

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy Corporation's Tariff            )  
Revision Designed to Consolidate Rates and                ) Case No. GR-2006-0387  
Implement a General Rate Increase for Natural Gas        )  
Service in the Missouri Service Area of the Company.     )

**FOURTH BIENNIAL REPORT OF ATMOS ENERGY CORPORATION  
REGARDING  
ENERGY EFFICIENCY AND CONSERVATION PROGRAM**

Atmos Energy Corporation ("Atmos" or "Company") respectfully submits its Fourth Biannual Report regarding Atmos' Energy Efficiency and Conservation Program ("Program").

In accordance with its approved tariffs setting forth the specific components of its Energy Efficiency and Conservation Program, Atmos previously filed Biannual Reports with the Commission on May 15, 2008, August 29, 2008, and February 25, 2009. The Program's collaborative group, consisting of Atmos, the Commission Staff, the Office of the Public Counsel and the Energy Center of the Missouri Department of Natural Resources, finalized and approved the attached Year 3 Funding document<sup>1</sup> (incorporated herein by reference), which reflects the allocation of the \$167,410 in shareholder funding plus carry-over balances to the Program's components, as well as the approved expansion of the rebate program.

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<sup>1</sup> The Amendment to the underlying Cooperation and Funding Agreement and tariff revisions referenced in the attached document are not included with the attachment. The tariff revisions were filed with and approved by the Commission in Case No. GT-2010-0108, *In the Matter of Atmos Energy Corporation's Tariff Revisions Regarding Its Energy Conservation and Efficiency Program, Order Approving Expedited Tariff*, October 15, 2009.

Respectfully submitted,

**/s/ Larry W. Dority**

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### **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, First Class mail, postage prepaid, this 9<sup>th</sup> day of December, 2009, to all counsel of record in this matter.

**/s/ Larry W. Dority**

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Larry W. Dority

**Atmos Energy Corporation's**  
**Missouri Energy Efficiency & Conservation Program**  
**Year 3 Funding**

In accordance with the decision of the collaborative members, the \$167,410 in shareholder funding available for year three of the Energy Efficiency and Conservation Program in Atmos' Missouri territory plus carry over balances from prior program years will be allocated to the program components as follows:

<b>Conservation/EE Program</b>	<b>Year 3 Allocation</b>	<b>Carry Over Balance</b>	<b>Total</b>
Weatherization/Flexibility	\$102,410.00	\$38,570.00 <sup>1</sup>	\$140,980.00
Rebates	\$60,000.00	\$87,250.00	\$147,250.00
Education	\$5,000.00	\$10,400.00	\$15,400.00
<b>Totals</b>	<b>\$167,410.00</b>	<b>\$136,220.00</b>	<b>\$303,630.00</b>

**Weatherization**

Recognizing the need for increased flexibility for Community Action Agencies in preparation for massive increases in federal weatherization funding (ARRA), the collaborative agreed that the remaining funds in the weatherization component and new funding in the amount of \$102,410 will be allocated to the Weatherization program, to be disbursed by the EI ERA to Agencies for the weatherization of homes of eligible customers, as well as for specific additional expenditures for enhancing the Agencies' ability to perform weatherization. An amendment to the underlying Cooperation and Funding Agreement and requisite tariff variance (both attached) will be the vehicles for effectuating this funding decision.

**Rebates**

Based on precedent, \$60,000 of the new funding will be allocated to an expanded rebate program.

The collaborative agreed to offer additional appliance rebates and Atmos will undertake a more intensive media outreach regarding the rebate program. A \$25 programmable thermostat rebate in conjunction with a furnace rebate or a-la-cart, a \$50 rebate for tank water heaters, and a \$200 rebate for tankless water heaters will be added to the existing program. This expansion of the rebate program will require tariff revisions (attached).

The expanded media outreach efforts would consist of at least the following four actions. First, continue correspondence with local HVAC dealers and increase the frequency to at least twice annually. Second, expand outreach to other vendors especially plumbers since they would

<sup>1</sup> Per latest information provided by EI ERA under cover letter of August 26, 2009, regarding financial statements for the program year total ending June 30, 2009.

most likely install tank-less water heaters. Third, modify bill inserts to include modifications to the rebate program and consider increasing frequency to twice a year. Fourth, utilize radio advertising to promote the rebate program, at a funding level of \$12,000.

### **Education**

In accordance with previous allocations, \$5,000 of the new funding amount would be allocated to the education component. Carry-over funding will enable Atmos to continue efforts to provide educational materials to fourth and fifth graders throughout its service area. Atmos will continue to work with the various school superintendents, principals and teachers to deliver the program to the target audience.

### **Other**

Pursuant to interest expressed by some of the collaborative members, Atmos will provide a written report on options and proposals for providing rebates in the areas of home energy audits and building shell measures to the collaborative by September 30, 2009.

Other items that will be evaluated on an on-going basis include; energy fairs, web site redesign, adjusting rebate amounts, and residual balances in the program at the end of year three.