

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application of Atmos                    )  
Energy for Adjustment of its Natural Gas                ) Docket No. 14-ATMG-320-RTS  
Rates in the State of Kansas.                                )

**CURB'S ERRATA TO DIRECT TESTIMONY OF CURB WITNESS BRIAN KALCIC**

The Citizen's Utility Ratepayer Board (CURB) makes this errata filing to correct the Direct Testimony and schedule of CURB witness Brian Kalcic filed in this docket on May 20, 2014. The corrected pages 13 and 14 of Brian Kalcic's Direct Testimony and corrected title for schedule BK-3 are attached.

WHEREFORE, CURB provides this errata filing.

Respectfully submitted,



David Springe, Consumer Counsel #15619  
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Citizens' Utility Ratepayer Board  
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**VERIFICATION**

STATE OF KANSAS )  
 ) ss:  
COUNTY OF SHAWNEE )

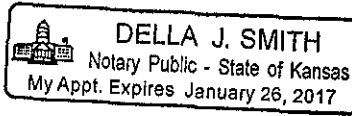
I, David Springe, of lawful age and being first duly sworn upon my oath, state that I am an attorney for the Citizens' Utility Ratepayer Board; that I have read and am familiar with the above and foregoing document and attest that the statements therein are true and correct to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
David Springe

SUBSCRIBED AND SWORN to before me this 28<sup>th</sup> day of May, 2014.

  
\_\_\_\_\_  
Notary Public

My Commission expires: 01-26-2017.



1 on a utility system. Customer costs are those that vary with the number of customers  
2 served, such as the costs associated with meters, meter reading, service lines, and billing.

3  
4 **Q. What types of costs should a utility recover in its facilities charges?**

5 A. Facilities charges should be limited to the recovery of a utility's *customer-related* costs.  
6 All other costs should be recovered via a utility's volumetric and/or demand charges.

7  
8 **Q. Mr. Kalcic, have you quantified Atmos's total customer-related costs, by rate class, at  
9 the Company's claimed revenue requirement level?**

10 A. Yes, I have. Schedule BK-1, page 2 of 4, summarizes the total amount of customer-related  
11 costs allocated to each rate class in CURB's COSS. Per line 43-34 of Schedule BK-1, page  
12 2 of 4, the total RSS customer cost is only ~~\$15.61~~16.01 per month. In other words, the  
13 Company's current RSS facilities charge of \$16.75 exceeds the cost-based RSS facilities  
14 charge level.

15  
16 **Q. Should the Commission permit Atmos to recover any RSS base rate revenue increase  
17 in the RSS facilities charge?**

18 A. No, since the current RSS facilities charge is too high.

19  
20 **Q. Have you prepared a recommended RSS and C/PA rate design to implement CURB's  
21 recommended base rate revenue increases shown in Schedule BK-3, column 7, lines 1-  
22 2?**

23

1 A. Yes, in Schedule BK-4. Since the current RSS facilities charge of \$16.75 per month  
2 exceeds the benchmark RSS facilities charge of ~~\$15.61~~16.01 per month, I have recovered  
3 100% of CURB's recommended RSS increase in the volumetric charge.  
4

5 **Q. What about the C/PA rate design shown in Schedule BK-4?**

6 A. At previously noted, the RSS and C/PA volumetric charges are identical. Therefore, in  
7 order to derive my recommended C/PA rates, I set the C/PA volumetric charge at the RSS  
8 level, and established the C/PA facilities charge at the residual level necessary to recover  
9 CURB's recommended class revenue requirement.  
10

11 **Q. How does CURB's recommended C/PA facilities charge of \$36.80 compare to cost of  
12 service?**

13 A. As shown on Schedule BK-1, page 2, line ~~433~~4, the cost-based C/PA facilities charge is  
14 ~~\$28.58~~29.81 per month. Therefore, CURB's recommended facilities charge of \$36.80  
15 remains above cost of service.  
16

17 **Q. Do you have a rate design recommendation in the event that the KCC awards  
18 Atmos a base rate increase that is greater than CURB's recommended increase  
19 of \$1.252 million?**

20 A. Yes. Since the current RSS and C/PA facilities charges exceed their respective cost  
21 benchmarks, I recommend that the Commission direct Atmos to assign no increase to the  
22 RSS or C/PA facilities charge at the conclusion of this proceeding.  
23  
24

## ATMOS ENERGY CORPORATION

Summary of CURB's Recommended Allocation of the Company's Its  
Requested **Recommended** Increase in Total Base Rate Revenue and Total Revenues  
(Excluding Gas Costs)

Line	Class	Present Base Rate Revenue	Present GSRS & Ad Valorem	Total Present Revenue	Recommended Base Rate Revenue	Proposed GSRS & Ad Valorem	Total Recommended Revenue	Base Rate Revenue		Total Revenue	
		(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6) = (4) + (5)	Increase	Percent	Increase	Percent
		(7) = (4) - (1)					(8) = (7) / (1)	(9) = (6) - (3)		(10) = (9) / (3)	
<u>Sales</u>											
1	Res (910)	\$37,275,912	\$1,174,913	\$38,450,825	\$38,265,066	\$0	\$38,265,066	\$989,154	2.65%	(\$185,759)	-0.48%
2	C/PA (915)	\$8,652,825	\$333,405	\$8,986,230	\$8,848,113	\$0	\$8,848,113	\$195,288	2.26%	(\$138,117)	-1.54%
3	Ind (930)	\$74,786	\$3,539	\$78,325	\$76,885	\$0	\$76,885	\$2,099	2.81%	(\$1,440)	-1.84%
4	Schools (920)	\$62,428	\$1,978	\$64,406	\$64,405	\$0	\$64,405	\$1,977	3.17%	(\$1)	0.00%
5	SGS (940)	\$36,174	\$1,714	\$37,888	\$36,174	\$0	\$36,174	\$0	0.00%	(\$1,714)	-4.52%
6	Interr. (955)	\$73,319	\$47	\$73,366	\$73,319	\$0	\$73,319	\$0	0.00%	(\$47)	-0.06%
7	Irrigation (965)	\$1,125,989	\$87,657	\$1,213,646	\$1,125,989	\$0	\$1,125,989	\$0	0.00%	(\$87,657)	-7.22%
8	Subtotal	\$47,301,433	\$1,603,253	\$48,904,686	\$48,489,951	\$0	\$48,489,951	\$1,188,518	2.51%	(\$414,735)	-0.85%
<u>Transportation</u>											
9	Interr. (IT900)	\$1,133,717	\$24,478	\$1,158,195	\$1,133,717	\$0	\$1,133,717	\$0	0.00%	(\$24,478)	-2.11%
10	Firm (FT900)	\$2,595,217	\$132,397	\$2,727,614	\$2,658,975	\$0	\$2,658,975	\$63,758	2.46%	(\$68,639)	-2.52%
11	Subtotal	\$3,728,934	\$156,875	\$3,885,809	\$3,792,692	\$0	\$3,792,692	\$63,758	1.71%	(\$93,117)	-2.40%
<u>Other</u>											
12	Contract	\$419,166	\$0	\$419,166	\$419,166	\$0	\$419,166	\$0	0.00%	\$0	0.00%
13	Misc. Service	\$581,163	\$0	\$581,163	\$581,163	\$0	\$581,163	\$0	0.00%	\$0	0.00%
14	Subtotal	\$1,000,329	\$0	\$1,000,329	\$1,000,329	\$0	\$1,000,329	\$0	0.00%	\$0	0.00%
15	Total Revenue	\$52,030,696	\$1,760,128	\$53,790,824	\$53,282,972	\$0	\$53,282,972	\$1,252,276	2.41%	(\$507,852)	-0.94%

Source: CURB DR 1 & Direct Testimony of Brian Kalcic

**CERTIFICATE OF SERVICE**

14-ATMG-320-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 28<sup>th</sup> day of May, 2014, to the following parties:

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