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October 30, 2026

Mr. Justin McNeil
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: *Electronic Application of Atmos Energy Corporation For Certificates of Public Convenience and Necessity for Projects to be Included in the Pipeline Modernization Rider*
Case No. 2026-00202

Dear Mr. Justin McNeil:

Enclosed, please find for filing, Atmos Energy Corporation's Responses to Commission Staff's Second Request for Information in the above styled case.

This is to certify that the electronic filing has been transmitted to the Commission on October 30, 2026, and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085 no paper copies of this filing will be made.

Please do not hesitate to contact me with any questions or concerns.

Sincerely,

Heather Temple

Heather S. Temple

Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

ELECTRONIC APPLICATION OF ATMOS ENERGY CORPORATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR PROJECTS TO BE INCLUDED IN THE PIPELINE MODERNIZATION RIDER	)))))	**CASE NO. 2026-00202**

CERTIFICATE AND AFFIDAVIT

The Affiant, Ryan A. Chastain, being duly sworn, deposes and states that the attached responses to Commission Staff's second request for information are true and correct to the best of his knowledge and belief.

Ryan A. Chastain

STATE OF TENNESSEE

COUNTY OF WILLIAMSON

SUBSCRIBED AND SWORN to before me by Ryan A. Chastain on this the 30th day of October, 2026.

Notary Public

My Commission Expires: 01-24-2028

PAMELA PLEASANT
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY, TENN.

REQUEST:

Refer to Atmos's response to Commission Staff's First Request for Information (Staff's First Request), Item 1(a). State the remaining useful life of each existing pipeline proposed to be replaced.

RESPONSE:

Considering the previously provided estimated useful life of 70 years for Atmos Energy's new pipelines, the Company believes the two pipelines contained in this CPCN, which were installed in the 1960s, are approaching the end of their useful life. While the existing pipelines were installed with industry standard cathodic protection coatings used at the time, modern pipeline coating techniques and construction practices may provide greater pipeline longevity.

REQUEST:

Refer to Atmos's response to Staff's First Request, Item 2(a) and, in Case No. 2024-00276, Atmos's response to Commission Staff's First Post-Hearing Request for Information, Item 2, including Exhibit TRA-5 (citation omitted).

a. Explain why Atmos changed the Proposed MOAP Reconfirmation Method for the Domtar pipeline from Pressure Test in the original Exhibit TRA-5 to Pipe Replacement in the updated version of TRA-5.
b. Atmos's response to Staff's First Request, Item 2(a)(3) stated that the cost decreased from the original Exhibit TRA-5. However, the original Exhibit TRA-5 does not include the cost of pressure testing for the Domtar line. Identify and provide any information used to calculate the cost of pressure testing at the time the original Exhibit TRA-5 was created and at the time the updated version of Exhibit TRA-5 was created.
c. For each "Pipeline Replacement" project on the updated Exhibit TRA-5 listed as "Complete" or "In Progress" identify and provide the Commission case number in which Atmos filed for a CPCN or explain why a CPCN was not necessary.

RESPONSE:

a. The original Exhibit TRA-5, provided in 2024, was the Company's initial plan for all known segments subject to MAOP reconfirmation required by 192.624. The Domtar Line was slated to be reconfirmed in 2027. In the preliminary evaluation, reviewing available data in the Company's GIS mapping system, the pipeline appeared to be a candidate for pressure testing as it is not connected to a downstream distribution system. Upon a more detailed review of the existing pipeline and components, Atmos Energy adjusted the reconfirmation technique for this pipeline to replacement due to the many challenges with pressure testing and benefits of replacement stated in testimony and responses in Case No. 2024-00276 and in this case. The change in reconfirmation method was contemplated in Case No. 2024-00276, Atmos Energy's response to Commission Staff's First Post-Hearing Request for Information, Item 2, with the statement "the Company is evaluating a 1.0 mile section of a Hawesville line for pressure testing in 2027 but believes it will ultimately be a candidate for pipe replacement."

b. The statement regarding decrease in replacement cost in Atmos Energy's response to Staff's First Request, Item 2(a)(3) was based on comparison to the second version of Exhibit TRA-5 provided in Case No. 2024-00276, Atmos Energy's response to Commission Staff's First Post-Hearing Request for Information, Item 2. Estimated pipe replacement costs were provided for each of the projects, not the estimated cost of pressure testing. The Company stated that full design was not completed outside of FY25 and FY26 proposed work. Additionally, it was noted the segments where the Company believed pressure testing was a feasible option have already been performed. The cost estimated for the Domtar Line was an estimated construction cost to replace the pipeline at the time before full scale design took place. The updated exhibit in Atmos's response to Staff's First Request TRA-5 was completed with more design considerations. The updated estimated cost is based on current construction and material unit rates we have experienced during similar recent projects.

c. In Case No. 2024-00276, the Commission indicated for any projects that Atmos Energy wishes to recover through the approved PM Rider it must file an application for a CPCN and receive Commission approval. Atmos Energy is seeking recovery through the PM Rider of the Hawesville and Bon Harbor projects so that is the reason for the request for a CPCN in this proceeding. The projects listed on Staff_1-01_Att1 - Updated Attachment RC-1.xlsx as "Complete" or "In Progress" are projects where Atmos Energy did not seek accelerated recovery through the PM Rider.

   Pursuant to KRS 278.020(1)(a)(2), a CPCN is not required for projects undertaken in the usual course of business. 807 KAR 5:001, Section 15(3) states that projects that do not involve sufficient capital outlay to materially affect the existing financial condition of the utility or will not result in an increased charge for customers. The Commission has consistently stated its interpretation of 807 KAR 5:001, Section 15(3) means a CPCN is not required for projects, "that do not result in the wasteful duplication of utility plant, do not compete with the facilities of existing public utilities, and do not involve a sufficient capital outlay to materially affect the existing financial conditions of the utility involved or to require an increase in utility rates."[1] Atmos Energy did not request a CPCN for the projects listed because the projects did not result in wasteful duplication of utility plant and did not involve a sufficient capital outlay to materially affect the existing financial condition of Atmos Energy.

[1] Case No. 2000-00481, *Application of Northern Kentucky Water District (A) for Authority to Issue Parity Revenue Bonds in the Approximate Amount of $16,545,000 and (B) a Certificate of Public Convenience and Necessity for the Construction of Water Main Facilities*, Order (Ky. PSC. August 30, 2021); and, Case No. 2026-00129, *Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades*, Order (Ky. PSC. August 6, 2026).