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PUBLIC SERVICE
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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY CORPORATION)
TO EXTEND ITS DEMAND-SIDE MANAGEMENT PROGRAM) CASE NO.
AS AMENDED, AND COST RECOVERY MECHANISM,) 2008-00499
AS AMENDED FOR THREE (3) YEARS)

INITIAL REQUESTS FOR INFORMATION
OF THE ATTORNEY GENERAL

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Request for Information to Atmos Energy Corporation, to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted,

JACK CONWAY
ATTORNEY GENERAL OF KENTUCKY



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CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 2nd day of March, 2009, I have filed the original and ten copies of the foregoing Attorney General's Request for Information with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

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1. Please refer to the application, page 2, paragraph 7. Please explain why the company plans to continue to limit weatherization services offered under the proposed DSM programs to only low income households.
2. Please refer to the application, Tab 1 – program summary, page 3. Please describe the measures utilized or installed under the company’s weatherization program along with the criteria for deciding which homes get which measures installed.
3. Please refer to the application, Tab 1 – program summary, page 3. Please explain how benefits under the company’s weatherization program are coordinated with benefits under the Federal Weatherization Assistance Program.
4. Please refer to the application, Tab 1 – program summary, page 3. Please provide the average number of houses served by the company’s weatherization program along with the average cost of the services provided.
5. Is the company aware of the modifications in the Federal Weatherization Assistance Program that were made under the American Recovery and Reinvestment Act of 2009?
6. Under the American Recovery and Reinvestment Act of 2009 (ARRA), the Federal Weatherization Assistance Program is to distribute \$5 billion dollars for low income weatherization services. The act increased the level of assistance available to each household to \$6,500.00, increased the eligible income level under the program and allows new weatherization assistance for homes that were weatherized as recently as 1994. Please explain how the changes in the Federal Weatherization Assistance Program will affect the company’s program weatherization program.
7. Please refer to the application, Tab 1 – program summary, page 3. Please provide documentation to support the statement by the company that “[t]he cost of weatherization has increased dramatically...”.
8. Please refer to the application, Tab 1 – program summary, page 3. Please explain in detail how the increased funding level of \$3,000.00 per household was arrived at by the company.
9. Please indicate the current income levels used to qualify participants in the program. Please indicate whether these levels have increased since program inception and, if so, please indicate the levels previously used to qualify participants.

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10. Does the company expect to modify the income levels used to qualify participants in its weatherization program in light of the changes in the Federal Weatherization Assistance Program? If so, please explain the expected modifications.
11. Please indicate whether benefits under the company's program are available to homeowners, tenants, or both. Please indicate what, if any, criteria are used to differentiate services that are available to homeowners and tenants.
12. For each program proposed by the company, please provide a breakdown of the program costs including the budget for administrative costs.
13. Please refer to the application, Tab 1 – program summary, page 4. Please state whether the company intends to claim any energy savings as part of its education program and describe in detail the methodology the company will use to calculate any claimed savings.
14. Please provide copies of all educational materials to be distributed to children participating in the company's energy education program.
15. Please refer to the application, Tab 1 – High Efficiency Heating Program, page 6. Please explain in detail how the rebate amount was determined. Please provide any supporting documentation to support the company's proposed rebate amount.
16. Please refer to the application, Tab 1 – High Efficiency Heating Program, page 6. What is the approximate cost difference between a high efficiency unit and a "standard" unit?
17. Please refer to the application, Tab 1 – High Efficiency Heating Program, page 6. Based on estimated efficiencies, how long will it take the average consumer to recover the cost differential between a high efficiency unit and a "standard" unit?
18. Please refer to the application, Tab 1 – High Efficiency Heating Program, page 6. Please explain why the rebate is fixed regardless of unit size. Does the company believe that it is reasonable to have a rebate vary based on unit size? If so, why was that not proposed in the application?
19. Please refer to the application, Tab 1 – High Efficiency Water Heater Program, page 8. Please explain in detail how the rebate amount was determined. Please provide any supporting documentation to support the company's proposed rebate amount.

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20. Please refer to the application, Tab 1 – High Efficiency Water Heater Program, page 8. What is the approximate cost difference between a high efficiency unit and a “standard” unit? What is the approximate cost difference between a high efficiency unit and a tankless unit?
21. Please refer to the application, Tab 1 – High Efficiency Water Heater Program, page 8. Based on estimated efficiencies, how long will it take the average consumer to recover the cost differential between a high efficiency unit and a “standard” unit? How long will it take the average consumer to recover the cost differential between a high efficiency unit and a tankless unit?
22. Please refer to the application, Tab 1 – High Efficiency Water Heater Program, page 8. Please explain why the rebate is fixed regardless of unit size. Does the company believe that it is reasonable to have a rebate vary based on unit size? If so, why was that not proposed in the application?
23. Please refer to the application, Tab 1 – Cost Recovery, page 10. Please explain why the lost sales component (DLSA) is cumulative until the company’s next rate case. Does this allow the company to continue to recover for lost sales from implementation of a measure until the company next rate case? Will this have the effect of creating a regulatory asset? Is the company attempting to create a regularoty asset without obtaining the Commission’s prior approval?
24. Please refer to the application, Tab 1 – Cost Recovery, page 10. Please explain in detail how the company proposes to calculate the natural gas savings under the programs. Does the company propose to utilize engineering estimates exclusively? Is there a bill comparison component? Is there any method which will true up the estimates with actual savings data?
25. Please refer to the application, Tab 1 – Cost Recovery, page 10. Please explain how the 15% incentive rate was chosen and what it is based upon (DIA).
26. Please refer to the application, Tab 1 – Cost Recovery, page 10. Please explain why a 10 year program life was chosen. Does the company propose a true up for its actual gas costs over the 10 year period?
27. Please refer to the application, Tab 1 – Cost Recovery, page 11. Please explain why, given current market conditions, the company believes it is appropriate to use the 3 month commercial paper rate.

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28. Please refer to the application, Tab 1 – Cost Recovery, page 11. With a 10 year program life, does the company propose that a final true up will occur at some point? If not, why?