BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of Atmos Energy for Adjustment of its Natural Gas Rates in the State of Kansas

Docket No. 14-ATMG-320-RTS

JOINT MOTION FOR PROCEDURAL ORDER, DISCOVERY ORDER, PROTECTIVE ORDER AND NOTICE OF PUBLIC HEARING

Atmos Energy ("Atmos"), Staff of the Kansas Corporation Commission ("Staff"), and Citizens' Utility Ratepayer Board ("CURB") (collectively, the "Parties") move the Kansas Corporation Commission ("Commission") for approval of the proposed procedural order, discovery order, protective order and notice of public hearing which is attached hereto. In support of this Joint Motion, the Parties state as follows:

- 1. On January 9, 2014, Atmos filed an application to increase its base rates.
- 2. On January 10, 2014, CURB filed a petition to intervene.
- 3. On January 16, 2014, the Commission granted CURB's intervention.

4. The Parties have met and have agreed, subject to obtaining Commission approval, to the proposed procedural order, discovery order and protective order ("Proposed Order"), and the provisions contained therein, which is attached to this Joint Motion as Exhibit A.

5. The Parties and the Director of Public Affairs and Consumer Protection have also agreed to the proposed notice of public hearing and comment period which is attached to this Joint Motion as Exhibit B.

6. The Parties have previously submitted the proposed order to Mr. Van Blaricum, the hearing officer assigned to this case, for his review and approval, and to confirm the availability of the hearing dates.

WHEREFORE, the Parties move the Commission for an order approving the proposed

procedural order, discovery order, protective order and notice of public hearing which is attached hereto.

tl. James G. Flaherty, #11177

ANDERSON & BYRD, LLP 216 S. Hickory, P. O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile iflaherty@andersonbyrd.com Attorneys for Atmos Energy

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David R. Springe, #15619 Niki Christopher, #19311 C. Steven Rarrick, #13127 Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604 (785) 271-3200, telephone (785) 271-3116, facsimile procedural order, discovery order, protective order and notice of public hearing which is attached hereto.

James G. Flaherty, #11177 ANDERSON & BYRD, LLP 216 S. Hickory, P. O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile iflaherty@andersonbyrd.com Attorneys for Atmos Energy

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VERIFICATION

STATE OF KANSAS, COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states: That he is attorney for Atmos Energy; that he has read the above and foregoing Joint Motion for Procedural Order, Discovery Order, Protective Order and Notice of Public Hearing, knows the contents thereof; and that the statements contained therein are true.

James G./Flaherty

SUBSCRIBED AND SWORN to before me this 12th day of February, 2014.

NOTARY PUBLIC - State of Kansas RONDA ROSSMAN My Appt. Exp. 5/26/201

Appointment/Commission Expires:

Notary Public

<u>CERTIFICATE OF SERVICE</u>

I, the undersigned, hereby certify that a true and correct copy of the Joint Motion for Procedural Order, Discovery Order, Protective Order and Notice of Public Hearing was served by electronic service on this 12th day of February, 2014, to the following parties who have waived receipt of follow-up hard copies.

Niki Christopher Citizens' Utility Ratepayer Board 1500 SW Arrowhead Rd. Topeka, KS 66604 n.christopher@curb.kansas.gov

C. Steven Rarrick Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604 <u>s.rarrick@curb.kansas.gov</u>

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James G. Flaherty

EXHIBIT A

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Shari Feist Albrecht, C Thomas E. Wright Jay Scott Emler	bair	
In the Matter of the Application of Atmos Energy for Adjustment of its Natural Gas Rates in the))	Docket No. 14-ATMG-320-RTS
State of Kansas			

PROPOSED ORDER SETTING PROCEDURAL SCHEDULE, <u>PROTECTIVE ORDER AND DISCOVERY ORDER</u>

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The above-captioned matter comes before the State Corporation Commission of the State of

Kansas (Commission) for consideration and decision. Having reviewed the files and records, the Commission makes the following findings and conclusions:

I. BACKGROUND INFORMATION

1. On January 9, 2014, Atmos Energy ("Atmos") initiated this proceeding by filing an Application to make changes to its charges for natural gas service. Atmos stated it is a natural gas public utility operating in the State of Kansas pursuant to certificates of convenience and necessity issued by the Commission. *Application, January 9, 2014, paragraph 1 (Application, ¶1)*. Atmos' principal place of business within Kansas is located at 25090 West 110th Terrace, Olathe, Kansas

66061. *Application*, ¶1. Atmos stated it provides natural gas service to approximately 129,000 customers in Kansas, including natural gas service to 106 communities and two unincorporated irrigation customers in 32 counties. *Application*, ¶3.

2. On January 10, 2014, the Citizens' Utility Ratepayer Board ("CURB") filed a Petition to Intervene. On January 16, 2014, the Commission issued an order granting CURB's intervention.

3. On February 12, 2014, the Parties filed a Joint Motion proposing a procedural schedule setting deadlines for filing testimony, ending discovery, and submitting briefs, and also scheduling a public hearing and comment period (with the assistance of the Commission's Director of Public Affairs and Consumer Protection ("PACP")) and evidentiary hearing before the Commission. The Parties also agreed to be served electronically in this docket, with no hard copy follow-up. The Parties submitted a proposed procedural order, discovery order and protective order with the Joint Motion. The Parties also submitted a proposed notice to customers.

4. With respect to the public hearing, the Commission adopts the Parties and PACP's recommendations regarding one public hearing to be held in this docket. The public hearing shall be held on April 7, 2014, beginning at 6:00 p.m., at the KU Edwards Campus – Conference Room, 12604 Quivira Road, Overland Park, Kansas, with video-conferencing to: (1) Independence Community College, Room 106, 1057 West College Avenue, Independence, Kansas; (2) Hillsboro High School, Room 118, 500 East Grand, Hillsboro, Kansas; and (3) Ulysses High School, Conference Room, 501 North McCall Street, Ulysses, Kansas. The Commission finds that notice of Atmos' application and the public hearing and comment period be included as a bill insert with the monthly billing statement for each customer in Atmos' service territory, and publication in the major newspapers in the region, and provided electronically to those customers who receive their bills by electronic mail. The Commission further requires Atmos to file an Affidavit confirming notice has been mailed to

customers, printed in newspapers, and provided by electronic mail to customers, who receive their bills by electronic mail, no later than April 4, 2014.

II. PROCEDURAL SCHEDULE

5. The Commission finds the procedural schedule recommended by the Parties to be reasonable. The Commission adopts the procedural schedule which is as follows:

DATE	TIME	ACTION
April 3, 2014	3:00 p.m.	Atmos Affidavit of Mailing, Publication and Electronic Service
April 7, 2014	6:00 p.m.	Public Hearing
May 20, 2014	3:00 p.m.	Staff and Intervenor Direct Testimony
May 30, 2014	3:00 p.m.	Staff and Intervenor Cross-Answering Testimony
June 6, 2014	3:00 p.m.	Atmos Rebuttal Testimony
June 13, 2014	1:00 p.m.	Settlement Conference (Third Floor Hearing Room)
June 19, 2014	3:00 p.m.	Discovery Cut-off
June 19, 2014	3:00 p.m.	Prehearing Motions Cut-off
June 19, 2014	3:00 p.m.	Stipulation and Agreement
June 19, 2014	5:00 p.m.	Public Comment Period Ends
June 23, 2014	12:00 p.m.	Supporting Testimony to Stipulation and Agreement
June 23, 2014	9:00 a.m.	Prehearing Conference (Third Floor Hearing Room)
June 23, 2014	12:00 p.m.	List of Contested Issues
June 26, 2014	5:00 p.m.	PACP Report of Public Comments
July 1-2-3, 2014	9:00 a.m.	Evidentiary Hearing (First Floor Hearing Room)
July 17, 2014	3:00 p.m.	Atmos Initial Post-Hearing Brief
July 28, 2014	3:00 p.m.	Staff and Intervenor Responsive Post-Hearing Briefs
August 4, 2014	3:00 p.m.	Atmos Reply Brief
September 8, 2014		Order Due

A. <u>PREHEARING CONFERENCE AND EVIDENTIARY HEARING</u>

6. The Commission agrees with the Prehearing Officer that a prehearing conference will

be needed before an evidentiary hearing to address any pending matters, to establish procedures to use during the Evidentiary Hearing, and to consider any other prehearing issues that will promote the orderly and prompt conduct of this proceeding. K.S.A. 77-517; K.A.R. 82-1-222. To this end, the Commission sets the Prehearing Conference on June 23, 2014, beginning at 9:00 a.m. in the Commission's Third Floor Hearing Room, 1500 S.W. Arrowhead Road, Topeka, Kansas. Prehearing Officer, Jay P. Van Blaricum, telephone 785-271-3186, email address j.vanblaricum@kcc.ks.gov, will preside. Any party who fails to attend or participate in the Prehearing Conference or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act ("KAPA"). K.S.A. 77-516(c)(8); K.S.A. 77-520. At the Prehearing Conference, this proceeding without further notice may be converted into a conference hearing or a summary proceeding for disposition of the matter as provided by KAPA. K.S.A. 77-516(c)(7).

7. In addition to the Prehearing Conference discussed above, the Commission schedules an Evidentiary Hearing, with the Commission presiding, to begin on July 1, 2014, at 9:00a.m., and continue, as needed and ordered by the Commission, through July 3, 2014, in the Commission's First Floor Hearing Room, 1500 S.W. Arrowhead Road, Topeka, Kansas, telephone 785-271-3100. Any party who fails to attend or participate in the hearing or in any other stage of this proceeding may be held in default under the KAPA. K.S.A. 2010 Supp. 77-518(c)(8); K.S.A. 77-520.

B. <u>PUBLIC HEARING, NOTICE AND COMMENT PERIOD</u>

8. The Commission adopts the recommendation of the Parties and PACP that one public hearing be conducted in this docket as follows:

Monday, April 7, 2014, beginning at 6:00 p.m.* KU Edwards Campus – Conference Room 12604 Quivira Road, Overland Park, Kansas 66213

*With video conference proposed at these three sites:

Independence Community College - Room 106 1057 W. College Ave. Independence, Kansas 67301

Hillsboro High School - Room 118 500 East Grand Hillsboro, Kansas 67063

Ulysses High School - Conference Room 501 North McCall Street Ulysses, Kansas 67880

9. Notice of Atmos' application and the public hearing and public comment period as agreed to by the Parties and PACP shall be included in a bill insert with the monthly billing statement for each customer in Atmos' service territory and provided by electronic mail to those customers who receive their bill by electronic mail. The notice to customers shall be sent to customers at least seven (7) days prior to the public hearing.

10. The Commission also requires Atmos to provide information to the public about this proceeding by publishing notice in the major newspapers in the region. The Commission orders and directs that notice be published in newspapers approved by the Director of PACP, and that Atmos work with the Director of PACP to determine the timing of publication.

11. The Commission encourages the public to submit comments concerning this docket via electronic mail and in writing. The Commission directs that the public comment period begin immediately and end on June 19, 2014, at 5:00 p.m. The Commission desires that its PACP Office provide a report that summarizes public comments received and file a report on or before June 26, 2014, summarizing public comments received.

12. In addition, the Commission directs Atmos, CURB and the PACP Office to make information concerning the proceeding more accessible to the public through use of websites. The Commission directs these parties to include on their respective websites links and contact information

to assist members of the public in easily identifying how to contact the PACP Office to submit comments and to easily access filings made in the docket. To the extent practicable, parties are encouraged to include background information explaining this proceeding.

III. <u>Electronic Service</u>

13. The Commission adopts the agreement of the Parties to use electronic service on each other, with confidential papers served by providing the confidential information on a compact disc, for all testimony, briefs, and orders, with waiver of receipt of a follow-up hard copy as required in K.A.R. 82-1-216(a)(c). Electronic service shall occur on the date due at or before 3:00 p.m., unless otherwise set forth in this or another Order. The Parties shall specify that this electronic service constitutes service and that a hard copy will not follow, in order to make clear that paper copies will not also be provided. In addition, the Parties shall include the Prehearing Officer with electronic service of testimony and briefs at j.vanblaricum@kcc.ks.gov. The Parties are still required to file a document with the Commission, and filing shall be made with the Commission's Docket Room before 5:00 p.m., on the date scheduled for service. K.A.R. 82-1-215(a). Any electronic service received after the deadline set forth in the procedural schedule, or any filing made after 5:00 p.m., on the date scheduled for service, shall be accompanied by a Motion to File Out of Time.

IV. <u>Agency Attorneys of Record</u>

14. The attorneys designated to appear on behalf of the agency in this proceeding are: Samuel Feather, telephone number 785-271-3240; email address <u>s.feather@kcc.ks.gov</u>; Michael Neeley, telephone number 785-271-3173, email address <u>m.neeley@kcc.ks.gov</u>; 1500 S.W. Arrowhead Road, Topeka, Kansas 66604-4027. K.S.A. 2010 Supp. 77-518(c)(2); K.S.A. 77-516(c)(2).

V. <u>DISCOVERY ORDER</u>

15. The Commission finds that formalizing discovery procedures and clarifying the

obligations of the parties will help ensure a full and efficient investigation of the issues in this case. This Discovery Order will govern the conduct of discovery until further order of the Commission. Parties may request modified or additional discovery procedures or may request that the Commission schedule a discovery pre-hearing conference.

16. <u>General Procedures</u>. Discovery in Commission proceedings is limited to matters that are "clearly relevant." K.A.R. 82-1-234a(a). After a docket is opened, any party may serve upon any other party written discovery requests. These data requests shall identify with reasonable particularity the information or documents sought. Data requests must be designed to elicit material facts within the knowledge of the parties. Data requests which require conclusions of law or answers to hypothetical questions are generally not permitted. Cross-examination through the use of data requests is not appropriate. Copies of data requests shall be served upon all other parties to the proceeding, unless a party requests otherwise. Responses are to be provided to any party which requests them. Data requests and responses may be served by facsimile transmittal or electronic mail if agreed to by the parties. Requests for information that are received after 3:00 p.m. shall be deemed to have been received the following business day.

17. <u>Data Request Responses</u>. Responses to Staff data requests are due within seven days, not counting Saturdays, Sundays, or legal holidays. Responses to all other data requests are due within 10 days, not counting Saturdays, Sundays, or legal holidays. In computing the period of time for responding, the day on which the data request is issued is not counted. Parties may agree to extensions or reductions of time in which to respond to or object to a data request. Responses to data requests shall be verified and shall identify the person(s) who actually prepared the response and can answer additional questions relating to the response. Each discovery request shall be answered separately and preceded by the request to which the answer pertains. Responses shall be clearly

identified and, if consisting of several pages, shall be labeled and organized in a manner that makes review of the pages convenient. Parties are under a continuing duty to supplement their discovery responses upon learning that the information disclosed is incomplete or incorrect in any material respect. If a response to a data request requires the duplication of voluminous material or if material that is not easily copied because of its binding or size, a party may require that any party other than Commission Staff review the voluminous material on its own premises. If duplication of voluminous material can be accomplished without undue burden, the voluminous material may be copied at the expense of the requesting party. Voluminous material is defined as documents comprised of 500 pages or more.

18. <u>Objections to Data Requests</u>. If a party objects to answering a particular data request, the party shall object in writing within five days of receipt of the data request, not counting Saturdays, Sundays, or legal holidays. The written objection shall specifically explain all grounds relied upon for objecting to each data request. Any objections not provided at this time will be considered to be waived. If an objection pertains only to a part of a question, that part shall be clearly identified and the responding party shall provide any non-objectionable information covered by the remainder of the data request. Parties shall negotiate in good faith to resolve discovery disputes. If resolution is not possible, the party seeking discovery may file a motion to compel with the Commission. Motions to compel must have the data request and response at issue attached. Motions to compel are required to be served by hand-delivery, facsimile or next-day delivery service. Responses to motions to compel are to be filed within three days after the motion is received, not counting Saturdays, Sundays, or legal holidays. The Commission may act immediately on motions to compel if necessitated by time constraints or the procedural schedule in the case.

19. <u>Limitations on Discovery</u>. The Commission may limit discovery to protect a party

against unreasonable, cumulative or duplicative discovery requests; to prevent undue delay in the proceeding; to avoid unnecessary burden, expense or harassment; or to otherwise maintain the orderly and efficient progress of the proceeding. Upon finding that a party has abused the discovery process, the Commission may deny the party the right to continue discovery.

20. <u>Protective Order</u>. The Commission has a standard Protective Order that establishes procedures and requirements for the production of information or data designated as confidential. Section VI of this Order contains provisions relating to the protection of confidential information in this docket and shall serve as the Commission's Protective Order in this docket.

21. <u>Sanctions</u>. A motion for sanctions for discovery violations may be filed at any time during the proceeding or may be initiated by the Commission. A motion is to contain sufficient factual allegations to detail the violation and must specify the relief requested. Motions for sanctions are required to be served by hand-delivery, facsimile or next-day delivery service. Responses to motions for sanctions are to be filed within 10 days, not counting Saturdays, Sundays, or legal holidays.

a. The Commission will consider any relevant factors when reviewing a motion for sanctions, including whether discovery has been conducted in bad faith or for an improper purpose such as causing unnecessary delay or needless increase in the cost of the proceeding; whether the discovery process has been abused in seeking or resisting discovery; and whether parties have failed to obey Commission Orders.

b. Sanctions imposed by the Commission may include limiting or disallowing further discovery; holding that designated facts be deemed admitted for purposes of the proceeding; refusing to allow a party to support or oppose a claim or defense or prohibiting the party from introducing designated matters in evidence; disallowing in whole or in part requests for relief by the offending party and excluding evidence in support of such requests;

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striking pleadings or testimony; staying further proceedings until an order is obeyed; disallowing a party's right to participate in the proceeding; dismissing the application or filing with or without prejudice; requiring the offending party to pay the reasonable expenses, including attorney's fees, incurred by other parties because of the sanctionable behavior; and imposing any other sanction or remedy available to the Commission by law.

VI. <u>PROTECTIVE ORDER</u>

22. K.S.A. 2010 Supp. 66-1220a and K.A.R. 82-1-22la set forth requirements for the designation and treatment of information designated as confidential in Commission proceedings. The Prehearing Officer finds that it is appropriate to issue this Protective Order to establish further procedures relating to confidential data and information.

23. K.S.A. 2010 Supp. 66-1220a limits disclosure of trade secrets or confidential commercial information of regulated entities. Under K.S.A. 2010 Supp. 66-1220a(a)(4), the Commission is to consider alternatives to disclosure that will serve the public interest and protect the regulated entity. This Protective Order provides an interim procedure under K.S.A. 2010 Supp. 66-1220a(a)(4) to facilitate the prompt and orderly conduct of this case. This Protective Order will govern the treatment and handling of confidential information until further order of the Commission.

24. A party may designate as confidential any information that it believes, in good faith, to be a trade secret or other confidential commercial information. The party designating the information as confidential must provide a written statement of the specific grounds for the designation at the time the designation is made. K.A.R. 82-1-221a(a)(5). The party claiming confidentiality has the burden of proving the confidential status of the information. Designating information as confidential does not establish that the information will not be subject to disclosure after review by the Commission. See K.S.A. 2010 Supp. 66-1220a.

25. This Protective Order applies to all parties in this proceeding, unless specifically stated otherwise. The provisions of the Protective Order apply to Staff, except that Staff is not required to sign Nondisclosure Certificates or view voluminous materials on site, as discussed in paragraph 27, and is not required to return or destroy confidential information upon request at the conclusion of a proceeding, as referenced in paragraph 33. Outside experts and consultants used by Staff shall have access to information and voluminous materials on the same basis as Staff, except that outside Staff experts and consultants are required to read this Protective Order and to sign Nondisclosure Certificates as contained in Appendix A to this Order.

26. The following definitions shall apply:

INFORMATION: Information refers to all documents, data, including electronic data, studies, and other materials furnished pursuant to requests for information or other modes of discovery, or any other documents or information which are otherwise a part of the Commission record.

CONFIDENTIAL INFORMATION: Confidential information refers to information which, if disclosed, would likely result in harm to a party's economic or competitive interest or which would result in harm to the public interest generally and which is not otherwise available from public sources. Confidential information may include but is not limited to: (1) material or documents that contain information relating directly to specific customers; (2) employee-sensitive information; (3) marketing analyses or other market-specific information relating to services offered in competition with others; (4) reports, work papers or other documentation related to work produced by internal or external auditors or consultants; (5) strategies employed, to be employed, or under consideration; (6) contract negotiations; and (7) information concerning trade secrets, as well as private technical, financial and business information.

27. A party designating information as confidential shall make the confidential information available to parties seeking access or discovery under the restrictions in this Protective Order if such disclosure is not otherwise privileged or objectionable on other evidentiary grounds. Disclosure of confidential information shall be made to attorneys of record and to authorized representatives, including outside experts, who are consulting with parties or intend to file testimony in this

proceeding. Attorneys or authorized representatives seeking access to confidential information shall first read this Protective Order and sign a Nondisclosure Certificate as provided in Appendix A. In cases in which a utility's rates are being reviewed, attorneys and representatives of the utility whose rates are being reviewed are not required to sign Nondisclosure Certificates in order to receive copies of documents containing the utility's own confidential information. The Nondisclosure Certificate shall contain the signatory's name, permanent address, title or position, date signed, and an affirmation that the signer is acting on behalf of a party to this proceeding. The Nondisclosure Certificate shall be filed in the docket. The party claiming confidentiality shall provide legible copies of the confidential information to requesting parties by serving one copy upon counsel for the requesting party. The requesting party may copy the confidential information and make it available to its authorized representatives who have signed Nondisclosure Certificates. If a response to a discovery request requires the duplication of voluminous material or the material is not easily copied because of its binding or size, the furnishing party may require that the voluminous material be reviewed on its own premises. If duplication of voluminous material can be accomplished without undue burden on the party disclosing the information, the voluminous material may be copied at the expense of the requesting party. Voluminous material shall include documents or materials comprised of five-hundred pages or more.

28. A party may designate pre filed testimony and exhibits as confidential pursuant to this Protective Order. The specific grounds for the confidential designation shall be stated in writing at the time the designation is made or the testimony filed. Any party obtaining confidential information may use or refer to such information in prefiled or oral testimony provided that the confidentiality is maintained, unless otherwise ordered by the Commission.

29. If information to be disclosed in response to a data request contains confidential

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information designated by another party in this docket, the furnishing party shall maintain the confidential status by marking the information as confidential and only providing responses to parties which have signed Nondisclosure Certificates. If information that a party intends to use in this proceeding or that would be disclosed in response to a data request contains confidential information obtained from a source outside of this proceeding, the party intending to use or provide the confidential information must notify the original source which claimed confidential status to allow that entity to decide whether to claim confidentiality in this proceeding.

30. When pleadings, prefiled testimony or exhibits include confidential information, parties are to follow these procedures:

a. File seven copies of the complete document, including all confidential information. The cover is to clearly state "CONFIDENTIAL VERSION." Confidential pages shall be stamped "CONFIDENTIAL" and the specific confidential information shall be identified by being underlined.

b. File one copy with the confidential portions redacted, for use as a public document. The cover is to clearly state "PUBLIC VERSION."

c. File one copy of the pages which contain confidential information in a separate envelope marked "CONFIDENTIAL." This filing will be maintained in the docket room file under seal. If there are multiple pages with confidential information and it is impracticable to separate the pages with the confidential information, the party may file instead one copy of the entire document which is stamped "CONFIDENTIAL."

31. Confidential testimony may be offered or subject to cross-examination at hearings. Parties have the right to object to the admissibility of confidential information on standard evidentiary grounds such as relevance. Confidential information that is received into evidence will be kept under

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seal. Confidential information shall be discussed only after the hearing is closed to all persons except the Commission, its Staff, hearing examiners, court reporters, attorneys of record and individuals to whom the designated information is available under the terms of this Protective Order. Parties shall make every effort at hearings to ask and answer questions in such a way as to preserve the confidentiality of the information without the need to close the hearing. The transcript of live testimony or oral argument disclosing confidential information shall be kept under seal and copies provided only to persons entitled to access to confidential information. Neither the parties nor their attorneys shall disclose or provide copies of the contents of such transcripts to anyone other than those who may have access to the designated information under the terms of this Protective Order.

32. If a party disagrees with a claim that information is confidential or should not be disclosed, the parties shall first attempt to resolve the dispute on an informal basis. If the parties cannot resolve the dispute informally, the party contesting the confidential treatment may file a motion with the Commission. Commission Staff should also be prepared to challenge a confidential designation when Staff believes that information does not meet the definition of confidential information. When a dispute concerning confidentiality is brought before the Commission, the Commission will review the matter to determine 1) if the party claiming confidentiality has met its burden of establishing that the confidential designation is proper, and 2) whether disclosure is warranted under K.S.A. 2010 Supp. 66-1220a. The contested information shall not be disclosed pending the Commission's ruling.

33. All persons who are afforded access to confidential information under the terms of this Protective Order shall neither use nor disclose such information for purposes of business or competition or any other purpose other than the purpose of preparation for and litigation of this proceeding. During the course of this proceeding, parties shall keep confidential information secure in accordance with the purposes and intent of this Order. At the conclusion of this proceeding, including judicial review, a party which claimed that information was confidential may require that other persons in possession of its confidential information return or destroy all such confidential information and all notes, tapes, documents, and any other medium containing, summarizing, or otherwise embodying such confidential information. If the party claiming confidentiality requests destruction, the person destroying the information shall certify its destruction. Counsel shall be entitled to retain memoranda or pleadings including or embodying confidential information to the extent reasonably necessary to preserve a file on this proceeding.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission adopts the procedural schedule recommended in the Report and Recommendations of Prehearing Officer, as set forth above in paragraph 5.

B. The Commission schedules the Prehearing Conference for June 23, 2014, beginning at 9:00 a.m., in the Third Floor Hearing Room of the Commission's Offices, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604-4027, as set forth above in paragraph 6. Prehearing Officer Jay P. Van Blaricum, telephone 785-271-3186, email address j.vanblaricum@kcc.ks.gov, will preside.

C. The Commission schedules the Evidentiary Hearing, with the Commission presiding, to begin on July 1, 2014, at 9:00 a.m., and continue, as needed and ordered by the Commission, through July 3, 2014, in the First Floor Hearing Room of the Commission's Offices, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604-4027, telephone 785-271-3100, as set forth above in paragraph 7. Any party who fails to attend or participate in the hearing or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act. K.S.A. 2010 Supp. 77-518(c)(8); K.S.A. 77-520.

D. The Commission orders that one public hearing be conducted in this docket, as set

forth above in paragraph 8. The public hearing shall be held on April 7, 2014, beginning at 6:00 p.m., at the KU Edwards Campus – Conference Room, 12604 Quivira Road, Overland Park, Kansas 66061, with video-conferencing to: (1) Independence Community College, Room 106, 1057 West College Avenue, Independence, Kansas 67301; (2) Hillsboro High School, Room 118, 500 East Grand, Hillsboro, Kansas 67063; and (3) Ulysses High School, Conference Room, 501 North McCall Street, Ulysses, Kansas 67880.

E. The Commission orders that Atmos provide the notice agreed to by the Parties and the PACP to its customers of the public hearings and application through a bill insert included with the monthly billing statement for each customer in its service territory, or by electronic mail to those customers who receive their bill by electronic mail.

F. The Commission also orders that Atmos provide general information to the public about this proceeding by publishing notice in the larger newspapers throughout its region, as set forth above in paragraph 10. The Commission directs Atmos to provide a list of newspapers to PACP, for publishing such notice, and work with the Director of Public Affairs and Consumer Protection to determine the timing of publication and newspapers in which notice will be published.

G. The Commission encourages the public to submit comments concerning this docket via electronic mail and in writing. The Commission approves the use of websites to make information available and directs that the PACP Office and the Commission's Information Technology Staff work with the parties to further this effort, as set forth above in paragraph 12. In addition, the PACP Office shall receive public comments and provide a summary of those comments, as set forth above in paragraph 11. The public comment period shall end on June 19, 2014, at 5:00 p.m., and the Commission's PACP Office shall submit a report on or before June 26, 2014, summarizing the public comments received.

H. The Commission approves the use of electronic service for serving all testimony and briefs among the parties, and for Orders of the Commission and Prehearing Officer, without follow-up hard copies, but continues to require the filing with the Commission, as set forth above in paragraph 13.

I. The Commission adopts the provision that shall govern discovery in this docket.

J. The Commission adopts the provision that shall govern the protection of confidential information in this docket.

K. The Commission orders service of this Order be made by electronic mail, with a note that no hard copy of this Order will follow. This is a procedural order and constitutes nonfinal agency action. K.S.A. 77-607(b)(2). Parties have 15 days from the date of electronic service of this Order in which to petition the Commission for reconsideration. K.S.A. 66-118b; K.S.A. 2010 Supp. 77-529(a)(1).

L. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Feist Albrecht; Chair; Wright, Commissioner; Emler, Commissioner.

Dated: _____.

Kim Christiansen

Executive Director

STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Docket No. _____

NONDISCLOSURE CERTIFICATE

I, ______, have been presented a copy of the Protective Order issued in Docket No. _____.

I have requested review of confidential information produced in the above-mentioned docket on behalf of _____.

I hereby certify that I have read the above-mentioned Protective Order and agree to abide by its terms and conditions.

Dated this _____ day of _____, 2014.

Printed Name and Title

Signature

Party/Employer

Address (City, State, Zip)

Telephone

Facsimile

Email Address

NOTICE OF PUBLIC HEARING AND COMMENT PERIOD CONCERNING NATURAL GAS SERVICE RATE INCREASE REQUEST

Atmos Energy (Atmos) has filed an application with the Kansas Corporation Commission (Commission) requesting an annual increase in rates for natural gas service of \$7 million or approximately thirteen percent (13%). The requested increase would only affect the portions of a customer's bill that relate to the delivery of gas by Atmos to customers, including the fixed monthly Facility Charge and per hundred cubic feet (Ccf) Commodity Charge.

The rate case does not involve the cost incurred by Atmos to purchase natural gas supplies and to obtain delivery and storage of those supplies from interstate pipelines, which is reflected on your bill as the Purchased Gas Adjustment (PGA). The cost to purchase natural gas supplies is not regulated and is subject to market forces, such as, supply and demand, storage volumes, and weather. The cost to obtain delivery and storage of those natural gas supplies from interstate pipelines is regulated by the Federal Energy Regulatory Commission in Washington, D.C.

Under the company's proposal, overall rates for natural gas service would increase by \$7 million. Atmos' last rate increase of \$2.8 million was approved on August 22, 2012.

For residential customers, Atmos has requested an overall increase that will increase the average monthly bill approximately \$5.81 per month, which is a 22% increase. This includes a request to increase the monthly Facility Charge from \$16.75 per month to \$22.94 per month, and a decrease in the Commodity Charge from \$.13700 per Ccf to \$.13698 per Ccf for all residential customers. Note: The average residential customer uses 852 Ccf per year.

For commercial customers, Atmos has requested no increase in the Facility Charge and a decrease in the Commodity Charge from \$.13700 per Ccf to \$.13698 per Ccf.

In its application, Atmos said the increase was necessary because the company has continued to make investments in its system to provide safe, reliable and efficient natural gas service to its customers. The company further stated it has experienced increases in wages, medical expenses and supplier costs.

Atmos' corporate office is located in Dallas, Texas. It is one of the largest pure natural gas distribution companies in the United States, supplying natural gas service to over three million customers in eight states. In Kansas, Atmos provides natural gas service to approximately 129,000 customers. ABOUT THE COMMISSION: The Commission regulates public utilities including home telephone, natural gas, electric and water companies, as well as motor carriers, oil and gas pipeline, and oil and gas producers. The Commission's regulatory oversight of public utilities primarily pertains to rates and terms of service. In order to ensure that customers of regulated utilities are provided sufficient and efficient service at just and reasonable rates, utilities may not change their rates without Commission approval.

PUBLIC HEARING

The Commission has scheduled a public hearing to allow Atmos customers the opportunity to ask questions and make comments about the proposal. The public hearing is scheduled for:

Monday, April 7, 2014, beginning at 6:00 p.m. KU Edwards Campus – Conference Room 12604 Quivira Road, Overland Park, Kansas 66213 Video conferencing technology will be used to allow Atmos customers in other areas of the state an opportunity to address the Commission. The locations for video conferencing are:

Independence Community College Room 106 1057 W. College Ave. Independence, Kansas 67301

> Hillsboro High School Room 118 500 East Grand Hillsboro, Kansas 67063

Ulysses High School Conference Room 501 North McCall Street Ulysses, Kansas 67880

Any persons requiring special accommodations at any of the hearing sites under the Americans with Disabilities Act needs to give notice to the Commission at least 10 days prior to the scheduled hearing date by calling (785) 271-3140.

PUBLIC COMMENT PERIOD

The Commission will also accept written comments from Atmos customers through June 19, 2014. Comments regarding the case should reference Docket No. 14-ATMG-320-RTS and may be sent to the Kansas Corporation Commission, Office of Public Affairs and Consumer Protection, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, or emailed to <u>public.affairs@kcc.ks.gov</u>, or you may call 1-800-622-0027.

EVIDENTIARY HEARING

The Commission will conduct an evidentiary hearing on the Atmos rate increase request beginning July 1, 2014, at 9:00 a.m. in the first floor hearing room at its Topeka office. At this hearing Commission Staff, Atmos representatives, and Citizens' Utility Ratepayer Board (CURB) will present their case to the Commission. The Commission must issue a decision by September 8, 2014.

ADDITIONAL INFORMATION

A complete copy of Atmos' application and supporting testimony is available on the Commission's website at <u>http://kcc.ks.gov</u>, searching Docket Filings for Docket No. 14-ATMG-320-RTS. If you need additional assistance or more information about the requested rate increase or the public hearing, contact the Commission's Office of Public Affairs and Consumer Protection at 1-800-662-0027, or <u>public.affairs@kcc.ks.gov</u>.