

May 28, 2025

Ms. Linda C. Bridwell, P.E.
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

*Re: In the Matter of: Electronic Application of Atmos Energy Corporation for
an Adjustment of Rates; Approval of Tariff Revisions; and Other General Relief-
Case No. 2024-00276*

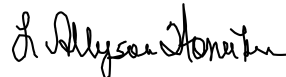
Dear Ms. Bridwell:

Please find attached Atmos Energy Corporation's ("Atmos Energy") Responses to the Attorney General's Post-Hearing Request for Information in the above-styled case.

This is to certify that the foregoing electronic filing was transmitted to the Commission on May 28, 2025 that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of this filing will be made.

If you have any questions, please let me know.

Very truly yours,



L. Allyson Honaker

Enclosure

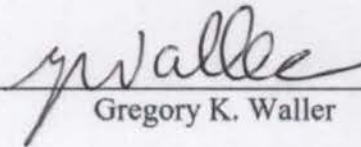
BEFORE THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

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

CERTIFICATE AND AFFIDAVIT

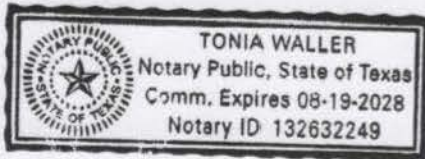
The Affiant, Gregory K. Waller, being duly sworn, deposes and states that the attached responses to the Office of the Attorney General's first post-hearing request for information are true and correct to the best of his knowledge and belief



Gregory K. Waller

STATE OF TEXAS
COUNTY OF DALLAS

SUBSCRIBED AND SWORN to before me by Gregory K. Waller on this the 27th day of May, 2025.





Notary Public
My Commission Expires: 8/19/28

Case No. 2024-00276
Atmos Energy Corporation, Kentucky Division
AG Post-Hearing DR Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Provide the projected gross plant value as of December 31, 2025 (or January 1, 2026) for purposes of ad valorem taxes.

RESPONSE:

The Company did not use the projected gross plant balance at December 31, 2025 (or January 1, 2026) for the purpose of forecasting ad valorem taxes. In the Company's plant forecast, forecasted direct gross plant as of December 31, 2025 is \$937,666,750. However, because this is a general rate case with a forward looking test year filed for the purpose of setting base rates going forward (until the next general rate case), the appropriate direct gross plant balance for use in forecasting ad valorem taxes is \$940,325,173, which aligns with the end of the forward looking test year in this case.

Respondent: Greg Waller

Case No. 2024-00276
Atmos Energy Corporation, Kentucky Division
AG Post-Hearing DR Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Regarding the Waller Rebuttal testimony at 13, Table GKW-R-3, provide all support for the numerical values in:

- a. The column "Tax Rate per \$100;" and
- b. The horizontal row entitled "Local Taxes."

RESPONSE:

- a. See Attachment 1 received from the state showing the tax rates for each property class.
- b. See confidential Attachment 2 received from the state early in the Company's valuation negotiations. The Company utilized the effective rate in this analysis and applied it to the final value documented in Attachment 1 and Table GKW-R-3 in witness Waller's rebuttal testimony. For clarity, the Company highlighted two cells in worksheet H9 (labeled as B) and M3 (labeled as A) in yellow. The Company derived an effective overall local tax rate in cell N6 (labeled C) in green by dividing B/A.

ATTACHMENTS:

AG PH_1-02_Att1 - 2024 Notice of Assessment.pdf

AG PH_1-02_Att2 - 2024 Atmos Draft Workpapers with Tax Rate Calc (CONFIDENTIAL).xlsx

Respondent: Greg Waller

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
OFFICE OF PROPERTY VALUATION
PUBLIC SERVICE BRANCH
STATION 32 4TH FL, 501 HIGH STREET
FRANKFORT, KY 40601-2103
Phone Fax (502) 564-8192

NOTICE OF ASSESSMENT

ATMOS ENERGY CORPORATION
TEVYAN FRIEND
PO BOX 650205
DALLAS, TX 75265-0205

GNC: 005640
TYPE CO: GU
TAX TYPE: 035
TAX ID: 751743247

This Notice of Assessment will become final on 04/14/2025, 60 days from the notice date. A corresponding Notice of Tax Due is being sent from the Compliance and Accounts Receivable System based on the Total Assessment shown below. The Notice of Tax Due will provide the state tax liability, any applicable interest and/or filing penalties that may be assessed. Local taxes will be billed separately by the local taxing jurisdictions where your property is located.

If you protest this assessment, see enclosed 61F009 Notification-Protesting your Assessment. You must submit a written protest in accordance with KRS 131.110; and as required by KRS 132.825(10) and KRS136.180(2), your protest must specify the valuation you claim to be true. Your written protest stating your claimed value and your payment of tax for your claimed value must be submitted to the Department of Revenue on or before 04/14/2025 or no further remedies will be available regarding this assessment per KRS 134.590. Submit your protest and payment to: ATTN: Public Service Branch, Division of State Valuation, KENTUCKY DEPARTMENT OF REVENUE, Sta. 32, 4th Floor, 501 High Street, Frankfort, KY 40601-2103. You may contact the Public Service Branch at Phone (502) 564-8175 and Fax (502) 564-8192.

NOTICE DATE: 02/13/2025 TAX YEAR: 2024 (For Year Ending December 31, 2023)

PROPERTY CLASS	TAX RATE Per \$100	ASSESSED VALUE	STATE TAX DUE
Subject to State and Local Tax			
Real Estate	0.109	\$647,451,382.18	\$705,722.01
**Tangible Personal Property	0.45	\$79,415,374.75	\$357,369.19
Business Inventory	0.05	\$25,373,751.06	\$12,686.88
Inventory In Transit	0.00	\$0.00	\$0.00
Subject to State Tax Only			
Foreign Trade Zone Property	0.00	\$0.00	\$0.00
Recycling Equipment	0.45	\$0.00	\$0.00
Manufacturing Machinery	0.15	\$0.00	\$0.00
Pollution Control Equipment	0.15	\$0.00	\$0.00
Business Inventory (MM)	0.05	\$0.00	\$0.00
IRB Property	0.015	\$0.00	\$0.00
IRB Property Nontaxable	0.00	\$0.00	\$0.00
TOTALS		\$752,240,507.99	\$1,075,778.07

** Excludes Motor Vehicles \$0.00

A 10% penalty is charged for late filed returns per KRS 132.290(3). A 20% penalty is charged for omitted property per KRS 132.290(4). Applicable interest will be applied when late or omitted.

Case No. 2024-00276
Atmos Energy Corporation, Kentucky Division
AG Post-Hearing DR Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

Provide the employee headcount for the Kentucky Division at the end of FY 2024, and for each month thereafter, to date. Explain the following:

- a. When the nine (9) new positions were added.
- b. Whether all nine employees are still employed with the Company.
- c. Whether there are any other vacancies at the present time.

RESPONSE:

The employee headcount for the Kentucky Division from September 2024 - April 2025 is as follows:

September 2024	183
October 2024	186
November 2024	185
December 2024	186
January 2025	188
February 2025	190
March 2025	191
April 2025	191

- a. The seven (7) line locator positions are titled "Damage Prevention Technician." Their hiring dates, as well as the Compliance Technicians, are as follows:

1. Damage Prevention Technician	04/13/24
2. Damage Prevention Technician	04/13/24
3. Damage Prevention Technician	04/13/24
4. Damage Prevention Technician	05/13/24
5. Damage Prevention Technician	05/13/24
6. Damage Prevention Technician	05/13/24
7. Damage Prevention Technician	05/13/24
8. Compliance Technician	08/17/24
9. Compliance Technician	08/24/24

- b. All nine (9) employees are still employed with the Company.
- c. There are five vacant positions at the time of the request.

Respondent: Greg Waller

Case No. 2024-00276
Atmos Energy Corporation, Kentucky Division
AG Post-Hearing DR Set No. 1
Question No. 1-04
Page 1 of 1

REQUEST:

Refer to the Waller Rebuttal at 10:11-15, where he asserts that the cost of hiring seven (7) new full time employees to conduct line locating is “substantially offset” by reducing expense for contracted line locators in the approximate sum of \$600,000. Provide all support for how the \$600,000 figure was developed, and if already in the record of this case, identify the precise location(s) in the record. Cite to the Excel file name, worksheet tab, and cell columns and rows that contain this data.

- a. Explain also whether the revenue requirement was reduced by \$600,000, and if so, how.

RESPONSE:

See Attachment 1. The number of line locate tickets budgeted in Fiscal Year 2024 to Fiscal Year 2025 was reduced from 87,077 to 58,440, respectively. The reduction in number of line locates were offset partially by an increased contractor cost per locate.

- a. The budget upon which the Test Period O&M was derived was reduced by the figure provided, and therefore reduced the revenue requirement accordingly. The forecast is included in the relied upon file "O&M Detail - TME Jun-24.xlsx" included in the response to Staff 1-54.

ATTACHMENT:

AG PH_1-04_Att1 - Line Locate YOY Budget.xlsx

Respondent: Greg Waller

Line Locate Contractor Services														
	October	November	December	January	February	March	April	May	June	July	August	September	Total	
FY 2024	206,037	206,037	206,037	206,037	206,037	206,037	206,037	206,037	206,037	206,037	206,037	206,037	2,472,443	Variance from FY24 (563,531)
FY 2025	159,076	159,076	159,076	159,076	159,076	159,076	159,076	159,076	159,076	159,076	159,076	159,076	1,908,912	