

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY )	
CORPORATION TO EXTEND ITS )	CASE NO.
DEMAND-SIDE MANAGEMENT )	2017-00424
PROGRAM, AS AMENDED, AND )	
COST RECOVERY MECHANISM, )	
AS AMENDED FOR THREE (3) YEARS )	

ORDER

On May 8, 2018, Atmos Energy Corporation (“Atmos”) filed a motion for rehearing and clarification of the Commission’s April 27, 2018 Order (“Order”) denying the extension and revision of Atmos’s Demand Side Management (“DSM”) Programs, other than the Low-Income Weatherization Program, beyond April 30, 2018. Atmos states that one of the DSM Programs terminated by the Order provided customers rebates for high-efficiency appliances and programmable thermostats. The rebate program had been widely advertised for years, but Atmos ceased all advertising upon receipt of the Order. Although Atmos does not now challenge the termination of the rebate program, it requests that there be a phase-out period so that customers who had relied in good faith on the offer of a rebate are not adversely affected.

In its motion, Atmos lists the following five categories of customers who are affected: 1) those with qualifying purchases made by April 30, 2018, equipment installed, and rebate submitted but not yet redeemed; 2) those with qualifying purchases made by April 30, 2018, equipment installed, and rebate not yet submitted; 3) those with qualifying purchases made by April 30, 2018, but equipment not yet installed and rebate not yet

submitted; 4) those with qualifying purchases made after April 30, 2018, and with expectation of availability of a rebate due to active promotion of the rebate program, but rebate not yet submitted; and 5) those who entered into a contract with a homebuilder by April 30, 2018, in which specific, qualifying equipment was designated to be installed and the sales price of new or remodeled home anticipated availability of a rebate.

The motion further states that Atmos's third-party rebate processor has received over 400 rebate requests since October 1, 2017, which have not been processed due to minor deficiencies in the rebate request filings. Atmos requests that the Commission determine which categories of customers should be allowed additional time to complete their rebates and allow 90 days for customer notification of the deadline to complete the rebate process. Finally, Atmos states that there is a current balance of \$579,240 in the DSM funding account that could be used to pay qualifying rebates.

Based on the motion for rehearing and being otherwise sufficiently advised, the Commission finds that allowing a 90-day phase-out of the rebate DSM Program is reasonable to potentially avoid adversely affecting customers who may have made a purchase or entered into a contract based upon the availability of a rebate. However, Atmos's DSM rebate tariff, "PSC KY. No. 2, First Revised Sheet No. 33," as filed with the Commission specifies that, "This program is effective until April 30, 2018 of [sic] by order of the Public Service Commission." Thus, despite recent advertisements promoting this program, there can be no reasonable expectation that rebates would continue to be available after April 30, 2018, and that should be the cut-off date for qualifying purchases or contracts to be eligible for a rebate.

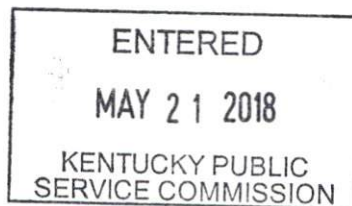
IT IS THEREFORE ORDERED that:

1. Atmos's motion for rehearing and clarification is granted as discussed in the finding above.

2. Within 90 days from the date of this Order, Atmos shall notify its customers that purchases made or contracts entered into after April 30, 2018, no longer qualify for a rebate due to the termination of the program and that all requests for a rebate must be completed and submitted within that time period.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission



ATTEST:

  
Executive Director

\*Atmos Energy Corporation  
3275 Highland Pointe Drive  
Owensboro, KY 42303

\*Mark A Martin  
Atmos Energy Corporation  
3275 Highland Pointe Drive  
Owensboro, KY 42303

\*Honorable Mark R Hutchinson  
Attorney at Law  
611 Frederica Street  
Owensboro, KENTUCKY 42301