

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ATMOS	)	
ENERGY CORPORATION FOR AN	)	CASE NO.
ADJUSTMENT OF RATES; APPROVAL OF	)	2024-00276
TARIFF REVISIONS; AND OTHER GENERAL	)	
RELIEF		

NOTICE OF FILING

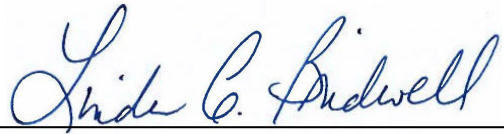
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on May 7, 2025 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness's testimony begins and ends on the digital video recording of the evidentiary hearing conducted on May 7, 2025.

A copy of this Notice, the certification of the digital video record, and the hearing log has been served upon all persons listed at the end of this Notice. Parties may view the digital video recording of the hearing at <https://youtu.be/VbcwuiKfceA>.

Parties may request a copy of the annotated digital video recording of the hearing by submitting a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done in Frankfort, Kentucky, on August 18, 2025.



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Linda C. Bridwell, PE  
Executive Director

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION ATMOS ENERGY )  
CORPORATION FOR AN ADJUSTMENT OF )  
RATES; APPROVAL OF TARIFF REVISIONS; )  
AND OTHER GENERAL RELIEF )

CASE NO.  
2024-00276

CERTIFICATION

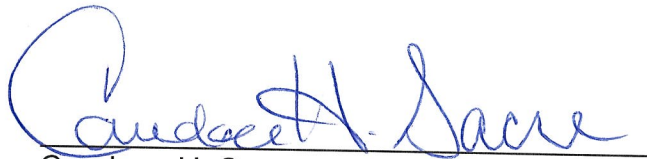
I, Candace H. Sacre, hereby certify that:

1. I am responsible for the preparation of the electronic files containing the recording of the Formal Hearing conducted in the above-styled proceeding on May 7, 2025. The Formal Hearing Log is included with the recording on May 7, 2025.


2. The recording accurately and correctly depicts the Formal Hearing of May 7, 2025; and

3. The Formal Hearing Log accurately and correctly states the events that occurred at the Formal Hearing on May 7, 2025, and the time at which each occurred.

Signed this 12 day of August, 2025.



Candace H. Sacre  
Administrative Specialist Senior



Stephanie Schweighardt  
Kentucky State at Large ID# KYNP64180  
Commission Expires: January 14, 2027

Date:	Type:	Location:	Department:
5/7/2025	Public Hearing\Public Comments	Hearing Room 2	Hearing Room 2 (HR 2)

Witness: Richard Baudino; Randy Futral; Lane Kollen  
 Judge: Angie Hatton; Mary Pat Regan  
 Clerk: Candace H Sacre

Event Time	Log Event
9:05:01 AM	Chair Hatton Note: Sacre, Candace Back on the record.
9:05:01 AM	Session Started
9:05:13 AM	Chair Hatton Note: Sacre, Candace Mr. Cook, call first witness?
9:05:17 AM	Camera Lock Deactivated
9:05:19 AM	Asst Atty General Cook Note: Sacre, Candace Lane Kollen.
9:05:26 AM	Chair Hatton Note: Sacre, Candace Witness is sworn.
9:05:35 AM	Chair Hatton - witness Kollen Note: Sacre, Candace Examination. Name and business address?
9:05:37 AM	Camera Lock Witness Activated
9:05:53 AM	Camera Lock Deactivated
9:05:58 AM	Asst Atty General Cook - witness Kollen Note: Sacre, Candace Direct Examination. Caused be filed testimony and responses?
9:06:07 AM	Asst Atty General Cook - witness Kollen Note: Sacre, Candace Changes or additions?
9:06:13 AM	Asst Atty General Cook - witness Kollen Note: Sacre, Candace If asked same questions, answers be same?
9:06:28 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Cross Examination. Testimony recommend shareholder share burden cost directors/officers insurance?
9:07:45 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Did testify about PRP program?
9:07:51 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Cited delay replacement bare steel reason not allowing acceleration Aldyl A?
9:08:32 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Review PRP filings, attribute delay to caps?
9:09:44 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Commission permit recovery, changes to tariff beyond discussed by Austin?
9:12:00 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace Benefits/downsides having separate PM rider opposed amending rider?
9:13:48 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace If additional language not open-ended, response to testimony Atmos witnesses earlier planning window?
9:18:03 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace When said not have timeline, referring to Aldyl A, PM, or both?

9:18:52 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Austin testimony 7- to 10-year timeline replacing Alydl A, change opinion?
9:19:39 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Gave number of miles?
9:20:48 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Recommend cap stay in place?
9:20:56 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	And the reason is not executing well on replacement?
9:21:25 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Company keeps prices low?
9:22:31 AM	Chair Hatton Note: Sacre, Candace	Staff?
9:22:36 AM	Staff Atty Colyer PSC Note: Sacre, Candace	Plan ask updated cost information PM and Aldyl A with/without cap.
9:22:57 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Cross Examination (cont'd). PM rider versus PHEMSA-related replacements, problem charging customers different period?
9:25:45 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Which more appropriate?
9:26:27 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	What be suggestion make less open ended?
9:27:20 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Examination. Disagreeing with allocation methodology?
9:27:25 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Agree with that?
9:27:50 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Cross Examination (cont'd). Indicated suppliers gas equipment pick up cost rider dropped, explain?
9:29:35 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Be accurate ratepayers paying either pay rider or manufacturers furnaces building cost into product?
9:31:09 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Any benefit Atmos shareholders keeping R&D rider?
9:31:38 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Taylor testified R&D roots in 1999 Order, anything change analysis Commission keep rider now?
9:32:50 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Recommended Commission account delays billing and payment of vendors as zero cost capital?
9:33:16 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Christian stating Commission not, Atmos not include work in progress rate base, your understanding?
9:35:33 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Know where expensed at time?
9:36:30 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Cross Examination (cont'd). Asserting some part saying not part of rate base is part, disagree not zero cost capital?
9:37:51 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Atmos perform calculation from point had no NOLC ADIT asset, have issue with methodology?
9:40:24 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Have Atmos data request responses?

9:40:33 AM	Staff Atty Colyer PSC - witness Kollen Note: Sacre, Candace	Atmos Response, Staff Third, reading, opinion whether increases/decreases net value those hedges reflected in rates?
9:41:57 AM	Chair Hatton Note: Sacre, Candace	Commissioner Regan?
9:42:01 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Examination. Made comment not way do regulatory oversight, recommendation better option?
9:43:52 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Aware other states have this rider or done rider before?
9:43:52 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Aware other states have this type rider or done rider before?
9:44:21 AM	Commissioner Regan - witness Kollen Note: Sacre, Candace	Looked at or done research ones have capital cost rider, how think working in state?
9:44:53 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Examination. Fact expert in number subjects not expert pipeline replacement, required make replacements suggesting not do?
9:46:32 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Get recovery regardless, maybe not accelerated recovery through rider?
9:46:53 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Not believe PHEMSA required timeline for replacements?
9:47:12 AM	Camera Lock Witness Activated	
9:48:13 AM	Camera Lock Deactivated	
9:48:16 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Familiar service territory Atmos, Kentucky native?
9:48:28 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Familiar with territory though?
9:48:40 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Not argue is excessive or unusual economic development?
9:48:54 AM	Camera Lock Witness Activated	
9:49:00 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Bowling Green lot of economic development lately?
9:49:02 AM	Camera Lock Deactivated	
9:49:08 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Danger not keep up with pipelines extended and expanded if not give rates?
9:49:22 AM	Camera Lock Witness Activated	
9:50:08 AM	Camera Lock Deactivated	
9:50:22 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Have opinion about allocation residential versus nonresidential when comes to replacements?
9:50:33 AM	Camera Lock Witness Activated	
9:50:37 AM	Camera Lock Deactivated	
9:50:55 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Company still receives A rating?
9:51:00 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Is good thing for customers?
9:51:42 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	If opportunity weigh in some of guidelines what referring open-ended spending, what suggest?
9:52:10 AM	Camera Lock Witness Activated	
9:53:23 AM	Camera Lock Deactivated	

9:53:29 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Problem not caps as much as way riders structured?
9:53:45 AM	Camera Lock Witness Activated	
9:53:50 AM	Chair Hatton - witness Kollen Note: Sacre, Candace	Altogether, and roll that into regular rate?
9:54:32 AM	Camera Lock Deactivated	
9:54:36 AM	Chair Hatton Note: Sacre, Candace	Any follow-up?
9:54:48 AM	Asst Atty General Cook - witness Kollen Note: Sacre, Candace	Redirect Examination. Thought heard say company included some cost comply Mega Rule?
9:55:37 AM	Chair Hatton Note: Sacre, Candace	Next witness?
9:55:39 AM	Asst Atty General Cook Note: Sacre, Candace	Randy Futral.
9:55:47 AM	Camera Lock Witness Activated	
9:55:53 AM	Chair Hatton Note: Sacre, Candace	Witness is sworn.
9:56:00 AM	Chair Hatton - witness Futral Note: Sacre, Candace	Examination. Name and business address?
9:56:21 AM	Camera Lock Deactivated	
9:56:24 AM	Asst Atty General Cook - witness Futral Note: Sacre, Candace	Direct Examination. Cause be filed testimony and responses?
9:56:35 AM	Asst Atty General Cook - witness Futral Note: Sacre, Candace	Changes or additions?
9:56:42 AM	Asst Atty General Cook - witness Futral Note: Sacre, Candace	If asked same questions, responses be same?
9:57:00 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Cross Examination. Familiar Revenue and local governments determine value to which apply ad valorem taxes?
9:58:10 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Basing on value at end of year or average over year?
9:58:51 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Familiar Exhibit 2 Waller rebuttal?
9:59:04 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Bill based on value Jan 1 2025 and property tax 2025 or property tax bill 2024?
10:00:28 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Review Waller testimony/exhibit American Gas Association treatment lobbying costs?
10:01:20 AM	Staff Atty West PSC - witness Baudino Note: Sacre, Candace	Circumstances regulated entity higher market risk if was extensive compliance requirements?
10:01:27 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Lay out methodology how determine portion dues/costs allocated to lobbying?
10:03:15 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	What your position cost AG excluding, that not including what public consider lobbying?
10:04:25 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Excluding cost directors/officers insurance and 50 percent cost shareholder relations, where come up 50 percent?

10:06:25 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	DNO insurance, what benefits customers/shareholders get from insurance?
10:09:06 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Extent Division 2 allocated according to cost-sharing mechanisms?
10:09:42 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Allocated though to unregulated side of business?
10:09:54 AM	Asst Gen Counsel Bellamy PSC - witness Futral Note: Sacre, Candace	Said benefits to shareholders, what are benefits?
10:10:49 AM	Chair Hatton Note: Sacre, Candace	Commissioner Regan?
10:10:53 AM	Commissioner Regan - witness Futral Note: Sacre, Candace	Examination. Direct, pages 7 and 8, line 13, test period expenses, increase 15.5 percent high?
10:11:26 AM	Commissioner Regan - witness Futral Note: Sacre, Candace	Walk through where seeing as unduly high?
10:13:34 AM	Camera Lock Witness Activated	
10:14:02 AM	Camera Lock Deactivated	
10:14:28 AM	Camera Lock Witness Activated	
10:15:20 AM	Commissioner Regan - witness Futral Note: Sacre, Candace	On Oct 30 minus 9 or Sept 30 nine vacant positions, Oct 1 same year filled them?
10:15:20 AM	Camera Lock Deactivated	
10:16:08 AM	Chair Hatton - witness Futral Note: Sacre, Candace	Examination. Chart, page 7, Table 2, labor benefits and employee welfare expenses down '22 to '23 and '24 back up for test year, nine new employees?
10:16:35 AM	Camera Lock Witness Activated	
10:16:38 AM	Chair Hatton - witness Futra Note: Sacre, Candace	And capitalization rate?
10:17:25 AM	Chair Hatton - witness Futra Note: Sacre, Candace	Set number employees need, always vacancies, have to have money in budget, what wrong with that?
10:17:26 AM	Camera Lock Commissioner Activated	
10:17:37 AM	Camera Lock Deactivated	
10:18:17 AM	Camera Lock Witness Activated	
10:18:28 AM	Chair Hatton - witness Futra Note: Sacre, Candace	Expense off contract labor?
10:18:29 AM	Camera Lock Deactivated	
10:18:32 AM	Camera Lock Witness Activated	
10:18:57 AM	Camera Lock Deactivated	
10:19:40 AM	Chair Hatton - witness Futra Note: Sacre, Candace	Test year began Apr 25, month of test year, ultimate recommendation differ based this hearing or in future DR answers?
10:20:48 AM	Chair Hatton - witness Futra Note: Sacre, Candace	Mentioned settlement with Revenue in Jan, informaton whether took place?
10:21:05 AM	Camera Lock Witness Activated	
10:21:29 AM	Camera Lock Deactivated	
10:21:35 AM	Chair Hatton - witness Futra Note: Sacre, Candace	What investor relations expenses?
10:21:38 AM	Camera Lock Witness Activated	
10:22:59 AM	Commissioner Regan - witness Futral Note: Sacre, Candace	Examination. Normally find investor relations in any company?



10:23:01 AM	Camera Lock Deactivated	
10:23:49 AM	Commissioner Regan - witness Futral	
	Note: Sacre, Candace	Interpreted that saw something wrong with that?
10:24:29 AM	Chair Hatton	
	Note: Sacre, Candace	All I have, follow up?
10:24:32 AM	Chair Hatton	
	Note: Sacre, Candace	Redirect?
10:24:38 AM	Asst Atty General Cook - witness Futral	
	Note: Sacre, Candace	Redirect Examination. AGA dues, recall history how issues arose, true NARUC used to audit agencies?
10:25:07 AM	Asst Atty General Cook - witness Futral	
	Note: Sacre, Candace	True NARUC not audit any more?
10:25:47 AM	Asst Atty General Cook - witness Futral	
	Note: Sacre, Candace	If AGA wanted, offer member companies independent audit how dues spent?
10:26:09 AM	Asst Atty General Cook - witness Futral	
	Note: Sacre, Candace	Directors/officers insurance, hypothetically, judgment levied against board, DNO pay?
10:27:00 AM	Asst Atty General Cook - witness Futral	
	Note: Sacre, Candace	How ratepayers benefit from subsidizing shareholder costs?
10:27:40 AM	Chair Hatton	
	Note: Sacre, Candace	Quick break, back at 10 to 11.
10:28:20 AM	Session Paused	
10:56:17 AM	Chair Hatton	
	Note: Sacre, Candace	Back on the record.
10:56:19 AM	Session Resumed	
10:56:23 AM	Chair Hatton	
	Note: Sacre, Candace	Ready call next witness?
10:56:29 AM	Asst Atty General Cook	
	Note: Sacre, Candace	Richard Baudino.
10:56:41 AM	Chair Hatton	
	Note: Sacre, Candace	Witness is sworn.
10:56:51 AM	Asst Atty General Cook - witness Baudino	
	Note: Sacre, Candace	Direct Examination. Full name and business address?
10:57:14 AM	Asst Atty General Cook - witness Baudino	
	Note: Sacre, Candace	Caused testimony and responses be filed?
10:57:24 AM	Asst Atty General Cook - witness Baudino	
	Note: Sacre, Candace	Corrections or additions?
10:57:31 AM	Asst Atty General Cook - witness Baudino	
	Note: Sacre, Candace	If asked same questions, responses be same?
10:57:38 AM	Chair Hatton	
	Note: Sacre, Candace	Staff?
10:57:44 AM	Staff Atty West PSC - witness Baudino	
	Note: Sacre, Candace	Cross Examination. Hear D'Ascendis testimony yesterday?
10:58:02 AM	Staff Atty West PSC - witness Baudino	
	Note: Sacre, Candace	Return on equity issue market risks unregulated entities as proxy, discuss market risks?
10:59:07 AM	Staff Atty West PSC - witness Baudino	
	Note: Sacre, Candace	Comparing regulated versus unregulated activities, make lower or higher market risk?
11:01:59 AM	Staff Atty West PSC - witness Baudino	
	Note: Sacre, Candace	Tell us what proposed return on equity was?
11:02:15 AM	Staff Atty West PSC - witness Baudino	
	Note: Sacre, Candace	Aware of Columbia Gas settlement?

11:02:24 AM	Staff Atty West PSC - witness Baudino Note: Sacre, Candace	Tell us why recommended ROE 9.4 but Columbia Gas settlement 9.75 percent?
11:03:23 AM	Staff Atty West PSC - witness Baudino Note: Sacre, Candace	Flotation costs, does ROE allow flotation costs, why should or should not be added into ROE?
11:05:11 AM	Chair Hatton Note: Sacre, Candace	Redirect?
11:05:29 AM	Asst Atty General Cook - witness Baudino Note: Sacre, Candace	Redirect Examination. Testimony also covered common equity ratio?
11:05:49 AM	Asst Atty General Cook - witness Baudino Note: Sacre, Candace	Listening when Christian testified?
11:05:59 AM	Asst Atty General Cook - witness Baudino Note: Sacre, Candace	Recall him testifying if Atmos been B-rated with a 52.5 percent equity ratio, ring a bell?
11:06:23 AM	Asst Atty General Cook - witness Baudino Note: Sacre, Candace	Have opinion on that?
11:11:17 AM	Asst Atty General Cook - witness Baudino Note: Sacre, Candace	Recommendation 52.5 common equity ratio, how compare ratios approved by Commission other gas utilities?
11:12:12 AM	Chair Hatton Note: Sacre, Candace	Anything further?
11:12:27 AM	Chair Hatton Note: Sacre, Candace	Concludes all of witnesses
11:12:34 AM	Chair Hatton Note: Sacre, Candace	Exhibits.
11:12:47 AM	Chair Hatton Note: Sacre, Candace	Motions.
11:12:54 AM	Chair Hatton Note: Sacre, Candace	Written summary requests.
11:13:03 AM	Chair Hatton Note: Sacre, Candace	Responses.
11:13:24 AM	Chair Hatton Note: Sacre, Candace	Briefs.
11:14:03 AM	Chair Hatton Note: Sacre, Candace	Hearing adjourned.
11:14:13 AM	Session Ended	

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