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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Prehearing Conference

May 17, 2006
Jefferson City, Missouri
Volume 1

In the Matter of Atmos Energy)
Corporation's Tariff Revision)
Designed to Consolidate Rates and)
Implement a General Rate Increase) Case No. GR-2006-0387
for Natural Gas Service in the)
Missouri Service Area of the)
Company)

NANCY M. DIPPELL, Presiding,
SENIOR REGULATORY LAW JUDGE.

REPORTED BY:
KELLENE K. FEDDERSEN, CSR, RPR, CCR
MIDWEST LITIGATION SERVICES

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APPEARANCES:

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FOR: Staff of the Missouri Public
Service Commission.

1 P R O C E E D I N G S

2 JUDGE DIPPELL: This is Case
3 No. GR-2006-0387, in the matter of Atmos Energy
4 Corporation's tariff revision designed to consolidate
5 rates and implement a general rate increase for natural
6 gas service in the Missouri service area of the company.
7 My name is Nancy Dippell. I'm the Regulatory Law Judge
8 assigned to this matter.

9 And we've come here today for an early
10 prehearing conference to discuss procedural things and any
11 settlement issues. We're going to begin with -- we have
12 some outstanding motions for intervention, and we're going
13 to just go ahead and begin with entries of appearance and
14 then take that up. Let's go ahead and start. I'll start
15 with Staff.

16 MR. BERLIN: Appearing on behalf of Staff,
17 Robert S. Berlin, Post Office Box 360, Jefferson City,
18 Missouri 65102.

19 JUDGE DIPPELL: And for Atmos?

20 MR. FISCHER: Appearing on behalf of Atmos
21 Energy Corporation, James M. Fischer and Larry W. Dority,
22 Fischer & Dority, PC, 101 Madison Street, Suite 400,
23 Jefferson City, Missouri 65101.

24 JUDGE DIPPELL: And Public Counsel?

25 MR. WHEATLEY: Good morning. Appearing for

1 the Office of the Public Counsel and the public, my name
2 is Mark D. Wheatley. I'm Senior Public Counsel. Our Post
3 Office Box is 2230, Jefferson City, Missouri 65102.

4 JUDGE DIPPELL: And for pending
5 intervention, Hannibal Regional Hospital?

6 MR. WOODSMALL: Thank you, your Honor.
7 David Woodsmall and Stu Conrad of the firm of Finnegan,
8 Conrad & Peterson, 428 East Capitol, Suite 300, Jefferson
9 City, Missouri 65101.

10 JUDGE DIPPELL: And we'll just note that
11 Mr. Conrad isn't actually here in the room with you today.

12 MR. WOODSMALL: Right.

13 JUDGE DIPPELL: Just for the record. And
14 also, we had another intervention that was granted
15 yesterday, and that was for Noranda, and Mr. Fulton, their
16 counsel, contacted me and indicated he had a conflict. He
17 is available by telephone if you should need him. I told
18 him that he would not be dismissed as a party for not
19 being here today.

20 So let's begin with the intervention of
21 Hannibal Regional Hospital. There hadn't been -- the ten
22 days hadn't passed, so I hadn't ruled on that, but I
23 was -- is there any objection to the application to
24 intervene of Hannibal Regional?

25 (No response.)

1 JUDGE DIPPELL: Seeing no objection, then,
2 I will allow that intervention, and I'll send a notice out
3 after this. They're officially made a party to this case.

4 A procedural schedule has been ordered to
5 be filed on May 24th. That's a week from today. And the
6 only other outstanding issue that I'm aware of is there's
7 some issue as to a true-up, not a true-up. I'm not sure
8 if the test year, was that resolved or was there still --

9 MR. FISCHER: I think we were together on
10 test year. We wanted to talk about true-up and the items
11 that might be included. Perhaps we can do that today.

12 JUDGE DIPPELL: I was going to say, is that
13 something that -- it's been a while since I've presided
14 over a full-blown rate case, so I'll just ask you-all.
15 Will me not ruling on whether or not there's a true-up
16 affect your ability to do your prefiled testimony? Is
17 there a point where you need to know about a true-up in
18 order to file the testimony that you're going to file?

19 MR. BERLIN: I think we'll need a decision
20 before filing of direct testimony.

21 JUDGE DIPPELL: Okay. Well, then I will
22 expect you-all to either work it out or let me know that
23 it is a contested issue that the Commission needs to
24 decide with sufficient time to -- it didn't sound like
25 you-all were completely disagreeing, just that there was

1 an issue there as to whether -- Mr. Wheatley, is that your
2 understanding? Public Counsel was one of the ones that
3 had registered some concerns.

4 MR. WHEATLEY: Yes. We disagree with Staff
5 in that we don't know that a true-up is necessary until
6 a -- the actual audit is done, and we also have a problem
7 with the filing of the direct testimony prior -- prior to
8 the settlement conference.

9 MR. FISCHER: Your Honor, I think we can
10 visit about those issues and work through that, both of
11 those topics, and let you know if there's an issue out
12 there on true-up.

13 JUDGE DIPPELL: Okay. And the settlement
14 conference issue, you-all feel that you can work that out?
15 I don't remember. Has that -- did I set the settlement
16 conference?

17 MR. WOODSMALL: No.

18 MR. FISCHER: At this point I think there's
19 evidentiary hearings and a true-up date reserved.

20 JUDGE DIPPELL: But the settlement
21 conference you-all were going to do on your own.

22 All right. Are there any other pending
23 issues that I need to be aware of? We haven't yet set
24 dates or places for public hearings, but I believe I set a
25 date for you-all to give me some recommendations on that.

1 Mr. Wheatley, do you expect Public Counsel will want
2 public hearings in this one?

3 MR. WHEATLEY: Yes, your Honor.

4 JUDGE DIPPELL: It's my understanding
5 Atmos' territory is a little spread out, so that might
6 involve several locations, so --

7 MR. FISCHER: There are three major areas.
8 We might propose about three local hearings to cover
9 those.

10 JUDGE DIPPELL: So the sooner we can get
11 that nailed down, the better, because the notice and
12 everything, I'm assuming the company would need sufficient
13 time to get billing, if we had billing inserts, which is
14 really the best way to do notice.

15 Also, if -- it's been a problem in the past
16 with the particular notice that was set out in the Order.
17 If that -- if there's going to be any issue with that
18 language, I need to know about that as soon as you know
19 about it. So is there -- Mr. Berlin?

20 MR. BERLIN: Yes, Judge. Just to clarify
21 on the public hearings, it would be helpful to know
22 whether the Commission is going to determine the locations
23 for the public hearings or whether that will be up to
24 Staff.

25 JUDGE DIPPELL: As far as I know, it always

1 comes back to my desk, so -- but the more help I can get
2 from all of you as parties, because you're more familiar
3 with the areas and what facilities might be available, any
4 help Staff can give would be appreciated. But in the past
5 those have ended up with the judge ended up making those
6 arrangements in cooperation sometimes with our IS
7 department if we attempt to do the video broadcast.
8 Sometimes that's been very helpful. We use that when we
9 can. Did that answer your question, Mr. Berlin?

10 MR. BERLIN: Well, I think what we'll do,
11 it's something we can talk about in our early prehearing
12 conference.

13 JUDGE DIPPELL: All right, then. If
14 there's no further issues that I need to be aware of, I'll
15 leave you-all to your discussions. There is a phone up
16 here, the conference phone if you should need to call
17 Mr. Fulton for some reason. My extension is 751, 1 in the
18 building, 4393. So if you need me for anything, I should
19 be in my office most of the day.

20 Okay. We can go off the record. Thank
21 you.

22 WHEREUPON, the recorded portion of the
23 prehearing conference was concluded.

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