

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF ATMOS ENERGY CORPORATION )  
TO EXTEND ITS DEMAND-SIDE MANAGEMENT PROGRAM, ) Case No. 2021-00401  
AS AMENDED, AND COST RECOVERY MECHANISM, )  
AS AMENDED FOR TWO (2) YEARS )

APPLICATION

Atmos Energy Corporation ("Atmos"/"Company") by counsel, applies to the Kentucky Public Service Commission ("Commission") for an Order authorizing it to extend its Demand-Side Management Program ("DSM Program") and its DSM Cost Recovery Mechanism ("DSMCR") for two (2) years, through April 30, 2023.

In support of this application, Atmos states as follows:

1. Atmos is a corporation duly qualified under the laws of the Commonwealth of Kentucky to carry on its business in the Commonwealth.
2. Atmos is an operating public utility engaged in the business of supplying natural gas to the public in numerous cities, towns, and communities in Western and South Central Kentucky.
3. A certified copy of Applicant's Amended and Restated Articles of Incorporation is already on file with the Commission in the Matter of: The Application of Atmos Energy Corporation for An Adjustment of Rates and Tariff Modifications, Case No. 2021-00214. Atmos is certified to operate in Kentucky and is in good standing with the Office of Secretary of State. It has no assumed name.
4. This Application is filed pursuant to KRS 278.285 which authorizes the Commission to determine the reasonableness of demand-side management plans proposed by utilities subject to its jurisdiction.

5. Atmos' DSM Program and Cost Recovery Mechanism were initially approved as a three (3) year pilot program, to run through 2002, as part of Atmos' general rate case proceeding in Case No. 1999-00070. In Case No. 2002-00405, the program was approved for an additional three (3) years, to run through 2005. Additionally, in Case No. 2005-00515, the program, as modified, was approved for three (3) more years to run through December 31, 2008. In Case No. 2008-00499, the program, as modified, was approved for three (3) more years to run through December 31, 2011. In Case No. 2010-00305, the Commission approved a settlement between Atmos and the Attorney General's office, but the settlement did not alter the termination date. In Case No. 2011-00395, the program, as modified, was approved for three (3) more years to run through April 30, 2015. In Case No. 2014-00382, the program, as modified, was approved for three (3) more years to run through April 30, 2018 and in April 2018 it was approved through April 30, 2021 in Case No. 2017-00424.

6. As a result of the Company's unintentional failure to seek approval to renew the program, the current DSM Program expired as of April 30, 2021. Because Atmos failed to timely seek approval to renew the Program, it has continued to collect the previously approved rates pursuant to the still effective tariff. Atmos seeks renewal of the Program effective May 1, 2021 or as determined by the Commission. The following information is provided in support of continuation of the Program.

7. The DSM program is designed to provide annual funding for weatherization services to eligible, low-income households served by the Company. Day to day administration of the program (applicant screening, energy audits, contract hiring, etc.) is conducted by various community action agencies and invoiced back to the Company on a per household basis. The Company then reimburses the agency from the funds it has collected under tariffs for this purpose.

8. The Company is proposing to continue the existing low-income weatherization program without any changes exactly as it was approved in Case No. 2017-00424. As in that prior case, Atmos has not prepared a cost-benefit analysis for this program due to the inability to assess the savings accruing to individual customers.

9. The Company is currently over recovered under its DSM program, and could continue the program without charging a DSM rate under the approved Cost Recovery Mechanism for the remainder of the program. Any funds not used in the remainder of the program could be returned to customers on a volumetric basis through inclusion in the Company's Gas Cost Adjustment. Please refer to the Motion filed contemporaneously with this Application in the above-captioned docket for a further description of the program's financials.

10. Under Tab #1 is attached the proposed Tenth Revised Sheet No 36 cancelling Ninth Revised Sheet No. 36.

11. Correspondence and communications with respect to this Application should be directed to:

Brannon Taylor,  
Atmos Energy Corporation,  
810 Crescent Centre Dr. Ste 600  
Franklin, Tennessee, 37067  
(615) 771-8330  
Fax (615) 771-8301  
Brannon.Taylor@atmosenergy.com

Mark R. Hutchinson,  
Wilson, Hutchinson & Littlepage  
611 Frederica Street,  
Owensboro, Kentucky 42301  
270 926 5011 Ph  
(270) 926-9394 fax  
([randy@whplawfirm.com](mailto:randy@whplawfirm.com))

And

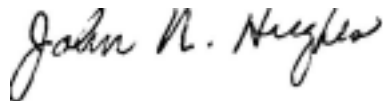
John N. Hughes  
124 W. Todd St.  
Frankfort, KY 40601  
(502) 227 7270 Ph  
No fax: Send to Mr. Hutchinson @ (270) 926-9394  
([inhughes@johnnhughespsc.com](mailto:inhughes@johnnhughespsc.com))

For these reasons, Atmos requests the Commission to enter an Order granting the extension and extending Atmos' DSM program and Cost Recovery Mechanism as requested for a period of two (2) years; for an order approving the tariffs attached under Tab #1; and for an order continuing the current DSM Program and funding until the Commission has entered *an* order taking final action in this proceeding.

Submitted this 28<sup>th</sup> day of October 2021.

Mark R. Hutchinson,  
Wilson, Hutchinson & Littlepage  
611 Frederica Street,  
Owensboro, Kentucky 42301  
270 926 5011 Ph  
(270) 926-9394 fax  
([randy@whplawfirm.com](mailto:randy@whplawfirm.com))

And



John N. Hughes  
124 W. Todd St.  
Frankfort, KY 40601  
(502) 227 7270 Ph  
No fax: Send to Mr. Hutchinson @ (270) 926-9394  
([inhughes@johnnhughespsc.com](mailto:inhughes@johnnhughespsc.com))

Certificate:

In accordance with the requirements of 807 KAR 5:001(8), I certify that this electronic filing is a true and accurate copy of the original documents; that the electronic filing has been transmitted to the Commission on October 28, 2021 and that no party has been excused from participation by electronic means.

*John N. Hughes*

---