

**COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC JOINT APPLICATION OF ATMOS)	
ENERGY CORPORATION AND MILLENNIUM)	
ENERGY, INC. FOR APPROVAL OF THE)	CASE NO.
TRANSFER OF OWNERSHIP AND CONTROL OF)	2026-00061
MILLENNIUM ENERGY, INC.)	

MILLENNIUM ENERGY, INC.'S VERIFIED RESPONSE TO
THE COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
ENTERED APRIL 13, 2026

Comes now Atmos Energy Corporation ("Atmos Energy"), by counsel, and does hereby tender its Verified Response to Commission Staff's Second Request for Information entered May 7, 2026.

Filed: May 22, 2026

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:)
)
ELECTRONIC APPLICATION JOINT APPLICATION OF ATMOS)
ENERGY CORPORATION AND MILLENNIUM ENERGY, INC. FOR)
APPROVAL OF THE TRANSFER OF OWNERSHIP AND CONTROL)
OF MILLENNIUM ENERGY, INC. AND REQUEST FOR APPROVAL OF)
ASSET PURCHASE AGREEMENT PURUSANT TO KRS 278.300)
)
)
)
)

VERIFICATION OF MARK MARTIN


STATE OF TEENESSEE)
)
COUNTY OF WILLIAMSON)

Mark Martin, Vice-President Rates and Regulatory Affairs Kentucky Mid/States Division, Atmos Energy Corporation, being duly sworn, states that he has supervised the preparation of the responses to Commission Staff's Second Request for Information in the above-referenced case on behalf of Atmos Energy Corporation, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.




Mark Martin

The foregoing Verification was signed, acknowledged and sworn to before me this the 20th day of May 2026, by Mark Martin.



Commission expiration: JANUARY 24, 2028



Case No. 2026-00061
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 2
Question No. 2-01
Page 1 of 1

REQUEST:

Refer to the Direct Testimony of Mark Martin (Martin Direct Testimony) at 4. Provide specific examples as to how Atmos maintains the financial, technical, and managerial abilities to provide reasonable service to Millennium Energy, Inc.'s (Millennium) current ratepayers.

RESPONSE:

Atmos Energy Corporation ("Atmos Energy") serves over 3.3 million residential, commercial, industrial, and public-authority customers in eight states through its six-gas utility operating divisions. The Kentucky/Mid-States Division serves approximately 180,694 customers throughout its service area of Western and Central Kentucky.

Please see the *Electronic Application of Atmos Energy Corporation for an Adjustment of Rates, Approval of Tariff Revisions; and Other General Relief*, Case No. 2024-00276 for a more detailed analysis of Atmos Energy's financial, technical, and managerial abilities.

Respondent: Mark Martin

Case No. 2026-00061
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 2
Question No. 2-02
Page 1 of 1

REQUEST:

Refer to Atmos' response to Commission Staff's First Request for Information (Staff's First Request), Item 3. Confirm that Atmos has contemplated moving Millennium's current ratepayers to the appropriate Atmos tariffs after the Commission's application approval. If confirmed, provide Atmos' plans. If not confirmed, explain why such a move has not been considered.

RESPONSE: Atmos Energy will be placing Millennium's customers on the appropriate Atmos tariff if Commission approval is granted.

Respondent: Mark Martin

Case No. 2026-00061
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 2
Question No. 2-03
Page 1 of 1

REQUEST:

Refer to Atmos' response to Staff's First Request, Item 13.

- a. Provide an explanation as to why it is in the best interests of Millennium's current residential ratepayers to experience, on average, an approximate 54 percent increase in its annual bill for gas service as a result of the proposed transaction.
- b. Explain whether Atmos intends to implement the concept of gradualism when moving Millennium's current ratepayers to the appropriate Atmos tariff and provide Atmos' recommended plan for a gradual rate transition.

RESPONSE:

a. and b. Millennium is a subsidiary of Warren Rural Electric Cooperative Corporation ("Warren RECC") that was established in *Petition of Millennium Energy, Inc. for a Certificate of Convenience and Necessity to Construct and Operate a Natural Gas Supply Line*, Case No. 1999-00075. Millennium has never petitioned the Commission for a general adjustment of rates. The only increases have been through quarterly gas cost adjustments.

Warren RECC decided to sell Millennium and was actively seeking buyers who can provide improved service to its customers. Warren RECC approached Atmos Energy regarding the purchase of Millennium. Since Warren RECC is going to sell Millennium, even if the Commission does not approve this transaction, Millennium's current residential rate payers will see an increase in rates no matter which utility acquires Millennium. Any of the larger local distribution companies that have the financial, managerial, and technical abilities to obtain Millennium have higher rates than the ones set for Millennium in 1999.

As of May 11, 2026, Millennium serves 30 residential, 63 small commercial, and 5 large commercial customers. Attempting to serve these customers on different rate schedules than Atmos Energy's other approximately 180,000 customers would create problems in the billing system. Additionally, Atmos Energy believes the Millennium customers will incur benefits by being Atmos Energy customers that do not necessarily come from system improvements. Since these customers are gaining the benefit of being Atmos Energy customers they should pay the same rates as all other Atmos Energy customers.

Respondent: Mark Martin

Case No. 2026-00061
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 2
Question No. 2-04
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's First Request, Item 1, which stated, "Millennium reports no current system improvement needs." Refer also to Millennium's response to Staff's First Request, Item 1, which stated that Atmos found no safety concerns during its review. Explain Atmos's justification for the immediate rate increase in light of these statements.

RESPONSE:

Please see the response to Item 3.

Respondent: Mark Martin

Case No. 2026-00061
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 2
Question No. 2-05
Page 1 of 1

REQUEST:

Refer to Atmos's response to Staff's First Request, Item 8, in which Atmos proposes a \$225,000 project to tie the Millennium system into the Franklin distribution system to provide a two-way feed.

- a. Explain whether Millennium has ever experienced a loss of service or reliability issue that would have been prevented by this two-way feed.
- b. If Millennium has not experienced such a loss of service, explain why Millennium customers should bear the cost of this infrastructure through Atmos's future rate proceedings.
- c. Provide a quantitative Public Interest vs. Rate Impact analysis that compares the specific, incremental safety or reliability improvements expected for current Millennium system against the projected percentage increase in the total monthly bill for a typical Millennium residential customer once all Atmos riders and surcharges are applied.

RESPONSE:

- a. Millennium experienced a loss of service from Midwestern Gas Transmission Co. which could be prevented by the two-way feed.
- b. Fortunately, Millennium's customers have not experienced a loss of service, but that was a direct result of actions by Atmos Energy. Atmos Energy did a temporary tap into its system at that time and provided gas to those customers so the customers did not directly experience the outage.
- c. Atmos Energy cannot provide a quantitative analysis of the public interest of incremental safety and/or reliability improvements.

Respondent: Mark Martin