

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ATMOS	)	
ENERGY CORPORATION TO EXTEND ITS GAS	)	CASE NO.
COST ADJUSTMENT PERFORMANCE BASED	)	2026-00224
RATEMAKING MECHANISM	)	

COMMISSION STAFF'S FIRST 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 October 30, 2026. 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. Refer to Atmos' Application, unnumbered PDF page 6, the Verification of Mark Martin; and unnumbered PDF page 11, the Verification of Don A. Erickson. Provide copies of the referenced documents in a version that complies with 807 KAR 5:001, Section 8(4)(b)(5).

2. Since Atmos's PBR mechanism was established, provide the percentage of total gas cost for which Atmos's purchase price was above the benchmark for that purchase.

3. Since Atmos's PBR mechanism was established, explain if Atmos was ever penalized through its PBR mechanism, either by not meeting the established benchmarks, or by other means.

4. Explain whether Atmos has any legal obligation or financial incentive to optimize its gas supply portfolio absent a PBR mechanism with regards to both cost efficiency and/or reducing volatility or risk. If so, describe the obligations or incentives. If not, explain why not.

5. Provide a detailed list of other utilities in other jurisdictions that have approved natural gas procurement PBR mechanisms. Further, explain how Atmos's PBR mechanism compares to active mechanisms in the other jurisdictions. For any discontinued mechanisms, provide all available details regarding their discontinuance.

6. Provide a cost-benefit analysis of the costs associated with Atmos's negotiation of the discounted rate and the savings created from the PBR mechanism for ratepayers.

7. Identify any economic or scientific studies of which Atmos is aware that support the contention that adopting a PBR mechanism reduces gas costs for customers of local gas distribution companies and provide copies of any such studies.

8. Explain how Atmos allocates its portion of the gas cost savings it collects from customers through its Gas Cost Recovery rate.

9. Provide copies of all interstate pipeline transportation and storage contracts and tariffs utilized during the most recent year. Provide a comparison of the terms of these transportation arrangements with those that were utilized during the five previous calendar years. Explain all efforts to ensure that interstate pipeline transportation costs were and are as low as possible.

10. Provide copies of all current contracts for commodity supply. Provide a comparison of the terms of these commodity supply arrangements with those that were utilized during the five previous calendar years. Explain all efforts to ensure that commodity gas supply costs were and are the lowest possible cost, and consistent with security of supply.

11. Provide gas supply and capacity contract summaries showing significant contract terms, daily/monthly/annual entitlements, and pricing. Identify any capacity changes (renegotiated and expired agreements, de-contracting, assignment, or long-term release) that took place during the most recent year.

12. Provide Atmos's storage arrangements; state the maximum daily injection and withdrawal rates; and the decline in deliverability that occurs as gas is withdrawn.

13. Provide the capacity of any peaking arrangements.

14. Provide a copy of any written procedures in use by Atmos for nominations and dispatching.

15. If Atmos has utilized gas marketing/trading organizations to obtain gas supplies over the last five years, indicate which organizations were so employed, gas volumes purchased, prices, terms, and current contractual arrangements between Atmos and these marketing firms.

16. Provide a summary of the bidding/Request for Proposal process for gas supply for the last five years, providing the original bid documents, a listing of the suppliers that were contacted, the responses to the request for bid, the evaluation process that led to the selection of a supplier, and any written procedures that exist for this activity.

17. Provide a copy of Atmos's most recent gas supply plan and a written description of its gas supply planning process.

18. Provide a narrative description of any supply-planning computer models currently being used by Atmos or being considered for future use.

19. Provide organizational charts of Atmos's overall corporate organization and of the gas planning, gas purchasing, and gas operations functions. Describe any changes that have occurred in the corporate, gas planning and purchasing, and gas operations organizations in the last five years, and any changes that are underway or contemplated within the next five years.

20. Provide job descriptions of the personnel working in the gas planning, gas purchasing, and gas operations functions.

21. Provide copies of reports or internal audits or reviews of any aspect of the supply function conducted within the last five years. Include reports prepared by Atmos and any of its outside auditors.

22. Provide a copy of Atmos's strategic plan with primary emphasis on gas procurement, transmission, delivery, and expansion inclusive of any significantly related capital expenditures.

Justin McNeil RP

Justin McNeil
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DATED OCT 15 2026

cc: Parties of Record

Case No. 2026-00224

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