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November 22, 2023

Ms. Linda Bridwell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

Re: Atmos Energy Corporation:  
Case No. 2023-00272

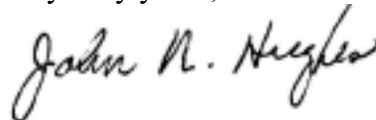
Dear Ms. Bridwell:

Atmos Energy Corporation submits its Response and Comments to Order.

I certify that the electronic filing is complete and accurate and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

If you have any questions about this matter, please contact me.

Very truly yours,



John N. Hughes

And

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Attorneys for Atmos Energy  
Corporation

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Electronic Consideration of the )  
Implementation of North American )  
Energy Standards Board's ) Case No. 2023-00272  
Recommendations on Gas and Electric )  
Harmonization )

ATMOS ENERGY CORPORATION'S RESPONSE AND COMMENTS  
TO ORDER

Atmos Energy hereby submits a response and comments to the Commission's Order dated August 25, 2023 considering the implementation of several recommendations of the North American Energy Standards Board ("NAESB") concerning gas and electric harmonization that NAESB released in a report issued on July 28, 2023. Atmos Energy, through its participation in American Gas Association and its shared services team, participated in the NAESB process and voting on recommendations but we have limited our comments to the specific items raised by the Commission in its Order.

**1. Recommendation 7**

The Company, in general, supports this recommendation to the degree reliability may be enhanced amongst parties, however this recommendation is too vague in its current form for the Company to reliably comment or provide guidance. As a general matter, local distribution companies such as Atmos Energy already operate on a 24/7 basis to serve customers. The Company would note that the last line of the recommendation raises potential jurisdictional issues that involve entities (producers and marketers) not currently under the Commission's statutory authority that would require further clarity or additional statutory authority to implement.

## **2. Recommendation 10**

The Company is in favor of working with the Commission to potentially structure incentives for the development of natural gas demand-response programs. The Company believes that each local distribution company is uniquely situated, and that the structure of the programs would need to be developed by the Commission alongside each utility to produce the best results. For example, Atmos Energy in Kentucky consists of heavy industrial load and would request to work with the Commission to determine operations and needs to develop any program that would provide the best response Atmos Energy's area of operations.

## **3. Recommendation 11**

The Company is in favor of providing voluntary conservation public service announcements for residential, commercial and industrial customers for and during events in which demand is expected to rise sharply for natural gas. The Company would note that this type of messaging is part of the Company's current practice. We have done this during past events and should future events arise in which the Company anticipates similar messaging will be provided to customers encouraging conservation. The Company would hesitate to require firm state regulatory requirements as to when this messaging is required as each LDC is geographically situated differently as well as each utility has different technical capabilities (email; text) and thus a standard requirement could result in unanticipated costs. Thus, while the Company supports messaging and encourages feedback from the Commission to strengthen any messaging, the Company would also put forth that it is the Company that is in the best position to determine when and in what manner any messaging to the customer should occur.

## **4. Recommendation 12**

Although this recommendation has no direct impact on local distribution companies and makes no reference to intrastate pipeline and storage operations, the Company supports the framework of this recommendation and would encourage the Commission to participate to better understand the long-term fuel adequacy on the Kentucky wholesale markets available to local operations under their

jurisdictional oversight.

#### **5. Recommendation 13**

The Company opposes this recommendation to the degree that any market mechanisms developed for jurisdictional generators potentially have an adverse effect on adequate supply for LDCs and their operational requirements. The Company currently takes all steps available to it to ensure it has adequate firm system supply and capacity during extreme cold weather events.

#### **6. Recommendation 14**

The Company opposes this recommendation. The Company is unsure what this mechanism will accomplish that is already not established in existing market mechanisms. The recommendation is also unclear if intrastate excludes LDCs. In addition, the last line of the recommendation raises serious jurisdictional issues that could arise between FERC and the Commission if implemented.

#### **7. Recommendation 15**

The Company opposes this recommendation for the same reasons as stated in Recommendation 14.

#### **8. Recommendation 16**

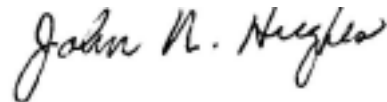
The Company supports this recommendation. Additional guidelines could help potentially reduce force majeure declarations. However, the Company is unclear about potential jurisdictional issues within this recommendation depending on the weatherization guidelines developed but is supportive of the concept to the extent it enhances continued operation of gas production and processing facilities during extreme weather events.

#### **9. Recommendation 17**

The Company supports this recommendation. The Company also notes this recommendation is directed towards the ISO and RTO segments and will leave more substantive comments to those organizations.

Submitted by:

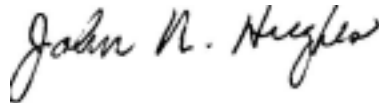
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**CERTIFICATE OF SERVICE**

This is to certify that foregoing electronic filing was transmitted to the Commission on November 22, 2023; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to prior orders of the Commission, no paper copies of the filing will be made.



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*Counsel for Atmos Energy Corporation*