

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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|---------------------------------------|---|------------|
| APPLICATION OF ATMOS ENERGY |) | |
| CORPORATION TO EXTEND ITS DEMAND-SIDE |) | CASE NO. |
| MANAGEMENT PROGRAM, AS AMENDED, AND |) | 2014-00382 |
| COST RECOVERY MECHANISM, AS AMENDED |) | |
| FOR THREE (3) YEARS |) | |

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation ("Atmos"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Atmos shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Atmos fails or refuses to furnish all or part of the requested information, Atmos shall

provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a response containing personal information, Atmos shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the response so that personal information cannot be read.

1. Refer to the Application, tab 8, the last page of the Atmos Cares Report. Provide the information set out in the report for October through December 2014.

2. Refer to the response to the Commission Staff's Initial Request for Information ("Staff's First Request"), Item 5.

a. State whether Atmos has discussed weatherization program participation levels with local help agencies at any point over the last two years. If so, provide details concerning those discussions.

b. State whether Atmos has scheduled the meeting with local help agencies as indicated in the response. If not, state when Atmos plans to meet with the agencies.

c. State whether Atmos foresees changing its estimate of annual weatherization cost, depending on the outcome of its meeting with the agencies.

d. Given the concern, expressed by the Commission in its Final Order in Case No. 2011-00395, that “[i]f the estimated participation level does not materialize, . . . the cost recovery component for weatherization will obviously be in excess of what is required in the residential rate component,”¹ state whether Atmos has considered reducing the funding included in the rate component, with the spending cap remaining at \$375,000.

3. Refer to the response to Staff’s First Request, Item 6.

a. Provide the target number of Education Program presentations for each year of the proposed three-year extension period.

b. State the lower amount Atmos believes is appropriate for funding the Education Program.

4. Refer to the response to Staff’s First Request, Item 7.b. State whether all amounts for Ccf Conservation per participant for G-1 Residential Efficiency Heating Savings on pages 1-3 are correct. If not, provide the correct conservation Ccf per participant and show the effect of the corrections on total conservation. If the Ccf conservation amounts are correct, explain the projected conservation per participant for G-1 Residential Efficiency Heating Savings in the Application, tab 2, page 5.

5. Refer to the response to Staff’s First Request, Item 8.b. Provide all necessary revisions to the proposed residential and commercial DSLA rates based on exclusion of data adjusted in Atmos’s last rate case.

¹ Case No. 2011-00395, *Application of Atmos Energy Corporation to Extend its Demand-Side Management Program as Amended and Cost Recovery Mechanism as Amended for Five (5) Years* (Ky. PSC Apr. 27, 2012), at 9.

6. Refer to the responses to Staff's First Request, Items 8.d. and 8.f., and to the Application, tab 2, page 25. Using the lower \$5.75 per Mcf GCA rate as an example shows that a lower quarterly GCA rate would decrease the result of the Total Resource Cost test, in this case from .98 to .85. Discuss the impact of low gas prices on the perceived cost-effectiveness of Demand Side Management ("DSM") programs, and whether Atmos believes continued low gas prices will prevent gas DSM programs from passing cost-effectiveness tests.

7. Refer to the response to Staff's First Request, Item 11.b.

a. State whether the amounts for Ccf Conservation per participant for Programmable Thermostats under G-1 Commercial Efficiency Heating Savings on pages 1-2 are correct. If not, provide the correct conservation Ccf per participant and show the effect of the corrections on total conservation. If the Ccf conservation amounts are correct, explain the projected conservation per participant for Programmable Thermostats under G-1 Commercial Efficiency Heating Savings in the Application, tab 2, page 5.

b. Confirm that the results shown on page 3 of the response are for program year ended December 31, 2012 and not 2013 as shown.

8. Refer to the responses to Staff's First Request, Items 7.b., page 1, and 11.b., both of which state that results are only through November 2014. Provide any updates necessary to residential and commercial program participation, conservation, and rebate cost for 2014, including results for December.

9. Explain whether Atmos has been involved in a DSM or energy-efficiency project with an electric utility where there are kWh savings, but no Ccf savings or an increase in Ccf consumption.



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DATED **MAR 03 2015**

cc: Parties of Record

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