

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-01**  
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Electronically Filed in TPUC Docket  
Room on March 27, 2026 at 1:45 p.m.

**REQUEST:**

Provide the monthly weather-normalized average consumption per residential customer for the twelve months ending September 30, 2025.

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-01\_Att1 - FY25 WNA Avg Consumption per Residential Customer.xlsx

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**REQUEST:**

Please refer to the response to CAD 1-19 and confirm that the costs per service line foot are limited to material costs only and do not include any other fixed or variable costs. If this is not confirmed, provide the breakdown of the cost split between the following: direct labor, employee benefits, equipment loadings, supervisory loadings, and other.

**RESPONSE:**

The costs per service line foot in the response to Consumer Advocate 1-19 subparts (b)-(c) are contractor costs.

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**REQUEST:**

Regarding Service Lines installed in fiscal years 2023 - 2025, provide the following:

- a. Total amount charged to Plant in Service Account 380-Services for new construction, split between customer class, if available. For purposes of this response, eliminate credits charged to Account 380 associated with the removal costs associated with retired service lines.
- b. Total footage of Service Lines associated with the amount provided in part a) above, split between customer classes if available.

**RESPONSE:**

- a. See Attachment 1. The information is not available by customer class.
- b. See the response to Consumer Advocate 2-32 for total service lines installed. The information is not available by customer class.

**ATTACHMENT:**

CA\_2-03\_Att1 - Acct 380-Services Additions for Growth FY23-FY25.xlsx

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**REQUEST:**

Refer to tab "093 O&M Acct" within Schedule 12 of the schedules files with the application and respond to the following:

- a. Provide a breakdown of the \$366,521 of sales expense, account 913, between a) Labor and related benefits, b) outside contractor costs c) Media purchases and d) Other
- b. Provide the text for all advertisements whose costs are included in the proposed revenue requirement.
- c. For each distinct ad placed, identify the associated cost incurred in for both a) the cost to develop the ad and b) the costs to broadcast (radio/TV) or display the ad (print/social media).

**RESPONSE:**

- a. See the Sub Account and Sub Account Description in Attachment 1, which categorizes the costs. Using the Sub Account, there were no amounts charged to labor and benefits, \$292,550 charged to contractor costs, \$71,325 charged to advertising and \$2,646 charged to community relations and trade shows. The contractor labor was primarily for billboards.

During the preparation of this response, it was discovered that invoice INV14346 had \$6,666.40 of charges that should have been recorded to Kentucky and invoice 116914064 had \$2,625 of charges that should have been recorded to Kentucky. The Company would agree to remove these expenses from the filing.

- b. See Attachment 1 in the column "Text". The billboard ads are also included in Attachment 1. As described in subpart (a), the \$292,550 of contractor costs, which make up the majority of the costs in this subaccount, were for billboard advertising which was from two vendors, Lamar Companies and Outfront Media Sports.
- c. The amounts for each invoice are included in Attachment 1 by subaccount for the total amounts charged to Tennessee and are not split by cost to develop vs cost to broadcast and display.

**ATTACHMENT:**

CA\_2-04\_Att1 - Account 913 Sales Expenses Detail.xlsx

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**REQUEST:**

Refer to account 925 within tab "093 O&M Acct" within Schedule 12 of the schedules files with the application and respond to the following:

- a. For each incident that resulted in a charge to this account (accrual or cash), describe the nature of the incident, the date the incident occurred, and provide a copy of internal documentation regarding the incident.
- b. How are insurance proceeds received associated with Injuries and Damages accounted for by Atmos?

**RESPONSE:**

- a. See confidential Attachment 1 for the Account 925 detail with descriptions. The year-over-year increase is primarily due to a motor vehicle settlement recorded in July 2025. Atmos Energy objects to the request for "internal documentation" that was prepared in anticipation of litigation and is protected from disclosure pursuant to the attorney-client privilege and/or the work product doctrine.
- b. Typically, when we receive confirmation of an expected insurance reimbursement, a receivable is created with a credit to expense. When the insurance reimbursement is received there is a credit to the receivable and a debit to cash.

**ATTACHMENT:**

CA\_2-05\_Att1 - Account 925 Detail (CONFIDENTIAL).xlsx

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**REQUEST:**

Refer to the "093 O&M Sub Acct" tab within File 12 and specifically footnote M and cost center 05418. Please respond to the following:

- a. Provide a copy of all internal documentation related to charges to this cost center incurred in fiscal year 2025.
- b. If not contained in item (a) above, provide a comprehensive explanation of the nature of the costs incurred in this cost center.
- c. Provide the rationale supporting the inclusion of these costs in the company's revenue requirement.

**RESPONSE:**

- a. See Attachment 1 to the response to Consumer Advocate 2-05, which has descriptions for each of these transactions.
- b. These payments primarily represent third-party reimbursements and claim payments for property damage allegedly caused by Atmos Energy. Common property damage claims include damage to landscaping, plumbing, sprinkler systems, fencing, and mailboxes after Atmos Energy completes work at a third-party's home or business. Expenses labeled as "Travelers" include claim payments, litigation settlements, and legal fees associated with fleet vehicle accidents. Other types of third party claims include personal injuries allegedly caused by Atmos Energy and reimbursements for loss income or out-of-pocket expenses due to an outage or evacuation.
- c. See the response to subpart (b) for the common costs that are recorded to this subaccount in the normal course of business.

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**REQUEST:**

Refer to the response to CAD 1-7. Provide the split of the AIC collections between Mains, Services and Other for the fiscal periods ending September 30, 2023 - 2025. For the portion related to Services, identify the portion of AIC split between those collections associated with a) developer installed service lines, b) Atmos' contractor installed service lines and c) Service lines installed with Atmos labor.

**RESPONSE:**

See Attachment 1 for the split of AIC between Mains, Services and Other for the periods ending September 30, 2023 - 2025.

There were no developer installed service lines for the fiscal periods ending September 30, 2023 – 2025.

The Company does not track/budget service lines individually nor separate the service lines by contractor installed versus Company installed. To develop an approximate breakout, the Company asked each Business Development Representative to review each service line for their service area to determine if AIC was collected and if the service line was installed by a contractor or by company employee and the amount of AIC for each individual service line. This analysis was completed for FY 2025 only based on the manual nature of the task. Based on this analysis, 93% of all service lines with AIC were installed by a contractor and 7% were installed by company employees.

**ATTACHMENT:**

CA\_2-07\_Att1 - FY23-FY25 AIC Split.xlsx

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**REQUEST:**

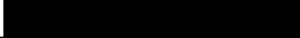

Identify the amount of AIC collected in fiscal years 2023 - 2025 by customer class associated with the provisions of Atmos Tariff 7.3.4.

**RESPONSE:**

The Company does not maintain AIC at the customer class level.

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**REQUEST:**

[CONFIDENTIAL] - Refer to the response to CAD 1-19 (b).   


**RESPONSE:**

Atmos Energy is complying with Sheet 67 of its tariff by charging customers for excess service line costs beyond the free allowance. Atmos Energy is charging customers the rate the Atmos Energy contractors are charging Atmos Energy for excess footage costs. The rate charged by contractors for excess footage is lower than the average cost to install all service lines across Tennessee. In many cases, the customer chooses to open and close the service line ditch for the entire length of the service line, reducing the cost to Atmos Energy to install the service line, rather than paying AIC for the excess service line costs outlined above.

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**REQUEST:**

**[CONFIDENTIAL]** - Refer to the confidential response to CAD 1-31, Attachment 1,  
[REDACTED]

a. [REDACTED]

b. [REDACTED]

**RESPONSE:**

- a. Confirm. The gross state loss as of 9/30/24 was **[CONFIDENTIAL]** [REDACTED]
- b. See Confidential Attachment 1 for reconciliation of state NOL balances.

**ATTACHMENT:**

CA\_2-10\_Att1- FY24 State NOL Summary (CONFIDENTIAL).xlsx

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**REQUEST:**

Please refer to the Capital Structure Reference Revenue Requirements Schedules, Tab 9, capital structure and November 4, 2015, Order Approving Settlement in Docket No. 14-00146, page 4.

- a. What is the revenue requirement impact of using the proposed capital structure compared to the capital structure approved in the last rate case?
- b. How does the capital structure in the petition compare to the industry average?
- c. Why does the company maintain an equity ratio higher than the industry average?
- d. What business risks does Atmos have that require a capital structure with a higher percentage of equity financing than the industry average?
- e. Confirm that the cost of equity of 9.8% approved in the last rate case was associated with the approved capital structure that was comprised of 53.13% equity, 5.01% short-term debt, and 51.86% long-term debt.
- f. How does the difference in the capital structure in this filing compared to that in the last rate case impact risk. How does the difference in capital structure impact the cost of equity?
- g. How do customers benefit from the capital structure with a higher percentage of equity financing than what was approved in the last rate case?
- h. Provide support for the benefit to customers of using the capital structure in this petition as beneficial for customers and investors.
- i. Has the company evaluated alternative capital structures? If so, what were the results?
- j. Provide Atmos' current bond rating.

**OBJECTIONS:**

Atmos Energy objects to this request is subpart (b), on the grounds that it seeks information regarding "industry average" without limitation on the grounds that such request is irrelevant, overly broad, and unduly burdensome.

**RESPONSE:**

- a. Atmos Energy objects to this subpart (a) on the grounds that it requires the Company to perform a study, conduct an analysis or otherwise prepare information that does not currently exist and is not relevant.
- b. Atmos Energy objects to this subpart (b), on the grounds that it seeks information regarding "industry average" without limitation on the grounds that such request is irrelevant, overly broad, and unduly burdensome.

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- c. See the objection to subpart (b). Without waiving said objection, the Company maintains its current capital structure in a manner that allows it to support its ongoing capital investment plans, maintain ratings with the credit ratings agencies and access the capital markets on an ongoing, frequent basis and have the flexibility to respond to unexpected circumstances. The Company would also note that its capital structure preserves financial flexibility and credit quality so Atmos Energy can access capital markets on reasonable terms and fund safety/reliability investments. The higher equity position supports liquidity through potential shocks (e.g. the Tax Cuts and Jobs Act ("TCJA"), COVID, Winter Storm Uri) and helps avoid rating downgrades and higher borrowing costs.
- d. See the objection to subpart (b). Without waiving said objection, Atmos Energy's gradual strengthening of its balancing sheet from 2012 to 2019 accompanied the Company's commitment to increase system integrity investment in response to The Department of Transportation's Call to Action in 2011 and subsequent changes to pipeline safety regulations. Since that time, Atmos Energy has maintained a capital structure that has allowed capital investment 4x depreciation (i.e., capital investment divided by depreciation expense) to keep pace with the requirements of pipeline safety regulations and to address relative risk on its pipeline systems in a manner that is compliant with those regulations.
- e. The final order in Docket No. 14-00146, dated November 4, 2015, approved Atmos Energy's requested, actual capital structure at that time of 53.13% equity, 5.01% short-term debt, and 41.86% LT debt.
- f. See the responses to subparts (c) and (d).
- g. Atmos Energy has an obligation to serve its customers safely and reliably. This obligation necessitates investment in the pipeline system. To undertake this investment for the benefit of customers, Atmos Energy must have access to capital on reasonable terms. Further, to protect customers in unexpected events impacting the ability to provide service like those described in subpart (c), the Company must manage its capitalization in a manner that does not impair liquidity. Customers further benefit from lower long-term interest expense and lower borrowing costs via stronger credit profile.
- h. See the response to subpart (g). The consolidated higher equity structure stabilizes financing costs and reduces risk to customers and investors. Atmos Energy's corporate structure, unlike utilities with HoldCo structures, provides transparency to customers so that the actual capital structure of the enterprise accurately reflects the cost of financing the investments undertaken to provide service. As reflected in the methodologies ordered by the Commission for the ARM, it is appropriate to include these actual financing costs in rates.

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- i. See response to subpart (c) for a description of the general factors impacting Atmos Energy's determination of its capitalization plan and capital structure. This is an ongoing process, and changes are made from time to time based on the short-term and long-term considerations of these factors.
  
- j. Moody's A2 and S&P Global Ratings A-.

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**REQUEST:**

Please provide a breakdown of Capital Expenditures included in the 2025, 2024 and 2023 ARM Test Years by the primary categories listed below. If Atmos uses other similar category designations that would equate to the list below, please note the differences in the response.

- a. New Business/Growth
- b. Maintenance/System Integrity
- c. System Improvements
- d. Facilities
- e. IT
- f. Automated Meter Reading, if applicable
- g. LNG, if applicable
- h. RNG, if applicable
- i. All Other

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-12\_Att1 - 2023-2025 Capital Expenditures Breakdown.xlsx

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**REQUEST:**

Please provide a breakdown of Capital Expenditures budget amounts for the 2025, 2024 and 2023 ARM Test Years by the primary categories listed below. If the Atmos Budget time frame does not align with the ARM Test Year, the nearest corresponding 12-month period would be acceptable. If Atmos uses other similar categories designations that would equate to the list below, please note the differences in the response.

- a. New Business/Growth
- b. Maintenance/System Integrity
- c. System Improvements
- d. Facilities
- e. IT
- f. Automated Meter Reading, if applicable
- g. LNG, if applicable
- h. RNG, if applicable
- i. All Other

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-13\_Att1 - FY23-FY25 Budget Capital Expenditures.xlsx

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**REQUEST:**

When Atmos reviews proposals for line extensions for new residential, commercial or industrial business, would there be a decision as to whether AIC is charged to the requesting party. Does the company consider the following issues when making that decision and would the response be different based upon the class of customer requesting the extension?

- a. Financial security of the party requesting the extension?
- b. Consideration of the timing of revenue generation from the project, i.e., 1 year, 3 years, 5 years, etc.?
- c. How is the decision made to collect AIC prior to construction or at the end of a given time period?
- d. If the model used to determine ROE/ROI of a project identifies the need for AIC, who in the Company can override the model and waive the AIC?

**RESPONSE:**

- a. Yes, financial security is considered for Commercial and Industrial customer classes, and is not considered for Residential customers.
- b. Yes, consideration of the timing of revenue generation from a project is considered for all three classes of customers--residential, commercial or industrial.
- c. The decision is made prior to construction. For larger projects, the agreements may include a true up at the end of construction.
- d. Typically, this would be a group decision. The group could include Manager, Business Development; the local Operations Manager; Engineering Manager; Division VP's and/or Division President.

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**REQUEST:**

Please identify all proposals for a line-extension for new residential, commercial or industrial business, with a cost of over \$500,000 where no AIC was charged to the requesting party.

**RESPONSE:**

[CONFIDENTIAL]



**ATTACHMENT:**

CA\_2-15\_Att1 - FY25 Projects over \$500K no AIC (CONFIDENTIAL).pdf

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**REQUEST:**

Please identify all proposals for a line-extensions for new residential, commercial or industrial business, with a cost of over \$500,000 and the amount of AIC that was charged to the requesting party.

**RESPONSE:**

[CONFIDENTIAL]



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**REQUEST:**

If a new main or service line is installed and ready for service for a new development, but the development is not yet ready to receive gas deliveries, where is the cost of that installation recorded?

**RESPONSE:**

Construction work on mains is charged to the project and kept in Account 107 until the assets are finished. Once the work is complete, those costs are moved into Accounts 106/101.

Service installation costs are assigned directly to the specific functional projects as the work is done. These functional projects are then closed out each month to Account 106, and the accumulated balances are transferred each quarter to Account 101.

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**REQUEST:**

Please provide the Contractor costs for Capital Expenditures included in the 2025, 2024 and 2023 ARM Test Years?

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-18\_Att1 - Contractor Costs for Capex FY23-FY25.xlsx

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**REQUEST:**

What Capital Expenditures are typically completed by Contractors?

**RESPONSE:**

Capital work performed by contractors includes leak repair, installation, replacement, and retirement of mains, services, regulator stations, meters, valves, anodes, cathodic protection devices, and other equipment. This work may also include ancillary costs such as restoration of pavement and site and property restoration. Additionally, contractors may perform engineering and inspection related to the capital work.

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**REQUEST:**

Does the company have employees (Contractor Inspectors) designated to monitor Contractor Construction projects? If not, how does the company ensure that work is completed in compliance with regulatory related issues and Company policy?

**RESPONSE:**

Atmos Energy uses both Company employees and contractor inspectors to monitor contractor construction projects.

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**REQUEST:**

What Capital Expenditures are typically completed by Company Employees?

**RESPONSE:**

Capital work performed by Company employees typically includes leak repair on mains and services and installation, replacement, and retirement of services, meters, anodes, cathodic protection devices, and other equipment. Company employees perform engineering, inspection, and mapping related to the capital work. Additionally, Company employees may perform installation, replacement, and retirement of some mains, regulator stations, and valves.

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**REQUEST:**

Please provide the number of customers by class (i.e., Residential, Commercial, etc.) at the end of the 2025, 2024 and 2023 ARM Test Years?

**RESPONSE:**

See the table below for the number of customers by class at the end of the 2025 - 2023 ARM Test Years.

<b>Customer Class</b>	<b>Sep-25</b>	<b>Sep-24</b>	<b>Sep-23</b>
Residential	146,209	143,624	141,090
Commercial	17,743	17,560	16,770
Industrial	335	321	341
Public Authority	605	603	624
<b>Total Sales Customers</b>	<b>164,892</b>	<b>162,108</b>	<b>158,825</b>
Transport	112	112	114
<b>Total Gas Customers</b>	<b>165,004</b>	<b>162,220</b>	<b>158,939</b>

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**REQUEST:**

[CONFIDENTIAL] - Refer to the response to CAD DR 1-16, Attachment 2, [REDACTED]

**RESPONSE:**

[CONFIDENTIAL] [REDACTED]

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**REQUEST:**

[CONFIDENTIAL] -

[REDACTED]

**RESPONSE:**

[CONFIDENTIAL]

[REDACTED]

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**REQUEST:**

[CONFIDENTIAL] - For the work addressed [REDACTED]  
[REDACTED]

**RESPONSE:**

[CONFIDENTIAL] [REDACTED]  
[REDACTED]

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**REQUEST:**

[CONFIDENTIAL] -

[REDACTED]

**RESPONSE:**

[CONFIDENTIAL]

[REDACTED]

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**REQUEST:**

[CONFIDENTIAL] -

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**RESPONSE:**

The Company system is not set up in a way that this information is tracked at this level of detail.

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**REQUEST:**

**[CONFIDENTIAL]** - Please refer to the fiscal year 2024 Tennessee State and Excise Tax Return, identified as the 2023 Franchise and Excise Tax Return. The Franchise tax identified for this period, fiscal year 2024, was [REDACTED]. The fiscal year 2025 accrued Franchise tax amount, as shown in WP 5-1, Schedule 6, for division 093 is [REDACTED]. Provide a reconciliation, including supporting documentation supporting the approximate [REDACTED] annual increase in this expense. If there are other components of the fiscal year State Franchise Tax that make such a comparison incomplete, provide a thorough explanation of these additional cost items.

**RESPONSE:**

**[CONFIDENTIAL]** Franchise tax calculations are based on the Company's net worth utilizing the balance sheet at time of reporting. [REDACTED]

**ATTACHMENT:**

CA\_2-28\_Att1 - Franchise Accrual Summary (CONFIDENTIAL).xlsx

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**REQUEST:**

Refer to WP 5.1. Provide all supporting documentation for the State Gross Receipts Expense charges of \$2,816,779. Identify all assumptions and estimates incorporated into monthly accruals and justify the reasonableness of such assumptions.

**RESPONSE:**

The Tennessee Gross Receipts Tax operates on a July-June tax year. The annual payment is made in July and covers the upcoming July-June privilege period. We calculate the monthly accrual for each month by determining the percentage that the same month's revenue represented in the prior tax year (July-June) relative to the total revenue for that entire prior tax year, then applying that percentage to the current annual payment made in July. For example, the accrual for October 2024 was calculated as: (October 2023 revenue ÷ Total Revenue from July 2023-June 2024) × Annual Payment made in July 2024. This method provides a consistent, revenue-weighted estimate of the monthly tax expense throughout the current tax year.

In addition to the normal accruals made according to the method above, we also booked expense in September 2025 for \$1,606,069.84 related to a tax audit assessment and the impact to the gross receipts tax of a franchise tax refund.

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**REQUEST:**

Refer to WP 5.1. Respond to the following regarding Division 002 Excise Taxes.

- a. What is the rationale for the assignment of excise taxes incurred in another jurisdiction to the Tennessee jurisdiction?
- b. Provide the underlying documentation supporting the \$666,500 in Division 002 Excise charges incurred in November, 2024.

**RESPONSE:**

- a. Excise taxes have been allocated to Tennessee Division 093 on approved allocation factors. This treatment is consistent with prior approved TN ARM filings.
- b. See confidential Attachment 1 for support of balance.

**ATTACHMENT:**

CA\_2-30\_Att1- CY24 Federal Excise Return (CONFIDENTIAL).xlsx

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**REQUEST:**

Identify the footage of service lines for which AIC was charged for fiscal years 2023 - 2025.

**RESPONSE:**

The Company system is not set up in a way that this information is tracked at this level of detail.

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**REQUEST:**

Identify the footage of service lines installed for fiscal years 2023 2025.

**RESPONSE:**

See the table below for total service lines installed for these fiscal years.

<b>Fiscal Year</b>	<b>Actual Service Line Footage</b>
2023	213,527
2024	234,934
2025	262,257
<b>Total</b>	<b>710,717</b>

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**REQUEST:**

A comparison of the September 2025 and September 2024 balance of account 380 Services for division 093, indicates a year-over-year increase of approximately \$20 million. Please respond to the following:

- a. What were the 2025 fiscal year credits to this account related to the retirement of Service Lines?
- b. Provide a breakdown of the debits charged to this account into the following categories:
  - i. Direct charged Atmos Labor
  - ii. Direct Atmos Labor employee benefits
  - iii. Allocated Atmos Labor
  - iv. Allocated Atmos Labor employee benefits
  - v. Payments to developers for the installation of service lines
  - vi. Payments to Atmos contracted third party construction firms
  - vii. Equipment loadings
  - viii. Other (specify)

**RESPONSE:**

- a. See Attachment 1.
- b. See Attachment 2 for the additions to Account 380 plant-in-service for fiscal year 2025. The expenditure type is available at the project level but not at the plant-in-service level for a particular plant FERC account.

The year-over-year increase in Account 380 of 10% is consistent with the year-over-year increase of 9% experienced in the prior year. The increase in service lines, the timing of being placed in-service, contract labor increases, materials increases, and normal labor increases due to annual merit have contributed to the year-over-year variance.

**ATTACHMENTS:**

CA\_2-33\_Att1 - Account 380 Services Retirements FY25.xlsx  
CA\_2-33\_Att2 - Account 380 Services Total Additions FY25.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-34**  
**Page 1 of 1**

**REQUEST:**

The 2024 Annual Report to the U.S. Department of Transportation (DOT) was submitted on March 14, 2025. Please provide a copy of the 2025 calendar year report when it is submitted to the DOT.

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-34\_Att1 - DOT Annual Report Tennessee Distribution 2025.pdf

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-35**  
**Page 1 of 1**

**REQUEST:**

Identify the number of service lines replaced by year in fiscal years 2023 - 2025.

**RESPONSE:**

See the table below for the number of service lines replaced during fiscal years 2023 - 2025.

<b>Non-Growth service line replacements</b>		
<b>FY25</b>	<b>FY24</b>	<b>FY23</b>
<b>1,844</b>	<b>1,438</b>	<b>1,111</b>

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-36**  
**Page 1 of 1**

**REQUEST:**

Confirm that a reasonable assumption for the determination of the number of new service lines installed to accommodate customer growth is to simply assume the new service lines equal the growth in customers year over year. If this is not confirmed, identify the number of service lines installed in the test period to accommodate customer growth.

**RESPONSE:**

No, this is not a reasonable assumption. See the table below for the number of service lines installed in the Fiscal Years 2023 - 2025.

<b>FY23-FY25 TN Services</b>			
	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Total Service Lines Installed</b>	2,996	2,713	2,937

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-37**  
**Page 1 of 1**

**REQUEST:**

Provide the cost of installing new service lines versus the cost of replacing an existing service line based upon costs incurred in the 2025 fiscal year. For purposes of this request, the costs of removing the existing service line should be excluded from the computation. If such cost comparison is not known, provide an estimate of such costs and an explanation of how the estimate was determined.

**RESPONSE:**

See Attachment 1.

We are providing the estimated cost of installing a new service line versus the cost of replacing an existing service line for Fiscal Year 2025. These estimates are presented on a per-service-line basis, as we do not routinely track service line costs by footage.

Note that the cost of removing, abandoning, and/or retiring the existing line cannot be extracted from the cost of replacing service lines. This is due to our use of functional projects for that type of work, which means the accounting system does not retain that information at the individual address or location level.

Additionally, the cost comparison between new installations and replacements is not directly comparable. Replacement work often involves additional scope and expenses such as asphalt removal and replacement, concrete work, rock removal, excavation, and site restoration. In contrast, new installations typically occur during the building phase and generally do not require these additional restoration activities.

**ATTACHMENT:**

CA\_2-37\_Att1 - Installation Cost of Service Piping FY25.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-38**  
**Page 1 of 1**

**REQUEST:**

For the AIC contribution, provide i) the least and ii) the greatest AIC contribution amounts received in fiscal year 2025 associated with excess service line footage and provide the underlying documentation supporting such charges.

**RESPONSE:**

- i. The least amount of AIC contributions in fiscal year 2025 was \$120. This was a new customer in Murfreesboro, Tennessee that agreed to use natural gas for water heating and a gas grill. The service line footage was estimated at 50 feet. Sheet No 67 of the Atmos Energy tariff allows 40 feet of free service line for water heating and no free footage for the grill. The customer was charged for 10 feet of excess service line at the contractor rate of \$12 per foot for excess service lines for an AIC amount of \$120.
- ii. The greatest contribution of AIC was \$9,756 in fiscal year 2025. This was a customer in an existing commercial development in Murfreesboro, Tennessee. The service line needed to be run through an existing asphalt parking lot and under an existing concrete sidewalk. The \$9,756 charge to the customer was based on a quote from the contractor to install a 2" service line including rock removal and asphalt repair.

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-39**  
**Page 1 of 1**

**REQUEST:**

Provide copies of all records reflecting travel and entertainment fees allocated to Tennessee operations and Tennessee customers.

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-39\_Att1 - T&E Account Detail.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-40**  
**Page 1 of 1**

**REQUEST:**

Reference O&M Summary FY25. Provide a list of the entities to whom membership dues or associated dues were paid, along with the associated amount, and the amount allocated to Tennessee operations and Tennessee customers. Provide this information by division: 002, 091, 093, 012, etc.

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-40\_Att1 - Membership and Association Dues.xlsx

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-41  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] -

[REDACTED]

**RESPONSE:**

[REDACTED]

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-42  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] -

**RESPONSE:**

[CONFIDENTIAL]

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-43  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] -

[REDACTED]

**RESPONSE:**

[CONFIDENTIAL]

[REDACTED]

**ATTACHMENT:**

CA\_2-43\_Att1 - TN DIM Risk Results 2025 (CONFIDENTIAL).xlsx

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-44  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] -

[REDACTED]

**RESPONSE:**

[REDACTED]

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-45**  
**Page 1 of 2**

**REQUEST:**

**[CONFIDENTIAL]** - How is the risk assessment process utilized in determining Capital Expenditure Budgets for current and future years

**RESPONSE:**

Pursuant to 49 C.F.R. Part 192 subpart P, entitled "Gas Distribution Pipeline Integrity Management," each operator is required to develop and implement its own unique Distribution Integrity Management Plan ("DIMP") to mitigate risks on its system. The DIMP specifies how the utility will identify, assess, prioritize, and evaluate risks to the integrity of distribution lines and the manner in which those risks will be mitigated or eliminated. Under Department of Transportation, Part 192, Subpart P regulations, every distribution operator is required to have a DIMP in place. The seven key elements of a DIMP are:

- Knowledge of distribution system
- Identify threats
- Evaluate relative risk
- Identify and implement measures to reduce risk
- Measure performance, monitor results, and evaluate effectiveness
- Periodic evaluation and improvement
- Report results

Rather than simply rely on an existing list of potential threats that must be identified and mitigated, PHMSA requires that "[a]n operator must consider . . . [any] other issues that could threaten the integrity of its pipeline [and] reasonably available information to identify existing and potential threats." Risk must then be evaluated and ranked, and measures must be implemented to address those risks. DIM results are a component in identifying high relative risk areas of the Tennessee system and in prioritizing replacement activities.

Atmos Energy uses the principles of integrity management to know our system and identify risks based on system characteristics, performance, and industry information. The Distribution Facility Replacement Program is one of the measures identified in the DIMP to address risk on Atmos Energy's system. Each state has a distribution facilities replacement program that uses available data regarding risk factors and subject matter expert ("SME") input to prioritize replacement at a pace that systematically addresses these risks.

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**Consumer Advocate DR Set No. 2**  
**Question No. 2-45**  
**Page 2 of 2**

Capital budgeting is a year-round process of collecting information regarding capital needs and working with Corporate Planning and Budgeting to finalize capital allocations. The bulk of the Division's budgeting efforts are typically focused on finalizing budget requests in April and May and submitting the proposed budget in early June. Throughout the year, senior leaders meet with each division to discuss operational, engineering, and financial needs. Annually in the spring, these senior leaders meet specifically with division leadership to review the division's 5-year operational planning. The annual distribution facility replacement budget is developed through this process consisting of funding to continue addressing the highest risks as identified in the annual Risk Assessment meetings, through the DIM program and risk modeling, and through daily O&M activities.

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-46  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] - [REDACTED]

**RESPONSE:**

[CONFIDENTIAL] [REDACTED]

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-47  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] -

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**RESPONSE:**

[CONFIDENTIAL]

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Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-48  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] - [REDACTED]

**RESPONSE:**

[CONFIDENTIAL] [REDACTED]

Docket No. 26-00009  
Atmos Energy Corporation, Tennessee Division  
Consumer Advocate DR Set No. 2  
Question No. 2-49  
Page 1 of 1

**REQUEST:**

[CONFIDENTIAL] - [REDACTED]

**RESPONSE:**

[CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-50**  
**Page 1 of 2**

**REQUEST:**

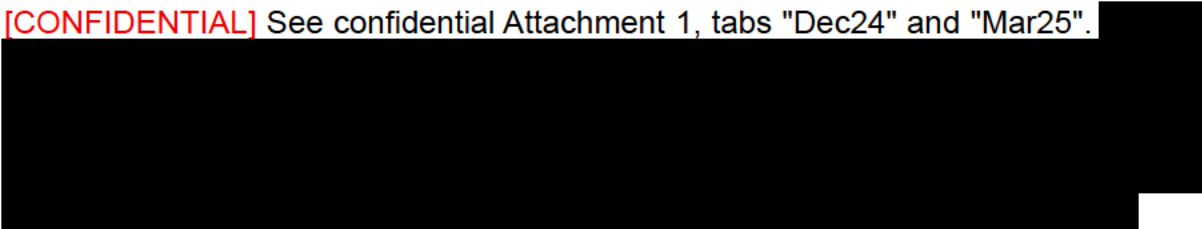
Refer to the response to CAD 1-12 and to the Utility Plant Link tab within Schedule I "TN & SSU Asset Depreciation Activity. Further, refer to the language below taken from Section 7.1 of the Company's Tariff (Sheet 63):

*The Company will install all mains necessary to serve the Customer(s) free of charge, provided the revenue expected to be realized produces a rate of return on the investment that is equal to or greater than the minimum allowed rate of return on equity approved in the Company's most recent rate case. This rate of return analysis will be based on a feasibility study performed by the Company.*

Please respond to the following:

- a. Identify the amounts charged to Account 376.02- Mains Plastic for the months of December 2024 and March 2025, split between those projects representing the replacement of Mains versus Mains placed in service to serve new load.
- b. For the amounts charged to Account 376.02 associated with new load, split these projects between those that were subject to AIC collections and those that were not subject to AIC collections.
- c. Provide the underlying analysis relied upon for each growth project in which AIC was not charged in the months of December 2024 and March 2025.

**RESPONSE:**

- a. See confidential Attachment 1, tabs "Dec24-Growth Non-Growth Main" and "Mar25-Growth Non-Growth Main".
  - b. See confidential Attachment 1, tabs "Dec24" and "Mar25" which Growth Projects had AIC collected.
  - c. **[CONFIDENTIAL]** See confidential Attachment 1, tabs "Dec24" and "Mar25".
- 

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-50**  
**Page 2 of 2**



ATTACHMENT:

CA\_2-50\_Att1 - Dec-24 and Mar-25 Growth & Non-Growth Main (CONFIDENTIAL).xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-51**  
**Page 1 of 1**

**REQUEST:**

Item 4 within Sheet 67 of Atmos' tariff contains the following language:

*For service piping in excess of the portion installed at Company expense pursuant to paragraph (2) above, the Customer will be charged for such excess footage, based on the average cost to the Company, for installing service piping the preceding calendar year. The rate per linear foot of service will be the average cost incurred during the preceding calendar year for installing such service pipe. Any charges for installing excess service piping are payable in advance. For excess service piping pursuant to paragraph (2) above, the Customer will be charged for the actual cost of such excess service piping.*

Notwithstanding the information provided in response to CAD 1-19, provide the cost to the Company for installing service piping for the years 2022 2025, along with supporting calculations.

**RESPONSE:**

See Attachment 1.

**ATTACHMENT:**

CA\_2-51\_Att1 - Installation Cost of Service Piping FY23-FY25.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-52**  
**Page 1 of 1**

**REQUEST:**

Refer to Tab WP 4.1 within Schedule 6, and specifically Outside Services. For any vendor whose costs are more than \$500,000 within the 2025 fiscal year charged to either Division 002 or 012, provide the following:

- a. Identify the vendor and the associated cost
- b. Provide a thorough explanation of the nature of the services provided and why such services were necessary in the provision of Tennessee jurisdictional gas distribution service.
- c. For any vendor whose costs exceeded \$1,000,000, provide a copy of any contract that covers such services and the associated invoices supporting costs recorded in the 2025 fiscal year.

**RESPONSE:**

- a. See Attachment 1
- b. See the description of each vendor in Attachment 1.
- c. See Attachment 2 for the EY and KPMG invoices. For Baker Botts, see Attachment 1 in the tab, "Baker Botts Invoice Description" for the listing of invoices and the description of what each invoice related to. Baker Botts provides legal advice and services to the Company, and their invoices contain information that is protected from disclosure by the attorney-client privilege and thus are not being provided.

EY, KPMG and Baker Botts provide professional services to the Company and do not operate under contracts.

**ATTACHMENTS:**

CA\_2-52\_Att1 - Shared Services Vendors Over \$500k.xlsx  
CA\_2-52\_Att2 - EY and KPMG Invoices.pdf

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-53**  
**Page 1 of 1**

**REQUEST:**

Refer to Tab WP 4.1 within Schedule 6 and specifically Outside Services. For any vendor whose costs are more than \$50,000 within the 2025 fiscal year charged to division 093, provide the following:

- a. Identify the vendor and the associated cost
- b. Provide a thorough explanation of the nature of the services provided and why such services were necessary in the provision of Tennessee jurisdictional gas distribution service.
- c. Provide a copy of the contract covering such services and all invoices supporting charges recorded in the 2025 fiscal year.

**RESPONSE:**

- a. See Attachment 1.
- b. See the description of each vendor in Attachment 1.
- c. See confidential Attachment 2 for any Master Service Agreements (MSA) for these vendors still in effect. As described in Attachment 1, the line locating division of Heath Consultants was sold to USIC in June 2025. The USIC MSA is included in Attachment 2.

See Attachment 3 for a summary of invoices, which includes references to the supporting invoice images located in Folder 1.

**ATTACHMENTS:**

CA\_2-53\_Att1 - TN Direct Outside Services Over \$50k.xlsx  
CA\_2-53\_Att2 - Master Service Agreements (CONFIDENTIAL).pdf  
CA\_2-53\_Att3 - Outside Services Invoices.xlsx  
CA\_2-53\_Folder 1 - Outside Services Invoices Images

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-54**  
**Page 1 of 1**

**REQUEST:**

Refer to Tab WP 4.1 within Schedule 6 and specifically Outside Services. For any vendor whose costs are more than \$100,000 within the 2025 fiscal year charged to division 091, provide the following:

- a. Identify the vendor and the associated cost
- b. Provide a thorough explanation of the nature of the services provided and why such services were necessary in the provision of Tennessee jurisdictional gas distribution service.
- c. Provide a copy of the contract covering such services and all invoices supporting charges recorded in the 2025 fiscal year.

**RESPONSE:**

- a. See Attachment 1.
- b. See the description of each vendor in Attachment 1.
- c. See confidential Attachment 2 for any Master Service Agreements for these vendors.

See Attachment 3 and the supporting invoice images in Folder 1 provide in response to Consumer Advocate 2-53.

**ATTACHMENTS:**

CA\_2-54\_Att1 - Div 091 Outside Services Over \$100k.xlsx  
CA\_2-54\_Att2 - Master Service Agreements (CONFIDENTIAL).pdf

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-55**  
**Page 1 of 1**

**REQUEST:**

[CONFIDENTIAL] - Refer to CAD Supplemental Responses 1-16, [REDACTED]

[REDACTED]

**RESPONSE:**

The construction of service lines is not a part of the agreements in confidential Attachment 1 and Attachment 2 included in the supplemental response to Consumer Advocate 1-16.

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-56**  
**Page 1 of 1**

**REQUEST:**

**[CONFIDENTIAL]** - [REDACTED]  
[REDACTED] as the term is used in response to CAD  
Supplemental Response 1-16.

**RESPONSE:**

The construction of service lines is not a part of the agreements included in the supplemental response to Consumer Advocate 1-16.

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-57**  
**Page 1 of 1**

**REQUEST:**

[**CONFIDENTIAL**] - Provide support for the development of the respective [REDACTED] as reflected in the response to CAD Supplemental 1-16 Attachments 1 and 2.

**RESPONSE:**

See confidential Attachment 1.

**ATTACHMENT:**

CA\_2-57\_Att1 - [REDACTED] Support (CONFIDENTIAL).pdf

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-58**  
**Page 1 of 1**

**REQUEST:**

Refer to Attachment-2 provided in response to CAD 1-51, and specifically cost center 1904, "ATM Dallas Performance Plan" and respond to the following:

- a. Provide the type of information provided in this response for February for the remaining months of the test year. In addition, provide the calculation demonstrating the level of these costs allocated to the Company's Tennessee jurisdiction.
- b. Identify the portion of these costs, if any, that are the subject of adjustments contained in MFR 38, Schedule N along with the appropriate reconciliation of such amounts.
- c. To the extent costs from this cost center are included in the proposed revenue requirement of Atmos, provide a comprehensive explanation identifying the nature of these costs, including a definition of this cost center.
- d. Provide the underlying supporting documentation for the February charges to this cost center of \$5,083,779.

**RESPONSE:**

- a. See Attachment 1.
- b. The FY25 Summary (MFR 38, Tab "FY25 Summary") shows that FERC Account 926-07452, CC 1904, includes allocated expense to Division 093 in the amount of \$632,746 (see Excel lines K7 for Division 02 and K14 for Division 12). This allocated amount has been fully captured in the disallowed O&M Incentive Compensation adjustment on WP\_4-1, line 23, as well as in the capitalized portion of Incentive Compensation reflected on Schedule 7, line 27.
- c. All costs from this cost center have been excluded from the proposed revenue requirement.
- d. The sum of Attachment 2 and Attachment 3 support the February charges to this cost center of \$5,083,779.

**ATTACHMENTS:**

CA\_2-58\_Att1 - FY25 Cost Center 1904.xlsx  
CA\_2-58\_Att2 - JE support for MIP\_VPP Liability Feb-25.xlsx  
CA\_2-58\_Att3 - JE support for MIP\_VPP EVF & Target Changes Feb-25.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 1 2**  
**Question No. 2-59**  
**Page 1 of 2**

**REQUEST:**

Refer to Attachment-2 provided in response to CAD 1-51, and specifically cost center 1908, "ATM Dal-SEBP" and respond to the following:

- a. Provide the type of information provided in this response for February for the remaining months of the test year. In addition, provide the calculation demonstrating the level of these costs allocated to the Company's Tennessee jurisdiction.
- b. Identify the portion of these costs, if any, that are the subject of adjustments contained in MFR 38, Schedule N, along with the appropriate reconciliation of such amounts.
- c. To the extent costs from this cost center are included in the proposed revenue requirement of Atmos, provide a comprehensive explanation identifying the nature of these costs, including a definition of this cost center.
- d. Provide the underlying supporting documentation for the February charges to this cost center of \$444,652.

**RESPONSE:**

- a. See Attachment 1.
- b. The FY25 SERP costs related to the Incentive Pay are captured in the Account 926 Sub Accounts 07489 & 07492, and Account 923 Sub account 07497 (MFR 38, Tab "FY25 SERP CAP to Div093"). Capitalized portion of these costs, Excel lines R14 and R27, is reflected in the adjustment to Rate Base on Schedule 7, line 27. O&M SERP adjustment can be found on WP\_4-1, line 25 (m. Supplemental Executive Retirement Plan FY25.xlsx).
- c. Atmos Energy Corporation has implemented and maintained over the past years a supplemental executive retirement plan as an integral part of its executive compensation program. There are currently three SERP plans in which active corporate officers participate. The SEBP is currently closed to new membership; only employees promoted to or directly appointed to a Management Committee level job are eligible to join the SERP. An account based SERP is now in place to which newly appointed corporate officers are eligible. The SERP has been instrumental in helping the Company to attract, motivate, and retain a high quality senior management team responsible for the leadership of the Atmos organization.

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 1 2**  
**Question No. 2-59**  
**Page 2 of 2**

To capture the cost associated with these plans, Cost Center 1908 has been established. Annuity benefits from the SEBP and SERP are funded through Rabbi Trusts maintained at State Street Trust and lump sum benefits from the SEBP, SERP and Account Based SERP are paid from Corporate assets. Atmos Energy's Company-Owned Life Insurance (COLI) which is a funding vehicle for benefits paid to former officers who receive an annuity benefit paid out of Corporate assets. The COLI reimburses Atmos for these annuity benefits. The SFAS 87 (now ASC 715) expense related to these annuity benefits is charged to the respective division where the former Corporate officer retired. The SFAS 87 expense for current retired SEBP and SERP participants, the management committee and current active Corporate officers is also accounted for in Cost Center 1908. The SFAS 87 expense for the SEBP and SERP is actuarially determined by an independent third-party actuary in accordance with SFAS 87.

The COLI policies were executed on certain executives (now retired) in prior years and are being phased out. Currently, no new policies are being executed. Finally, this Cost Center is used to record the independent actuary's cost to perform the annual SFAS 87 and SFAS 106 calculations required for Atmos Energy's SEC filings. This includes third-party costs associated with the administration of the SEBP. These costs are part of the overall executive compensation plan and are not incentive compensation.

This treatment is consistent with prior filings.

- d. See Attachment 2. The \$444,652 are the CC1908 charges, which include accruals for the SERP, allocated to the business units through the monthly systematic allocation process. As shown in the attachment for Consumer Advocate 1-51, \$39,574 of this amount was allocated to Div 091 for the month of February 2025.

**ATTACHMENTS:**

CA\_2-59\_Att1 - FY25 Cost Center 1908.xlsx

CA\_2-59\_Att2 - Feb-25 Cost Center 1908 JE Support.xlsx

**Docket No. 26-00009**  
**Atmos Energy Corporation, Tennessee Division**  
**Consumer Advocate DR Set No. 2**  
**Question No. 2-60**  
**Page 1 of 1**

**REQUEST:**

Refer to Attachment-2 provided in response to CAD 1-51, and specifically cost center 1915 "ATM Dal-Insurance" and respond to the following:

- a. Provide a comprehensive explanation of the coverage offered for each insurance policy included within this cost center, including the geographic scope of such coverage.
- b. Identify the deductible associated with each policy identified in part a.
- c. Identify the premium associated with each policy identified in part a and the applicable portion of that premium allocated to the Tennessee jurisdiction.

**RESPONSE:**

- a. See confidential Attachment 1 in the tab, "Atmos Policies."
- b. See confidential Attachment 1 in the tab, "Atmos Policies."
- c. See confidential Attachment 1 in the tab, "Atmos Policies" for the latest insurance premium amounts. See the tab, "Insurance Expense by subaccount" for the test year per book insurance expense by subaccount that was allocated to Tennessee. The attachment to CAD 1-51 provided the Division 91 costs by cost center prior to overhead capitalization and state level allocations and therefore will not match the details provided herein.

**ATTACHMENT:**

CA\_2-60\_Att1 - Insurance Expense and Policy Listing (CONFIDENTIAL).xlsx

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

IN RE:

PETITION OF ATMOS ENERGY CORPORATION )  
 FOR APPROVAL OF ITS 2026 ANNUAL RATE ) DOCKET NO. 26-00009  
 REVIEW FILING PURSUANT TO TENN. )  
 CODE ANN. § 65-5-103(d)(6) )

VERIFICATION

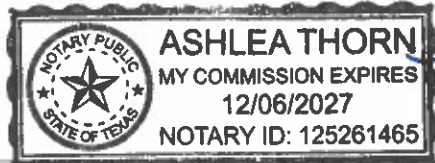
STATE OF TEXAS )  
 COUNTY OF DALLAS )

I, Maureen H. Melson, being first duly sworn, state that I am the Manager of Rates and Regulatory Affairs for Atmos Energy Corporation, that I am authorized to testify on behalf of Atmos Energy Corporation in the above referenced docket, and the responses to the Consumer Advocate’s second set of discovery requests are true and correct to the best of my knowledge, information and belief.

*Maureen H. Melson*  
 \_\_\_\_\_  
 Maureen H. Melson

Sworn and subscribed before me this 27<sup>th</sup> day of March, 2026.

My Commission Expires:



*Ashlea Thorn*  
 \_\_\_\_\_  
 Notary Public

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Responses to the Consumer Advocate's Second Set of Discovery Requests has been served by electronic mail on this 27<sup>th</sup> day of March, 2026, upon the following:

Shilina B. Brown ([shilina.brown@ag.tn.gov](mailto:shilina.brown@ag.tn.gov))  
Vance L. Broemel ([vance.broemel@ag.tn.gov](mailto:vance.broemel@ag.tn.gov))  
Office of the Tennessee Attorney General  
Consumer Advocate Division

*/s/ Erik C. Lybeck* \_\_\_\_\_