

September 15, 2025

Ms. Linda Bridwell, P.E.
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: *Application of Atmos Energy Corporation to Extend its Demand Side Management Program and Cost Recovery Mechanism for Three Years* - **Case No. 2025-00200**

Dear Ms. Bridwell:

Please find enclosed Atmos Energy Corporation's responses to data requests in the above-styled case.

This is to certify that the electronic filing was made on September 15, 2025 and there are no parties the Commission has excused from electronic filing procedures. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of this filing are being made.

Sincerely,



L. Allyson Honaker

Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

ELECTRONIC APPLICATION OF ATMOS)
ENERGY CORPORATION TO EXTEND ITS)
DEMAND SIDE MANAGEMENT PROGRAM AND)
COST RECOVERY MECHANISM FOR THREE (3))
YEARS)

Case No. 2025-00200

CERTIFICATE AND AFFIDAVIT

The Affiant, Brannon C. Taylor, being duly sworn, deposes and states that the attached responses to Commission Staff's first request for information are true and correct to the best of his knowledge and belief.



Brannon C. Taylor

STATE OF TENNESSEE
COUNTY OF WILLIAMSON

SUBSCRIBED AND SWORN to before me by Brannon C. Taylor on this the 15th day of September, 2025.



Notary Public

My Commission Expires: JANUARY 24, 2028



Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Refer to the Application, Exhibit B.

- a. Explain in detail why the income parameters for eligible customers is 150 percent of the federal poverty level.
- b. Explain whether Atmos has considered altering the income parameters for eligibility.

RESPONSE:

- a. 150 percent of the federal poverty level is the level approved by the Commission for the Company's existing DSM program. See the Company's Tariff Sheet No. 30. The 150 percent level is also in alignment with LIHEAP eligibility, which is based on the 150 percent level.
- b. See the response to subpart (a).

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Refer to the Application, Exhibit B.

- a. Provide more detailed examples of the weatherization improvements that fall under the \$3,000 funding limit per household for the 2024.
- b. State whether a \$3,000 limit has been effective to meet the goal of the DSM program in 2024 considering the purchasing power changes with respect to the Consumer Price Index (CPI) since Case No. 2017-00424² which was 237.456 for 2017 and 305.187 for 2024 as measured by the U.S. Bureau of Labor Statistics³ showing a 28.50 percent increase and approximately a four percent increase in average.

RESPONSE:

- a. See the Company's Tariff Sheet No. 30. The DSM program may include, but not be limited to, the replacement of doors and windows, caulking, window stripping, installation of insulation, and/or the maintenance/replacement of natural gas appliances.
- b. While a \$3,000 limit has been effective so far, the Company believes an inflation adjustment to the \$3,000 limit since Case No. 2017-00424 could provide additional merit in the future should the Commission decide to adjust the limit due to inflation for services such as those listed on the Company's Tariff Sheet No. 30.

² Case No. 2017-00424, Application of Atmos Energy Corporation to Extend Its Demand-Side Management Program, as Amended, and Cost Recovery Mechanism, as Amended for Three (3) Years (Ky. PSC Apr. 27, 2018), final Order.

³ Bureau of Labor Statistics Data -

https://data.bls.gov/pdq/SurveyOutputServlet?data_tool=dropmap&series_id=CUUR0300SA0,CUUS0300SA0

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

Refer to the Application, Exhibit C. Separately explain the process for verifying the eligibility requirements, particularly for income at or below 150 percent of the federal poverty level (Eligibility Requirement 1) and ownership/landlord agreements (Eligibility Requirement 3).

RESPONSE:

See the Company's Tariff Sheet No. 31. Eligibility requirements verifications are administered by Community Action of Kentucky, in cooperation with the Kentucky Housing Corporation.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-04
Page 1 of 1

REQUEST:

Refer to the Application, page 2, paragraph 6. Explain how the community action agencies are selected and overseen to ensure efficient and effective administration of the program. Additionally, provide a list of participating community action agencies.

RESPONSE:

See the Company's Tariff Sheet No. 31. Community Action of Kentucky (CAK), in cooperation with the Kentucky Housing Corporation, administers the state's Low-Income Weatherization Program.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-05
Page 1 of 1

REQUEST:

Refer to the Application, page 3, paragraph 7.

- a. Given that a cost-benefit analysis has not been prepared due to the inability to assess savings for individual customers, provide an explanation of how Atmos measures the overall success and impact of the program.
- b. Explain whether there are any plans to implement a cost-benefit analysis in the future, perhaps through aggregated data or a different methodology, to better assess the program's overall economic impact.

RESPONSE:

The Company has not prepared a cost-benefit analysis for the DSM Program since the filing of this Application since this application concerns only the low-income weatherization component. In the Company's Order in Case No. 2017-00424, the Commission stated that "[it] recognizes that low-income weatherization programs provide valuable assistance to income-eligible customer by reducing their heating bills, and has consistently approved such programs despite unfavorable TRC scores."

The Company is willing to prepare a cost-benefit analysis for TRC or the low-income weatherization component based on the Commission's guidance. Any analysis may potentially take longer than the standard two-week turnaround for data requests but the Company would promptly provide the analysis once prepared.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-06
Page 1 of 1

REQUEST:

Explain whether Atmos has identified any other potential DSM programs for implementation. If not, explain why not.

RESPONSE:

The Company has also identified a DSM Rebate Program for potential implementation. The details of this program are located on the Company's Tariff Sheets No. 31-32. This program was utilized successfully by the Company until it was ceased by the Commission on April 30, 2018. The program included high efficiency ENERGY STAR® natural gas heating and water heating equipment for eligible customers. Atmos Energy has DSM programs in several other jurisdictions: Mississippi, Louisiana, Texas, and Colorado. These programs offer rebates for additional energy efficiency and weatherization solutions to provide incentives for customers to use their energy in a more efficient manner. Rebates range from high efficiency appliances – such as furnaces or hot water heaters – to weatherization improvements, and smart thermostat technologies.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-07
Page 1 of 1

REQUEST:

Explain whether Atmos performs a DSM potential study. If so, provide the study. If not, explain why not.

RESPONSE:

See the response to Staff 1-05.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-08
Page 1 of 1

REQUEST:

Provide the amount of the DSM budget spent per year for the last three years, ending in calendar year 2024.

RESPONSE:

2022	\$13,351.80
2023	\$10,693.45
2024	\$ 3,000.00

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-09
Page 1 of 1

REQUEST:

Explain whether Atmos has considered expanding the budget of its existing low income DSM program. If so, explain why Atmos has not proposed to expand the budget in this proceeding.

RESPONSE:

See the response to Staff 1-02.

Case No. 2025-00200
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-10
Page 1 of 1

REQUEST:

Explain whether there are any anticipated changes in the customer needs that might affect the program's design or funding beyond April 30, 2029.

RESPONSE:

See the responses to Staff 1-02 and 1-06.

The Low Income Home Energy Assistance Program (LIHEAP), which is funded by the US Congress, and administered by the US Department of Health and Human Services, also plays a role for some low-income customers in assisting with their utility bills. In FY2023, over 119,000 Kentucky households received funding from LIHEAP, and more than \$89 million in funding was available for Kentucky households. LIHEAP, along with other similar programs, has been a matter of some public debate at the federal level this past year.

(link here for a KY state one-pager on LIHEAP: <https://neuac.org/wp-content/uploads/2025/03/Kentucky-State-Sheet-2025.pdf>)