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MAR 17 2015

PUBLIC SERVICE  
COMMISSION

March 13, 2015

Jeff DeRouen  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

**RE: Case No. 2014-00382; Demand Side Management (DSM) Application**

Dear Mr. DeRouen,

Atmos Energy Corporation (Company) herewith submits an original and ten copies of the Company's responses to the Commission Staff's second set of informational requests per the above referenced case. The Company's responses are in compliance with the Commission's Order dated March 3, 2015.

Please feel free to contact me at 270.685.8024 if you have any questions and/or need any additional information.

Sincerely,

A handwritten signature in blue ink that reads "Mark A. Martin".

Mark A. Martin  
Vice President – Rates & Regulatory Affairs

Enclosures

cc: Randy Hutchinson

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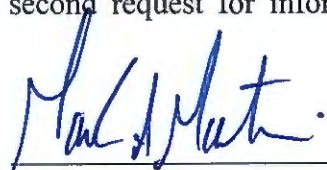
COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

APPLICATION OF ATMOS ENERGY )  
CORPORATION TO EXTEND ITS DEMAND-SIDE )  
MANAGEMENT PROGRAM, AS AMENDED, AND )  
COST RECOVERY MECHANISM, AS AMENDED )  
FOR THREE (3) YEARS )

Case No. 2014-00382

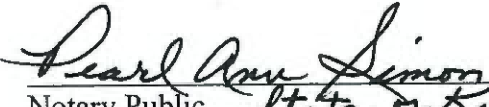
AFFIDAVIT

The Affiant, Mark A. Martin, being duly sworn, deposes and states that the attached responses to Commission Staff's second request for information are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Mark A. Martin

STATE OF Kentucky  
COUNTY OF Daviess

SUBSCRIBED AND SWORN to before me by Mark A. Martin on this the 12<sup>th</sup> day of March, 2015.

  
Notary Public - State of Kentucky at Large  
My Commission Expires: Sept. 26, 2017

PEARL ANN SIMON  
NOTARY PUBLIC  
KENTUCKY, STATE AT LARGE  
MY COMMISSION EXPIRES 09-26-17  
NOTARY ID 496385

**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
**Case No. 2014-00382**  
**Witness: Mark A. Martin**

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.

**RESPONSE:**

Attached is an updated exhibit reflecting the requested information.



ATMOS CARES ANNUAL TOTALS

Payment Month	Weatherization	Residential Rebates	Education	Commercial Rebates
Expenses	Cut Savings	Houses	Rebate Expenses	Rebate Issued
Jan-05	23,986.02	2,317	2,117	2,117
Feb-05	22,121.83	2,483	2,152	2,483
Mar-05	18,675.61	2,152	2,648	2,152
Apr-05	28,094.00	3,145	2,890	3,145
May-05	27,951.09	2,980	2,890	2,980
Jun-05	18,868.02	1,988	1,868	1,988
Jul-05	10,658.37	1,159	1,058	1,159
Aug-05	9,470.36	1,159	947	1,159
Sep-05	20,453.75	2,152	2,152	2,152
Oct-05	10,813.07	1,324	1,324	1,324
Nov-05	15,527.88	2,152	1,324	2,152
Dec-05	15,014.38	1,655	1,324	1,655
Jan-06	197,883.33	22,812	197,883	22,812
Feb-06	1,232,728.60	14,480	1,232,728	14,480
Mar-06	18,174.85	1,324	1,324	1,324
Apr-06	4,858.67	487	487	487
May-06	13,685.29	1,490	1,490	1,490
Jun-06	8,441.01	893	893	893
Jul-06	14,555.36	1,324	1,324	1,324
Aug-06	8,006.27	1,159	1,159	1,159
Sep-06	9,016.89	1,159	1,159	1,159
Oct-06	18,814.23	1,490	1,490	1,490
Nov-06	16,773.21	1,324	1,324	1,324
Dec-06	7,351.17	893	893	893
Jan-07	140,647.55	15,725	140,647	15,725
Feb-07	1,375,376.55	982	1,375,376	982
Mar-07	12,738.11	1,324	1,324	1,324
Apr-07	9,582.69	1,159	1,159	1,159
May-07	12,055.33	1,490	1,490	1,490
Jun-07	2,882.38	391	391	391
Jul-07	4,855.90	652	652	652
Aug-07	5,791.40	652	652	652
Sep-07	4,858.75	1,324	1,324	1,324
Oct-07	7,823.76	893	893	893
Nov-07	11,501.85	1,324	1,324	1,324
Dec-07	9,131.33	893	893	893
Jan-08	1,472,853.04	176,289	1,472,853	176,289
Feb-08	18,302.60	1,655	1,655	1,655
Mar-08	8,158.05	893	893	893
Apr-08	14,214.38	1,490	1,490	1,490
May-08	21,464.36	2,648	2,648	2,648
Jun-08	13,424.55	1,490	1,490	1,490
Jul-08	3,188.38	487	487	487
Aug-08	12,000.00	1,324	1,324	1,324
Sep-08	14,981.10	1,159	1,159	1,159
Oct-08	14,981.10	1,655	1,655	1,655
Nov-08	19,708.08	1,655	1,655	1,655
Dec-08	16,278.79	1,559	1,559	1,559
Jan-09	165,210.43	17,381	165,210	17,381
Feb-09	4,392.00	4,392	4,392	4,392
Mar-09	2,187	2,187	2,187	2,187
Apr-09	1,200.00	1,200	1,200	1,200
May-09	5,922.00	5,922	5,922	5,922
Jun-09	10	10	10	10
Jul-09	234	234	234	234
Aug-09	3,127.32	3,127	3,127	3,127
Sep-09	1,648,483.19	195,657	1,648,483	195,657
Oct-09	173,830.18	19,668	173,830	19,668
Nov-09	3,472	3,472	3,472	3,472
Dec-09	10,555	10,555	10,555	10,555



ATMOS CARES ANNUAL TOTALS

Table with columns for Payment Month, Weatherization, Residential Rebates, Education, Monthly Totals, Commercial Rebates, and Monthly Totals. Rows include months from Jan-10 to Dec-14 and cumulative totals for 2010, 2011, 2012, 2013, and 2014.

**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
**Case No. 2014-00382**  
**Witness: Mark A. Martin**

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,"<sup>1</sup> state whether Atmos has considered reducing the funding included in the rate component, with the spending cap remaining at \$375,000.

**RESPONSE:**

- a. The Company has discussed weatherization program participation levels with its local help agencies over the last two years; however, those discussions have been brief and limited. The only feedback that the Company has received from its local help agencies is that staffing sometimes creates a challenge in the weatherization process. The Company plans on making the participation levels the main discussion item when it meets with the local agencies in the spring. The Company attempts to meet with our local help agencies at least twice a year regarding our weatherization program, with the latest rounds of meetings occurring in the latter half of 2014. The Company partnered with the Pennyrile Allied Community Services, Inc. (PACS) to promote National Weatherization Month in October, and has partnered with PACS for several years to promote our weatherization program and energy conservation. The Company offers the same service to all of its local help agencies, but PACS is the only one thus far to accept the offer. It is the Company's intent to continue to reach out to its local help agencies with another round of meetings planned for the spring.
- b. The Company has not scheduled any meetings with local help agencies as of yet. The Company planned on attempting to set up those meetings in the spring. The Company hopes to begin setting up those meetings in April.
- c. The Company does not anticipate changing its estimate of annual weatherization cost on the outcome of its meetings with our local help agencies. The purpose of the meetings is to see how the Company can assist in increasing participation levels. The Company values its partnerships with the local help agencies, but the Company also realizes that they have limited resources. The Company wants to help the local agencies to be as successful as possible in weatherizing as many homes as possible. For the four year period 2009-2012, the Company's

**Atmos Energy Corporation**  
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weatherization program benefited approximately 125 homes per year. While calendar years 2013-2014 have had less participation, the Company is not sure if this is a new trend or just an abnormality. For the fifteen year period 2000-2014, the Company's weatherization program has benefited approximately 114 homes per year. With all of that said, if Commission would prefer for the Company to use an estimate lower than 125 homes, the Company would be amenable to such. Please note that the cap of \$375,000 is imbedded in the Company's DSM rate. If a lower participation estimate is preferred, the Company suggests using the lower estimate and multiplying it by \$3,000 instead of using the cap. This calculation would lower the anticipated costs to our customers.

- d. The Company has not considered reducing the funding level included in the rate component; however, if the Commission desires such action then the Company would be amenable to such action. As mentioned in part c above, if a lower estimate is desired by the Commission, then the Company proposes to use an alternative calculation for determining the annual weatherization cost. The spending cap can remain at \$375,000, just not used in any DSM rate calculation.



**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
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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 believe is appropriate for funding the Education Program.

**RESPONSE:**

- a. Since the inception of the Education Program, the Company has attempted to increase its outreach each year. While the Company does not have a target number of Education Program presentations, the Company attempts to maximize the number of presentations made each year. The Company reaches out to schools, youth centers, local help agencies, etc. in scheduling presentations and has received positive feedback related to those presentations.
- b. The Company believes \$5,000 per year would be an appropriate funding level for the Education Program. Please note that any funding level related to the Education Program would be de minimis compared to the total funding level of the entire DSM Program.

**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
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4. Refer to the response to Staff's First Request, Item 7b. 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.

**RESPONSE:**

It appears that some of the cell references used in the calculations for the attachment to 7b were incorrect. The Company apologizes for the oversight and for any confusion that the oversight may have caused. Attached is an updated exhibit.

**Case No. 2014-00382  
Staff 2-4**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2014

G-1 Residential Efficiency Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 90 - 93	335		126.35	42,326	\$ 250	\$ 83,750	18	DEER
Furnace AFUE 94 - 95	104		141.65	14,732	\$ 325	\$ 33,800	18	DEER
Furnace AFUE 96 or >	382		156.04	59,606	\$ 400	\$ 152,800	18	DEER
Boiler AFUE > 85	1		70.71	71	\$ 250	\$ 250	18	DEER
Programmable Thermostat	424		26.67	11,309	\$ 25	\$ 10,600	15	DEER
<b>Totals</b>	<b>1,246</b>		<b>NA</b>	<b>128,043</b>	<b>NA</b>	<b>\$ 281,200</b>		

G-1 Commercial Efficiency Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 92 - 93	-		127.13	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	-		142.20	-	\$ 325	\$ -	18	DEER
Furnace AFUE 96 or >	-		156.64	-	\$ 400	\$ -	18	DEER
Boiler AFUE >85	-		49.14	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	-		26.78	-	\$ 25	\$ -	15	DEER
<b>Totals</b>	<b>-</b>		<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

G-1 Residential Water Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	264		8.66	2,287	\$ 200	\$ 52,800	13	DEER
Tank Water Heater EF .67 or >	55		23.43	1,289	\$ 300	\$ 16,500	13	DEER
Tankless/Condensing Water Heater EF >.82	212		64.34	13,639	\$ 400	\$ 84,800	20	DEER
<b>Totals</b>	<b>531</b>		<b>NA</b>	<b>17,215</b>	<b>NA</b>	<b>\$ 154,100</b>		

G-1 Commercial Water Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	-		8.70	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-		23.52	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF >.82	-		57.16	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	<b>-</b>		<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

G-1 Commercial Cooking Equipment Saving:	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
Fryer EnergyStar Rated	-		492.68	-	\$ 500	\$ -	8	Energy Star
Griddle EnergyStar Rated	-		144.39	-	\$ 500	\$ -	12	Energy Star
Oven EnergyStar Rated	-		298.54	-	\$ 500	\$ -	10	NEEP
Steamer EnergyStar Rated	0		1,040.00	-	\$ 500	\$ -	10	Energy Star
<b>Totals</b>	<b>-</b>		<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

Weatherization	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
	-		252.9	-	\$ 3,000	\$ -	25	DEER

Education Program	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
	-		-	-	\$ -	\$ -	-	-

Totals by Customer Class	Program		CCF Conservation		Rebate		Measure	
	Participants		Per Participant	Total	Amount	Total	Life	Source
G-1 Residential Totals	1,777		Varies see above	145,258	Varies see above	\$ 435,300		
G-1 Commercial Totals	-		Varies see above	-	Varies see above	\$ -		

**Case No. 2014-00382  
Staff 2-4**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2013

G-1 Residential Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 90 - 93	298	125.76	37,477	\$ 250	\$ 74,500	18	DEER
Furnace AFUE 94 - 95	86	141.65	12,182	\$ 325	\$ 27,950	18	DEER
Furnace AFUE 96 or >	283	156.00	44,149	\$ 400	\$ 113,200	18	DEER
Boiler AFUE > 85	-	-	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	342	26.67	9,122	\$ 25	\$ 8,550	15	DEER
<b>Totals</b>	<b>1,009</b>	<b>NA</b>	<b>102,931</b>	<b>NA</b>	<b>\$ 224,200</b>		

G-1 Commercial Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 92 - 93	-	127.13	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	-	142.20	-	\$ 325	\$ -	18	DEER
Furnace AFUE 96 or >	-	156.64	-	\$ 400	\$ -	18	DEER
Boiler AFUE >85	-	49.14	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	-	26.78	-	\$ 25	\$ -	15	DEER
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

G-1 Residential Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	264	8.66	2,287	\$ 200	\$ 52,800	13	DEER
Tank Water Heater EF .67 or >	695	23.43	16,286	\$ 300	\$ 208,500	13	DEER
Tankless/Condensing Water Heater EF > .82	206	64.34	13,253	\$ 400	\$ 82,400	20	DEER
<b>Totals</b>	<b>1,165</b>	<b>NA</b>	<b>31,827</b>	<b>NA</b>	<b>\$ 343,700</b>		

G-1 Commercial Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	-	8.70	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-	23.52	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF > .82	-	57.16	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

G-1 Commercial Cooking Equipment Savings:	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Fryer EnergyStar Rated	-	492.68	-	\$ 500	\$ -	8	Energy Star
Griddle EnergyStar Rated	-	144.39	-	\$ 500	\$ -	12	Energy Star
Oven EnergyStar Rated	-	298.54	-	\$ 500	\$ -	10	NEEP
Steamer EnergyStar Rated	0	1,040.00	-	\$ 500	\$ -	10	Energy Star
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>		

Weatherization	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	252.9	-	\$ 3,000	\$ -	25	DEER

Education Program	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	-	-	\$ -	\$ -	-	-

Totals by Customer Class	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
G-1 Residential Totals	2,174	Varies see above	134,757	Varies see above	\$ 567,900		
G-1 Commercial Totals	-	Varies see above	-	Varies see above	\$ -		

**Case No. 2014-00382  
Staff 2-4**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2012

Tiers began in June 2012

G-1 Residential Efficiency Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
Furnace AFUE 90 - 93	326	115.55	37,668	\$ 250	\$ 81,500	18	DEER	
Furnace AFUE 94 - 95	77	141.65	10,907	\$ 325	\$ 25,025	18	DEER	
Furnace AFUE 96 or >	65	156.04	10,142	\$ 400	\$ 26,000	18	DEER	
Boiler AFUE > 85	-	-	-	\$ 250	\$ -	18	DEER	
Programmable Thermostat	57	26.67	1,520	\$ 25	\$ 1,425	15	DEER	
<b>Totals</b>	<b>525</b>	<b>NA</b>	<b>60,238</b>	<b>NA</b>	<b>\$ 133,950</b>			

G-1 Commercial Efficiency Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
Furnace AFUE 92 - 93	-	127.13	-	\$ 250	\$ -	18	DEER	
Furnace AFUE 94 - 95	-	142.20	-	\$ 325	\$ -	18	DEER	
Furnace AFUE 96 or >	-	156.64	-	\$ 400	\$ -	18	DEER	
Boiler AFUE >85	-	49.14	-	\$ 250	\$ -	18	DEER	
Programmable Thermostat	-	26.78	-	\$ 25	\$ -	15	DEER	
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>			

G-1 Residential Water Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
Tank Water Heater EF .62 - .66	174	15.46	2,691	\$ 200	\$ 34,800	13	DEER	
Tank Water Heater EF .67 or >	14	23.43	328	\$ 300	\$ 4,200	13	DEER	
Tankless/Condensing Water Heater EF >.82	205	85.27	17,479	\$ 400	\$ 82,000	20	DEER	
<b>Totals</b>	<b>393</b>	<b>NA</b>	<b>20,498</b>	<b>NA</b>	<b>\$ 121,000</b>			

G-1 Commercial Water Heating Savings	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
Tank Water Heater EF .62 - .66	-	8.70	-	\$ 200	\$ -	13	DEER	
Tank Water Heater EF .67 or >	-	23.52	-	\$ 300	\$ -	13	DEER	
Tankless/Condensing Water Heater EF >.82	-	57.16	-	\$ 400	\$ -	20	DEER	
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>			

G-1 Commercial Cooking Equipment Savings	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
Fryer EnergyStar Rated	-	492.68	-	\$ 500	\$ -	8	Energy Star	
Griddle EnergyStar Rated	-	144.39	-	\$ 500	\$ -	12	Energy Star	
Oven EnergyStar Rated	-	298.54	-	\$ 500	\$ -	10	NEEP	
Steamer EnergyStar Rated	0	1,040.00	-	\$ 500	\$ -	10	Energy Star	
<b>Totals</b>	<b>-</b>	<b>NA</b>	<b>-</b>	<b>NA</b>	<b>\$ -</b>			

Weatherization	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
	-	252.9	-	\$ 3,000	\$ -	25	DEER	

Education Program	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
	-	-	-	\$ -	\$ -	-	-	

Totals by Customer Class	Program		CCF Conservation		Rebate		Measure	
	Participants	Per Participant	Total	Amount	Total	Life	Source	
G-1 Residential Totals	918	Varies see above	80,736	Varies see above	\$ 254,950			
G-1 Commercial Totals	-	Varies see above	-	Varies see above	\$ -			



**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
**Case No. 2014-00382**  
**Witness: Mark A. Martin**

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

**RESPONSE:**

Attached are updated exhibit pages reflecting the requested information.

Atmos Energy's Demand Side Management Application October 2014

Atmos Energy  
Demand Side Management (DSM) Program  
Billing Factor Calculation

Program Begins: May 1, 2015  
Program Year End: December 31, 2015  
Rate Effective: May 1, 2015

DCRC = DSM Cost Recovery-Current

Program Costs	G-1 Residential	G-1 Commercial
Rebates	\$ 481,250	\$ 47,750
Program Costs (Weatherization & Education)	\$ 395,000	\$ -
Customer Awareness	\$ 50,000	\$ 25,000
Program Administration	\$ 36,298	\$ 4,604
Supplies	\$ 6,700	\$ 3,300
Program Overhead	\$ -	\$ -
<b>TOTAL DCRC</b>	<b>\$ 969,248</b>	<b>\$ 80,654</b>
Excluding Rebates	\$ 487,998	\$ 32,904

DLSA = DSM Lost Sales Adjustment

Current Year Program Participation (Schedule A)

Rate	# of Participants	CCF Conserved	Distribution Charge	Lost Sales
G-1 Residential Customers	2,030	194,297	\$ 0.1320	\$ 25,647
G-1 Commercial Customers	150	24,902	\$ 0.1320	\$ 3,287
<b>Total Current Year Lost Sales</b>	<b>2,180</b>	<b>219,198</b>		<b>\$ 28,934</b>
Cumulative Prior Years Participation (Schedule B)	2,402	0	\$ 0.1320	\$ -
<b>TOTAL DLSC</b>	<b>4,582</b>	<b>219,198</b>		<b>\$ 28,900</b>

DIA = DSM Incentive Adjustment

	G-1 Residential	G-1 Commercial
Program Benefits (Schedule C)	\$ 1,497,556	\$ 160,258
Less: Program Costs	\$ (969,248)	\$ (80,654)
<b>Net Resource Savings</b>	<b>\$ 528,308</b>	<b>\$ 79,604</b>
Incentive Percentage	15%	15%
<b>DIA</b>	<b>\$ 79,200</b>	<b>\$ 11,900</b>

DBA = DSM Balance Adjustment

	G-1 Residential	Balancing Adjustment	G-1 Commercial	Balancing Adjustment
	Under/(Over) Recovery	Estimated Residential Sales	Under/(Over) Recovery	Estimated Commercial Sales
\$	(245,391.65)	110,267,320	(340,632.74)	44,183,430
		\$ (0.00223)		\$ (0.00771)

DSMRC = DSM Cost Recovery Component

G-1 Residential		G-1 Commercial	
Estimated Residential Sales	110,267,320	Estimated Commercial Sales	44,183,430
Estimated Residential Customers	155,478	Estimated Commercial Customers	17,314
Recovery Amount	Rate, per Ccf	Rate, per Mcf	
DCRC	\$ 969,248	\$ 0.0088	\$ 0.0880
DLSA	\$ 25,647	\$ 0.0002	\$ 0.0020
DIA	\$ 79,200	\$ 0.0007	\$ 0.0070
DBA	\$ (245,392)	\$ (0.0022)	\$ (0.0223)
<b>TOTAL DSMRC</b>	<b>\$ 828,703</b>	<b>\$ 0.00747</b>	<b>\$ 0.0747</b>
Annual Cost Recovery per G-1 Residential Customers	\$ 5.33		
G-1 Commercial		G-1 Residential	
Estimated Commercial Sales	44,183,430	Estimated Residential Sales	110,267,320
Estimated Commercial Customers	17,314	Estimated Residential Customers	155,478
Recovery Amount	Rate, per Ccf	Rate, per Mcf	
DCRC	\$ 80,654	\$ 0.0018	\$ 0.0180
DLSA	\$ 3,287	\$ 0.0001	\$ 0.0010
DIA	\$ 11,900	\$ 0.0003	\$ 0.0030
DBA	\$ (340,633)	\$ (0.0077)	\$ (0.0771)
<b>TOTAL DSMRC</b>	<b>\$ (244,791)</b>	<b>\$ (0.0056)</b>	<b>\$ (0.0561)</b>
Annual Cost Recovery per G-1 Commercial Customers	\$ (14.14)		

Atmos Energy's Demand Side Management Application October 2014

Atmos Energy  
 Demand Side Management (DSM) Program  
 Schedule B - Cumulative Prior Years Program Participation

Program Year End: December 31, 2015

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Cumulative Total
<b>Program Participants</b>											
<u>A. High Efficiency Appliances</u>	20	1,071	943	920	2,415	1,045					6,414
<u>B. Weatherization Program</u>	105	136	127	133	69	22					592
<b>Total Participants</b>	125	1,207	1,070	1,053	2,484	1,067					<u>7,006</u>
 <b>Total Conservation in Ccf</b>											
<u>A. High Efficiency Appliance Savings</u>	0	0	0	0	0	0					-
<u>B. Weatherization Program</u>	0	0	0	0	0	0					-
<b>Total Ccf Savings</b>	0	0	0	0	0	0					<u>-</u>
 <b>Total Lost Sales</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					\$ -

**Atmos Energy Corporation**  
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6. Refer to the responses to Staff's First Request, Items 8d and 8f 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.

**RESPONSE:**

The Company believes that the Staff is correct in their assessment that lower gas prices will prevent gas DSM programs from passing cost effectiveness tests. The Company hopes that the Total Resource Cost test will not be the sole deciding factor in the Commission's deliberations. As the Company stated in Case No. 2011-00395, the Company believes serving all customers, including those least able to afford energy efficiency improvements, and spreading the message concerning natural gas efficiency measures are the hallmarks of a comprehensive DSM program. The Company fears that by it having only programs that pass the cost effectiveness tests would most likely exclude any weatherization program and/or education program. The ultimate result would be no programs for our customers with the greatest need and a customer base not having the information that they need to comfortably and effectively reduce their natural gas consumption.

**Atmos Energy Corporation**  
**KPSC Second Data Request Dated March 3, 2015**  
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7. Refer to the responses to Staff's First Request, Item 11b.
  - a. State whether the amount 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.

**RESPONSE:**

- a. It appears that some of the cell references used in the calculations for the attachment to 11b were incorrect. The Company apologizes for the oversight and for any confusion that the oversight may have caused. Attached is an updated exhibit.
- b. Yes, the results shown on page 3 of 11b were for the program year ended December 31, 2012 and not 2013 as shown. The Company apologizes for the oversight and for any confusion that the oversight may have caused. A updated copy as referenced above is attached for your convenience.



**Case No. 2014-00382  
Staff 2-7**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2014

G-1 Residential Efficiency Heating Savings	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
Furnace AFUE 92 - 93	-	127.13	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	-	142.20	-	\$ 325	\$ -	18	DEER
Furnace AFUE 96 or >	-	156.64	-	\$ 400	\$ -	18	DEER
Boiler AFUE > 85	-	49.14	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	-	26.78	-	\$ 25	\$ -	15	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Efficiency Heating Savings	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
Furnace AFUE 90 - 93	9	126.64	1,140	\$ 250	\$ 2,250	18	DEER
Furnace AFUE 94 - 95	6	141.65	850	\$ 325	\$ 1,950	18	DEER
Furnace AFUE 96 or >	21	155.94	3,275	\$ 400	\$ 8,400	18	DEER
Boiler AFUE >85	2	70.71	141	\$ 250	\$ 500	18	DEER
Programmable Thermostat	6	26.67	160	\$ 25	\$ 150	15	DEER
<b>Totals</b>	44	NA	5,566	NA	\$ 13,250		

G-1 Residential Water Heating Savings	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
Tank Water Heater EF .62 - .66	-	8.70	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-	23.52	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF >.82	-	57.16	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Water Heating Savings	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
Tank Water Heater EF .62 - .66	3	8.66	26	\$ 200	\$ 600	13	DEER
Tank Water Heater EF .67 or >	3	23.43	70	\$ 300	\$ 900	13	DEER
Tankless/Condensing Water Heater EF >.82	10	64.34	643	\$ 400	\$ 4,000	20	DEER
<b>Totals</b>	16	NA	740	NA	\$ 5,500		

G-1 Commercial Cooking Equipment Savings	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
Fryer EnergyStar Rated	1	490.77	491	\$ 500	\$ 500	8	Energy Star
Griddle EnergyStar Rated	-	-	-	\$ 500	\$ -	12	Energy Star
Oven EnergyStar Rated	2	297.38	595	\$ 500	\$ 1,000	10	NEEP
Steamer EnergyStar Rated	-	-	-	\$ 500	\$ -	10	Energy Star
<b>Totals</b>	3	NA	1,086	NA	\$ 1,500		

Weatherization	Program	CCF Conservation		Rebate		Measure	
		Participants	Per Participant	Total	Amount	Total	Life
	-	252.9	-	\$ 3,000	\$ -	25	DEER

Education Program

\$ -

Totals by Customer Class	Program	CCF Conservation		Rebate	
		Participants	Per Participant	Total	Amount
G-1 Residential Totals	-	Varies see above	-	Varies see above	\$ -
G-1 Commercial Totals	63	Varies see above	7,391	Varies see above	\$ 20,250

**Case No. 2014-00382  
Staff 2-7**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2013

G-1 Residential Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 92 - 93	-	127.13	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	-	142.20	-	\$ 325	\$ -	18	DEER
Furnace AFUE 96 or >	-	156.64	-	\$ 400	\$ -	18	DEER
Boiler AFUE > 85	-	49.14	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	-	26.78	-	\$ 25	\$ -	15	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 90 - 93	38	125.78	4,780	\$ 250	\$ 9,500	18	DEER
Furnace AFUE 94 - 95	143	141.65	20,256	\$ 325	\$ 46,475	18	DEER
Furnace AFUE 96 or >	12	156.04	1,872	\$ 400	\$ 4,800	18	DEER
Boiler AFUE >85	6	70.71	424	\$ 250	\$ 1,500	18	DEER
Programmable Thermostat	24	26.67	640	\$ 25	\$ 600	15	DEER
<b>Totals</b>	223	NA	27,972	NA	\$ 62,875		

G-1 Residential Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	-	8.70	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-	23.52	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF >.82	-	57.16	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	5	8.66	43	\$ 200	\$ 1,000	13	DEER
Tank Water Heater EF .67 or >	1	23.43	23	\$ 300	\$ 300	13	DEER
Tankless/Condensing Water Heater EF >.82	12	64.34	772	\$ 400	\$ 4,800	20	DEER
<b>Totals</b>	18	NA	839	NA	\$ 6,100		

G-1 Commercial Cooking Equipment Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Fryer EnergyStar Rated	-	-	-	\$ 500	\$ -	8	Energy Star
Griddle EnergyStar Rated	-	-	-	\$ 500	\$ -	12	Energy Star
Oven EnergyStar Rated	-	-	-	\$ 500	\$ -	10	NEEP
Steamer EnergyStar Rated	-	-	-	\$ 500	\$ -	10	Energy Star
<b>Totals</b>	-	NA	-	NA	\$ -		

Weatherization	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	252.9	-	\$ 3,000	\$ -	25	DEER

Education Program	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	-	-	\$ -	\$ -		

Totals by Customer Class	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
G-1 Residential Totals	-	Varies see above	-	Varies see above	\$ -		
G-1 Commercial Totals	241	Varies see above	28,811	Varies see above	\$ 68,975		

**Case No. 2014-00382  
Staff 2-7**

Atmos Energy  
Demand Side Management (DSM) Program  
Schedule A - Current Year Participation Detail

Program Year End: December 31, 2012

Commercial rebates began in June 2012

G-1 Residential Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 92 - 93	-	127.13	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	-	142.20	-	\$ 325	\$ -	18	DEER
Furnace AFUE 96 or >	-	156.84	-	\$ 400	\$ -	18	DEER
Boiler AFUE > 85	-	49.14	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	-	26.78	-	\$ 25	\$ -	15	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Efficiency Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Furnace AFUE 90 - 93	-	-	-	\$ 250	\$ -	18	DEER
Furnace AFUE 94 - 95	1	141.65	142	\$ 325	\$ 325	18	DEER
Furnace AFUE 96 or >	-	-	-	\$ 400	\$ -	18	DEER
Boiler AFUE > 85	-	-	-	\$ 250	\$ -	18	DEER
Programmable Thermostat	1	26.67	27	\$ 25	\$ 25	15	DEER
<b>Totals</b>	2	NA	168	NA	\$ 350		

G-1 Residential Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	-	8.70	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-	23.52	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF >.82	-	57.16	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Water Heating Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Tank Water Heater EF .62 - .66	-	-	-	\$ 200	\$ -	13	DEER
Tank Water Heater EF .67 or >	-	-	-	\$ 300	\$ -	13	DEER
Tankless/Condensing Water Heater EF >.82	-	-	-	\$ 400	\$ -	20	DEER
<b>Totals</b>	-	NA	-	NA	\$ -		

G-1 Commercial Cooking Equipment Savings	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
Fryer EnergyStar Rated	-	-	-	\$ 500	\$ -	8	Energy Star
Griddle EnergyStar Rated	-	-	-	\$ 500	\$ -	12	Energy Star
Oven EnergyStar Rated	-	-	-	\$ 500	\$ -	10	NEEP
Steamer EnergyStar Rated	-	-	-	\$ 500	\$ -	10	Energy Star
<b>Totals</b>	-	NA	-	NA	\$ -		

Weatherization	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	252.9	-	\$ 3,000	\$ -	25	DEER

Education Program	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
	-	-	-	\$ -	\$ -		

Totals by Customer Class	Program Participants	CCF Conservation		Rebate		Measure	
		Per Participant	Total	Amount	Total	Life	Source
G-1 Residential Totals	-	Varies see above	-	Varies see above	\$ -		
G-1 Commercial Totals	2	Varies see above	168	Varies see above	\$ 350		

**Atmos Energy Corporation**  
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8. Refer to the responses to Staff's First Request, Items 7b, page 1, and 11b, 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.

**RESPONSE:**

Please refer to the attachments to #4 and #7 which incorporate the requested information for December 2014.

**Atmos Energy Corporation**  
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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

**RESPONSE:**

The Company is not aware of any involvement with an electric utility where there are kWh savings, but no Ccf savings or an increase in Ccf consumption.