

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION
TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation (Atmos), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on May 30, 2025. The Commission directs Atmos to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Atmos shall make timely amendment to any prior response if Atmos obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Atmos fails or refuses to furnish all or part of the requested information, Atmos shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Atmos shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Describe any changes Atmos has encountered or expects to encounter to the Low Income Home Energy Assistance Program (LIHEAP) under the current presidential administration.

2. Refer to Direct Testimony of T. Ryan Austin, pages 17-18 and Exhibit TRA-5.

a. Explain why pressure reduction per PHMSA was not a valid option for complying with PHMSA for the projects listed in Exhibit TRA-5.

b. For each pipeline referenced in Exhibit TRA-5, provide the total estimated costs of complying with the PHMSA Mega Rule by (1) replacing the pipeline, (2) pressure testing and (3) by retrofitting for use with an inline inspection (ILI) tool over the useful life of the proposed replacement pipeline. Include the cost of ILI testing after replacement.

3. Refer to Direct Testimony of T. Ryan Austin, pages 37–38.

a. Provide the estimated cost and timeline, both with the current spending cap and without a cap, to replace all Aldyl-A pipeline. Break this down by project, and by year if available. If not available, explain how Atmos has determined both the cost and timeline for replacement.

b. Provide the estimated construction schedule for projects to be paid for by the PM Rider, both with the current spending cap and without a cap.

4. Refer to Direct Testimony of Gregory K. Waller, page 34. Provide copies of American Gas Association (AGA) and Chamber of Commerce bills for the last three years showing their allocation between lobbying and non-lobbying costs.

5. Refer to Rebuttal Testimony of Gregory K. Waller. Also, refer also to the hearing testimony of Gregory Waller, May 6, 2025 Hearing Video Transcript (May 6, 2025 HVT) at 14:11:20. Provide the budgeted and actual capitalization rates and the variances between the budgeted and actual capitalization rates for labor expense for Kentucky direct employees for Fiscal Years 2019 through 2023.

6. Refer to Direct Testimony of Joel J. Multer, pages 4–5 and Exhibit JJM-1.

a. Explain how far back Atmos has Income Statement and ADIT data like that used to calculate the information in Exhibit JJM-1, and the time and expense it would take to provide that data.

b. Identify the last fiscal year in which Atmos had no net operating loss carryforward and provide a spreadsheet showing overall changes to that net operating loss carryforward in each year since that year, along with a breakdown of that amount between Atmos's regulated and unregulated divisions.

c. Explain whether Atmos would be able to perform the calculation included in Exhibit JJM-1 from the last year that Atmos had no net operating loss carryforward, and if so, explain any issues or risks that might arise in such a calculation such as issues associated with the reliability of information in historic years.

d. Provide an update to Exhibit JJM-1 reflecting increases and decreases in the deferred tax asset for the period beginning October 1, 2024 and ending March 31, 2025.

e. Provide the effect of the change in the deferred tax asset from October 1, 2024 through March 31, 2025 on Atmos's revenue requirement and explain how that effect was calculated.

7. Refer to the Rebuttal Testimony of Joe Christian, Exhibit JTC-R-1. Refer also to the hearing testimony of Joe Christian, May 6, 2025 HVT, at 17:02:20.

a. Provide all workpapers for Exhibit JTC-R-1 in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. In the response, where applicable, include all formulas and sources for any information or calculations within the spreadsheets.

b. State whether the analysis in Exhibit JTC-R-1 was actually completed based on the assumption of a capital structure consisting of 47.5 percent equity or whether that reference in the exhibit was a typo. If the analysis was completed based on an assumption of 47.5 percent equity, provide an updated analysis with all workpapers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

c. Provide any rating agency documents relied upon for the analysis completed in Exhibit JTC-R-1.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED **MAY 14 2025**

cc: Parties of Record

*L. Allyson Honaker
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KY 40509

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
425 Walnut Street
Suite 2400
Cincinnati, OH 45202

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, KY 42303

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Eric Wilen
Atmos Energy Corporation
810 Crescent Centre Drive, Suite 600
Franklin, TN 37067

*Heather Temple
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KY 40509

*John N. Hughes
Attorney at Law
7106 Frankfort Road
Versailles, KY 40383

*John G Horne, II
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204