that this matter should be docketed; that Atmos should provide public notice of its Application; that interested persons should be afforded an opportunity to file comments on the Company's Application and request a hearing; and that the Commission Staff ("Staff") should investigate the Application and file a report containing the Staff's findings and recommendations.

Accordingly, IT IS ORDERED THAT:

(1) As provided by § 12.1-31 of the Code and Rule 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), a Hearing Examiner is appointed to rule on any discovery matters that may arise in this proceeding.

(2) On or before July 11, 2016, the Company shall cause a copy of the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of

general circulation throughout the Company's service territory within the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY ATMOS
ENERGY CORPORATION FOR APPROVAL OF A SAVE
RIDER ADJUSTMENT
CASE NO. PUE-2016-00057

On June 7, 2016, Atmos Energy Corporation ("Atmos" or "Company") filed with the State Corporation Commission ("Commission") an application for approval of the Company's Infrastructure Replacement Reconciliation Rate ("IRRR") pursuant to § 56-604 E of the Code of Virginia ("Code") to reconcile actual 2014-2015 ("Year 3") and 2015-2016 ("Year 4") costs incurred through the Steps to Advance Virginia's Energy ("SAVE") Plan and the actual Infrastructure Reliability and Replacement Adjustment ("IRRA") collections ("Application").

The Company's SAVE Plan was originally approved by the Commission in its Order Approving SAVE Plan and Rider on August 21, 2012 ("2012 Order"), and on August 27, 2014, the Commission entered an Order Approving Amended SAVE Plan and Rider ("2014 Order"). On May 16, 2016, Atmos filed a Motion to Consolidate SAVE Plan Filings ("Motion") in this docket, and the Commission granted the Company's Motion on May 26, 2016.

In the instant Application, the Company requests approval of the IRRRs to reconcile the actual SAVE Plan costs for the Company and the actual IRRA collections by Atmos for Year 3 and Year 4 investments. Atmos states that it anticipates this Application to be the Company's final filing pursuant to its SAVE Plan as approved in the 2012 Order and amended in the 2014 Order. According to the Company, it will credit the IRRR for both years to customers through the IRRA beginning on October 1, 2016 through September 30, 2017. According to the Company the total revenue requirement for Year 3 and Year 4 is negative \$180,618. The average residential customer using 52.48 Ccf will see an annual bill reduction of approximately \$17.26.

The details of these and other proposals are set forth in the Company's Application. Interested persons are encouraged to review the Company's Application and supporting exhibits for the details of these proposals.

The Commission entered an Order for Notice and Comment that, among other things, directed the Company to provide notice to the public and provided interested persons an opportunity to comment on the Company's Application.

A copy of the Company's Application may be obtained at no charge by requesting a copy of the same in writing from the Company's counsel, Timothy E. Biller, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 Byrd Street, Richmond, Virginia 23219-4074. The Application and related documents also are available for review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

On or before July 25, 2016, interested persons may file written comments on Atmos's Application with Joel H. Peck, Clerk, State Corporation Commission, P.O. Box 2118, Richmond, Virginia 23218. On or before July 25, 2016, interested persons desiring to submit comments electronically may do so by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>. Comments shall refer to Case No. PUE-2016-00057.

On or before July 25, 2016, interested persons desiring to participate as a respondent in this proceeding shall file an original and fifteen (15) copies of a notice of participation as a respondent pursuant to the Commission's Rules of Practice and Procedure ("Rules of Practice"), including 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-150, *Copies and Format*. The notice of participation shall be filed with the Clerk of the Commission at the address set forth above or filed electronically by following the instructions found on the Commission's website: www.scc.virginia.gov/case. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Rules of Practice, the notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. All filings shall refer to Case No. PUE-2016-00057, and copies thereof shall simultaneously be served on counsel for the Company.

On or before July 25, 2016, any interested person may request a hearing in this matter by filing a request for hearing. Any request for hearing shall state with specificity why the issues raised in the request for hearing cannot be adequately addressed without a hearing. All such requests for hearing shall be filed in an original and fifteen (15) copies with the Clerk of the Commission at the address set forth above, or filed electronically by following the instructions found on the Commission's website: www.scc.virginia.gov/case. Any such filings shall refer to Case No. PUE-2016-00057, and copies thereof shall simultaneously be served on counsel for the Company.

The Commission's Rules of Practice may be viewed at <http://www.scc.virginia.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Comment in this proceeding may be obtained from the Clerk of the Commission at the address set forth above.

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(3) On or before July 11, 2016, Atmos shall serve a copy of this Order for Notice and Comment on the chairman of the board of supervisors and county attorney of each county and upon the mayor or manager (or upon equivalent officials) of every city and town in which the Company provides service in the Commonwealth of Virginia. Service shall be made by personal delivery or by first class mail, postage prepaid, to the customary place of business or residence of the person served.

(4) Atmos promptly shall make a copy of the Application available to the public, who may obtain a copy of the Application at no charge by requesting a copy of the same in writing from the Company's counsel, Timothy E. Biller, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 Byrd Street, Richmond, Virginia 23219-4074. The Application and related documents also shall be available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday,

excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

(5) On or before July 25, 2016, interested persons may file comments concerning the issues in this case with Joel H. Peck, Clerk, State Corporation Commission, P.O. Box 2118, Richmond, Virginia 23218. On or before July 25, 2016, interested persons desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Comments shall refer to Case No. PUE-2016-00057.

(6) On or before July 25, 2016, any interested person may participate as a respondent in this proceeding by filing a notice of participation in accordance with the Commission's Rules of Practice, including 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-150, *Copies and format*. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (5). Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. All filings shall refer to Case No. PUE-2016-00057.

(7) On or before July 25, 2016, interested persons may request that the Commission convene a hearing on the Company's Application by filing an original and fifteen (15) copies of a request for hearing with the Clerk of the Commission at the address set forth in Ordering Paragraph (5), or by filing a request for hearing electronically by following the instructions found on the Commission's website: www.scc.virginia.gov/case. Requests for hearing must include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such

to the Staff.⁴ Except as so modified, discovery shall be in accordance with Part IV of the Commission's Rules of Practice.

(13) This matter is continued generally pending further order of the Commission.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Timothy E. Biller, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 Byrd Street, Richmond, Virginia 23219-4074; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 202 North Ninth Street, Richmond, Virginia 23219. A copy hereof also shall be delivered to the Commission's Office of General Counsel and Divisions of Energy Regulation and Utility Accounting and Finance.

⁴ The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," and clicking "Search Cases," and entering the case number, PUE-2016-00057, in the appropriate box.