

*Exhibit No.:*  
*Issue:* Depreciation  
*Witness:* Guy C. Gilbert, MS, P.E., R.G.  
*Sponsoring Party:* MOPSC  
*Type of Exhibit:* Rebuttal Testimony  
*Case Nos.:* GR-2006-0387  
*Date Testimony Prepared:* October 31, 2006

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY SERVICES DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**GUY C. GILBERT, MS, P.E., R.G.**

**ATMOS ENERGY CORPORATION**

**CASE NO. GR-2006-0387**

*Jefferson City, Missouri*  
*October 2006*

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy Corporation's Tariff )  
Revision Designed to Consolidate Rates and )  
Implement a General Rate Increase for Natural Gas )  
Service in the Missouri Service Area of the )  
Company.

Case No. GR-2006-0387

AFFIDAVIT OF GUY C. GILBERT

STATE OF MISSOURI       )  
                                  )  
COUNTY OF COLE       )       ss.

Guy C. Gilbert, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Rebuttal Testimony in question and answer form, consisting of 2 pages to be presented in the above case; that the answers in the foregoing Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Guy C. Gilbert

Subscribed and sworn to before me this 21<sup>st</sup> day of October 2006.



ASHLEY M. HARRISON  
My Commission Expires  
August 31, 2010  
Cole County  
Commission #06888970

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

**REBUTTAL TESTIMONY**  
**OF**  
**GUY C. GILBERT, MS, P.E., R.G.**  
**ATMOS ENERGY COMPANY**  
**CASE NO. GR-2006-0387**

Q. Please state your name and business address.

A. Guy C. Gilbert, P.O. Box 360, Jefferson City, Missouri, 65102.

Q. Are you the same Guy C. Gilbert who submitted direct testimony in this case?

A. Yes, I am.

Q. Please state the purpose of your testimony?

A. The purpose of my rebuttal testimony is to offer the Staff's position on depreciation in response to the Company's filed direct position.

Q. Has there been any additional information as a result of discovery that would cause your recommendations for the Commission in this case to be any different than those recommendations filed as part of your direct testimony.

A. No, there are no changes or additions to the recommendations stated in my direct testimony.

Q. Are there any clarifications, explanations or amplifications that you would like to provide the Commission at this time with respect to your direct testimony?

A. The only additional clarification and explanation I would like to offer is that Atmos management accepted its own depreciation consultant's recommendation that, as a whole, the annual depreciation accrual should be reduced by approximately \$591,000. This

1 reduction should be facilitated by a negative amortization to the depreciation reserve account  
2 in the amount of \$591,000 annually.

3 Furthermore as stated in my direct testimony it will be necessary for the Company to  
4 convert, transfer and restate their continuing property records and actuarial data, in order that,  
5 in the near term, the Staff and Company will be able to conduct a depreciation study that will  
6 facilitate the development of life and net savings parameters by which appropriate depreciation  
7 rates may be determined and ordered by the Commission in lieu of the amortization described  
8 above.

9 Q. Does this conclude your prepared rebuttal testimony?

10 A. Yes, it does.