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BEFORE THE  
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION ) DOCKET NO.  
On Its Own Motion ) 05-0738  
-vs- )  
ATMOS ENERGY CORPORATION )  
Reconciliation of revenues )  
collected under gas adjustment )  
charges with actual costs )  
prudently incurred. )

Springfield, Illinois  
Tuesday, December 7, 2010

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

MR. J. STEPHEN YODER, Administrative Law Judge

APPEARANCES:

MR. ARTHUR W. BRESNAHAN  
LAW OFFICE OF ARTHUR BRESNAHAN  
5202 Old Orchard Road  
Skokie, Illinois 60077

(Appearing on behalf of Atmos  
Energy Corporation via  
teleconference)

SULLIVAN REPORTING COMPANY, by  
Carla J. Boehl, Reporter  
CSR #084-002710

1 APPEARANCES: (Continued)

2 MS. MEGAN C. McNEILL  
3 Office of General Counsel  
4 160 North LaSalle Street, Suite C-800  
5 Chicago, Illinois 60601

6 (Appearing on behalf of Staff  
7 witnesses of the Illinois  
8 Commerce Commission via  
9 teleconference)

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I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
None .				

EXHIBITS

	<u>MARKED</u>	<u>ADMITTED</u>
Company Direct, Supplemental Direct, Rebuttal, Surrebuttal, Supplemental Surrebuttal Testimonies	E-docket	57
Company Affidavit	E-docket	61
ICC Staff 1.0, 2.0, 3.0, 4.0, 5.0, 6.0, 7.0, 8.0, 9.0, 9.1, 10.0, 10.1, 11.0, 11.1	E-docket	61
Joint 1.0	E-docket	63



1           It is my understanding the parties are ready  
2 to proceed to hearing on this matter today,  
3 Mr. Bresnahan?

4           MR. BRESNAHAN: That is correct, Your Honor.

5           JUDGE YODER: And, Ms. McNeil?

6           MS. McNEIL: That is correct, Your Honor.

7           JUDGE YODER: Is there anything to present in  
8 this docket then on behalf of Atmos Energy  
9 Corporation, Mr. Bresnahan?

10          MR. BRESNAHAN: Yes, Your Honor. On behalf of  
11 Atmos Energy Corporation I would like to offer for  
12 entry into the record the testimony of Mark A.  
13 Martin. That consists of the direct testimony  
14 originally filed in the name of Victor W. Edwards.  
15 It was filed on April 11, 2006, on the Commission's  
16 e-Docket system. The testimony was subsequently  
17 revised by a filing on April 26, 2006, via the  
18 Commission's e-Docket system.

19                   As so revised the direct testimony  
20 consists of seven pages of questions and answers  
21 filed on April 26, 2006, the audit letter filed on  
22 April 11, 2006, the revised first page of Exhibit 1

1 filed on April 26, 2006, and the remainder of Exhibit  
2 1 filed on April 11, 2006. This testimony was  
3 adopted by Mark A. Martin via affidavit filed on  
4 December 6, 2010, via e-Docket.

5 Your Honor, I don't know if should I  
6 go through all of the testimony or --

7 JUDGE YODER: Well, just indicate -- you said  
8 the direct was Mr. Edwards, is that correct?

9 MR. BRESNAHAN: It was filed under the name  
10 Victor W. Edwards, but it is Mr. Martin who is...

11 JUDGE YODER: Adopting that?

12 MR. BRESNAHAN: Adopting that, yeah.

13 JUDGE YODER: Yeah, if you could just indicate  
14 the rebuttal, surrebuttal and supplemental  
15 surrebuttal of Mr. Martin.

16 MR. BRESNAHAN: Then I will move to have it all  
17 in at once.

18 So that's the direct testimony. Then  
19 on December 15, 2006, the direct testimony of  
20 Mr. Martin was filed via the Commission's e-Docket  
21 system. We refer to this as the supplemental direct  
22 testimony of the Company.

1                   Then on May 31, 2007, the rebuttal  
2 testimony of Mr. Martin was filed via the  
3 Commission's e-Docket system. This consisted of 45  
4 pages of questions and answers and Exhibits MM-R-1  
5 through MM-R-9.

6                   Then on March 5, 2010, Mr. Martin's  
7 surrebuttal testimony was filed via the Commission's  
8 e-Docket system. The surrebuttal testimony consists  
9 of a cover page and 33 pages of questions and answers  
10 and an exhibit entitled Exhibit MM-SS-1. I would  
11 just note that separate public and proprietary  
12 versions of that testimony were filed.

13                   And finally on April 16, 2010,  
14 Mr. Martin's supplemental surrebuttal testimony was  
15 filed via the Commission's e-Docket system. The  
16 supplemental surrebuttal testimony consisted of a  
17 cover page and 18 pages of questions and answers and  
18 Schedules A and B thereto, and I would note that  
19 there was a separate public and proprietary version  
20 of Schedule B filed.

21                   Your Honor, having identified that  
22 testimony, the Company would like to move that the

1 direct testimony, the supplemental direct testimony,  
2 the rebuttal testimony, the surrebuttal testimony and  
3 the supplemental surrebuttal testimony of Mr. Mark A.  
4 Martin be entered into the record.

5 JUDGE YODER: All right then, is there any  
6 objection?

7 MS. McNEIL: No objection from Staff.

8 JUDGE YODER: All right then, if there is no  
9 objection, the testimony as laid out by Mr. Bresnahan  
10 will be admitted into evidence then in this docket on  
11 behalf of Atmos Energy Corporation.

12 (Whereupon the Direct,  
13 Supplemental Direct, Rebuttal,  
14 Surrebuttal and Supplemental  
15 Surrebuttal Testimonies of Atmos  
16 Energy Corporation were admitted  
17 into evidence.)

18 JUDGE YODER: Is there anything further to  
19 present on behalf of Atmos?

20 MR. BRESNAHAN: No, Your Honor, thank you.

21 JUDGE YODER: All right then, Ms. McNeil, is  
22 there anything to present on behalf of Staff?

1           MS. McNEIL:  Yes, there is, thank you.  Staff  
2           would like to move for the admission into the record  
3           the affidavit of Mary H. Everson which has been  
4           previously marked as ICC Staff Exhibit 9.1 and was  
5           filed on e-Docket on December 6, 2010.  This  
6           affidavit supports the direct, rebuttal, supplemental  
7           rebuttal and surrebuttal testimony of Ms. Everson.

8                         Ms. Everson's direct testimony was  
9           marked as ICC Staff Exhibit 1.0 and was filed on  
10          e-docket on March 27, 2007, and includes schedules  
11          and attachments.

12                        Ms. Everson's rebuttal testimony is  
13          marked as ICC Staff Exhibit 4.0 and was filed on  
14          August 16, 2007, and includes schedules.

15                        Ms. Everson adopted the supplemental  
16          rebuttal testimony of Stephen Knepler which was filed  
17          on February 8, 2010, and that testimony is marked as  
18          ICC Staff Exhibit 7.0 and includes schedules.

19                        Ms. Everson's rebuttal testimony is  
20          marked as ICC Staff Exhibit 9.0 and was filed on  
21          March 26, 2010, and includes schedules and an  
22          attachment.

1                   Next, Staff would like to move for  
2 admission into the record the affidavit of Eric  
3 Lounsberry which has been marked as ICC Staff Exhibit  
4 10.1 and was filed on e-Docket on December 6, 2010.  
5 This affidavit supports the direct and rebuttal  
6 testimony of Dennis Anderson which Mr. Lounsberry has  
7 adopted in his affidavit and the surrebuttal  
8 testimony of Mr. Lounsberry.

9                   Mr. Anderson's direct testimony is  
10 marked as ICC Staff Exhibit 2.0 and was filed on  
11 March 27, 2007, and includes schedules.

12                   Mr. Anderson's rebuttal testimony is  
13 marked as ICC Staff Exhibit 5.0 and was filed on  
14 August 16, 2007. As I said before, Lounsberry adopts  
15 Mr. Anderson's direct and rebuttal testimony and  
16 affidavit.

17                   And Mr. Lounsberry's surrebuttal  
18 testimony is marked as ICC Staff Exhibit 10.0 and  
19 that was filed on March 26, 2010.

20                   Last, Staff would like to move for the  
21 admission of the affidavit of David Reardon which has  
22 been marked as ICC Staff Exhibit 11.1 and this was

1 filed on e-Docket on December 6, 2010. That  
2 affidavit supports the direct, rebuttal, supplemental  
3 rebuttal and surrebuttal testimony of Mr. Reardon.

4 Mr. Reardon's direct testimony is  
5 marked as ICC Staff Exhibit 3.0 and was filed on  
6 March 27, 2007, and it includes schedules and  
7 attachments.

8 Mr. Reardon's rebuttal testimony is  
9 marked as ICC Staff Exhibit 6.0 and was filed on  
10 August 16, 2007, and it includes schedules and an  
11 attachment.

12 Mr. Reardon's supplemental rebuttal  
13 testimony is marked as ICC Staff Exhibit 8.0. It  
14 includes attachments.

15 Mr. Reardon's surrebuttal testimony is  
16 marked as ICC Staff Exhibit 11.0 and was filed on  
17 March 26, 2010.

18 That concludes Staff's testimony and,  
19 therefore, Staff would like to move for the admission  
20 of all of the mentioned testimony, including the  
21 affidavits, attachments and schedules.

22 JUDGE YODER: All right. Does Staff want to

1 move for the joint admission of the joint exhibit or  
2 do you both want to do that after?

3 MS. McNEIL: I can do that. Staff would like  
4 to move for the admission of Joint Exhibit 1.0 which  
5 is a stipulation signed by both the Company and  
6 Staff. The stipulation was filed on e-Docket on  
7 October 26, 2010.

8 JUDGE YODER: All right then, Mr. Bresnahan, is  
9 there any objection to the admission of those  
10 exhibits as listed by Ms. McNeil?

11 MR. BRESNAHAN: Your Honor, I have no  
12 objection.

13 JUDGE YODER: Okay. Then the Staff testimony,  
14 direct, rebuttal and surrebuttal and supplemental  
15 rebuttal as indicated by Ms. McNeil and the Joint  
16 Exhibit will be admitted into evidence then in this  
17 docket.

18 (Whereupon ICC Staff Exhibits  
19 1.0, 2.0, 3.0, 4.0, 5.0, 6.0,  
20 7.0, 8.0, 9.0, 9.1, 10.0, 10.1,  
21 11.0, 11.1 and Joint Exhibit 1.0  
22 were admitted into evidence.)

1           JUDGE YODER:  Is there anything further to  
2 present on behalf of Staff?

3           MS. McNEIL:  Yes, Judge.  Staff and the Company  
4 are still working on a draft Proposed Order.  Staff's  
5 in the process of reviewing that order and we  
6 anticipate we may be able to file that in  
7 approximately four weeks.  If we need more time to  
8 review it, we will let Your Honor know as soon as  
9 possible.

10          JUDGE YODER:  All right then, anticipating the  
11 receipt of the Order, I will have the record marked  
12 heard and taken.

13          MR. BRESNAHAN:  Oh, I am sorry, Your Honor, I  
14 think I neglected to actually move the affidavit by  
15 which Mr. Martin swears to his testimony into the  
16 record.  So if I did, I would just like to ask that  
17 that also --

18          JUDGE YODER:  That was the affidavit of  
19 Mr. Martin filed 12/6/10?

20          MR. BRESNAHAN:  Yes, Your Honor.

21          JUDGE YODER:  I think you did, but I will admit  
22 it into evidence then in this docket.

1 (Whereupon Mr. Martin's  
2 affidavit was admitted into  
3 evidence.)

4 JUDGE YODER: The parties having entered their  
5 evidence, I will have the record marked heard and  
6 taken and will await the filing of the agreed order  
7 by the parties in, as they indicated, approximately  
8 four weeks or so. If it is going to take any longer,  
9 please just let me know.

10 Anything further to handle today?

11 MR. McNEIL: Nothing from Staff.

12 MR. BRESNAHAN: Nothing for the Company, Your  
13 Honor.

14 JUDGE YODER: All right. Well, thank you on  
15 that and while we are on the phone -- and Carla is  
16 done typing.

17 HEARD AND TAKEN

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