

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Atmos Energy)
Corporation for Approval of the Commission for)
Gas System Reliability Surcharge per K.S.A.) Docket No. 26-ATMG- 064 -TAR
66-2201 through 66-2204)

DIRECT TESTIMONY OF ERIC GANT

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS AND DESCRIBE YOUR**
2 **ROLE AT ATMOS ENERGY CORPORATION.**

3 A. My name is Eric Gant, and my business address is 25090 W. 110th Terrace, Olathe, Kansas
4 66061. I am the Vice President of Operations for Kansas of the Colorado/Kansas Division of
5 Atmos Energy Corporation¹ ("Atmos Energy" or the "Company").

6 **Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL BACKGROUND.**

7 A. I received a Bachelor of Science degree in Business from Emporia State University, Emporia,
8 Kansas in 2005. I later received a Master of Business Administration degree from Baker
9 University, Baldwin City, Kansas in 2013. I have been a member of the Kansas Army National
10 Guard for over 15 years and currently hold the rank of Major and I am assigned to the 35th
11 Infantry Division, Fort Leavenworth, Kansas. I have been employed in the natural gas
12 distribution business for over 16 years, during which time I have worked in various capacities

¹Atmos Energy is the largest fully regulated pure natural gas distribution company in the United States. The Company delivers natural gas to approximately 3.2 million residential, commercial, industrial and public-authority customers in eight states. Atmos Energy has six unincorporated gas utility operating divisions headquartered in Lubbock, Texas (West Texas division); Dallas, Texas (Mid-Tex division); Denver, Colorado (Colorado/Kansas division); Baton Rouge, Louisiana (Louisiana division); Jackson, Mississippi (Mississippi division); and Franklin, Tennessee and Owensboro, Kentucky (Kentucky/Mid-States division). In addition, Atmos Energy has an operating division, Atmos Pipeline - Texas, headquartered in Dallas, Texas which consists of a regulated intrastate pipeline that operates only within Texas.

1 in operations and marketing. I began work for Atmos Energy in 2006 as a meter reader in the
2 service department in Olathe, Kansas. From 2008 to 2015, I worked in various field operation
3 roles in our Herington, Kansas office to include Senior Construction Operation, Senior Service
4 Technician and Distribution Operator. In 2016, I was promoted to Operations Supervisor for
5 our Independence, Kansas service center and was responsible for all daily field operations as
6 well as capital and maintenance projects. In 2019, I was promoted to Manager of Marketing
7 for the Colorado/Kansas Division and relocated back to Olathe, Kansas. In that role, I was
8 responsible for coordinating residential and commercial growth activity, business development
9 and customer service for both Colorado and Kansas. In 2021, I was named the Vice President
10 of Operations for Kansas. In this role, I have responsibility over all employee safety, public
11 safety, system safety and service reliability in Kansas.

12 **Q. PLEASE BRIEFLY DESCRIBE ATMOS ENERGY'S KANSAS GAS OPERATIONS.**

13 A. Atmos Energy serves approximately 140,000 customers in 110 communities and in 32
14 surrounding counties in Kansas. The communities are spread throughout the state. Atmos
15 Energy has a Kansas-based work force of approximately 150 employees. Our utility plant
16 includes 4,173 miles of service lines, distribution and transmission lines.

17 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE KANSAS CORPORATION**
18 **COMMISSION ("KCC")?**

19 A. Yes.

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

21 A. The purpose of my testimony is to support the eligibility of infrastructure system replacement
22 projects included in Atmos Energy's proposed Gas System Reliability Surcharge ("GSRS").

1 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

2 A. Yes. As mentioned in Ms. Ocanas' testimony, I am sponsoring that portion of Exhibit 5
3 relating to the specific projects and functional or blanket projects identified in Exhibit 5.
4 Exhibit 5 contains a summary of the specific projects and the functional projects included in
5 this filing. The supporting documentation for each of the specific projects identified in Exhibit
6 5 will be provided to the Staff in electronic form in a manner mutually agreeable to the Staff
7 and the Company. Atmos Energy maintains a file for each of the functional projects listed in
8 Exhibit 5. However, because of the voluminous nature of the files, Atmos Energy will work
9 with Staff to allow it to audit this information.

10 **Q. WHAT IS A GAS SYSTEM RELIABILITY SURCHARGE (GSRS)?**

11 A. Pursuant to the Gas Safety and Reliability Policy Act, K.S.A. 66-2201 through 66-2204, a
12 utility "may file a petition and proposed rate schedules with the commission to establish or
13 change GSRS rate schedules that will allow for the adjustment of the natural gas public
14 utility's rates and charges to provide for the recovery of costs for eligible infrastructure system
15 investments." Each year a utility is required to relocate and replace certain segments of its
16 system. The GSRS will allow the utility to recover these expenses between rate cases through
17 a surcharge.

18 **Q. HOW IS "ELIGIBLE INFRASTRUCTURE SYSTEM REPLACEMENT" DEFINED?**

19 A. K.S.A. 66-2202 defines "eligible infrastructure system investments" as: "natural gas public
20 utility plant projects that: (1) Do not increase revenues by directly connecting the infrastructure
21 investments to new customers; (2) are in service and used and required to be used; and (3)
22 were not included in the natural gas public utility's rate base in its most recent general rate

1 case." Per Section 66-2202(e):

2 "natural gas utility plant projects" consist of the following:

3 (1) Mains, meters, valves, service lines, regulator stations, vaults and other
4 pipeline system components installed to replace, upgrade or modernize obsolete
5 facilities, including, but not limited to, installation to comply with state or federal
6 safety requirements replacing existing facilities;

7 (2) main relining projects, service line insertion projects, joint
8 encapsulation projects and other similar projects extending the useful life or enhancing
9 the integrity of pipeline system components including, but not limited to, projects
10 undertaken to comply with state or federal safety requirements;

11 (3) facility relocations required due to construction or improvement of a
12 highway, road, street, public way or other public work by or on behalf of the United
13 States, this state, a political subdivision of this state or another entity having the power
14 of eminent domain provided that the costs related to such projects have not been
15 reimbursed to the natural gas public utility;

16 (4) system security costs including allocated corporate costs incurred by a
17 natural gas public utility; and

18 (5) investments made in accordance with the utility's safety and risk
19 management programs.

20 **Q. WHAT TYPES OF PROJECTS ARE INCLUDED IN ATMOS ENERGY'S GSRS**
21 **PROPOSAL?**

22 **A.** Exhibit 5 summarizes the projects being included in this GSRS proposal. There are three

1 groups of projects being submitted. The first group is comprised of specific safety related
2 system replacements and are summarized in Exhibit 5. The second group consists of
3 governmentally mandated road relocation projects which have not been reimbursed to the
4 natural gas utility and are also summarized in Exhibit 5. The third group is comprised of
5 functional safety related projects and are listed and summarized in Exhibit 5. All three groups
6 of projects are eligible for inclusion in a GSRS proposal. Exhibit 5 is a summary of both
7 specific and functional projects included in the filing. The exhibits provide the location,
8 project description, work order number and completion date for each of the specific projects.
9 The safety related projects listed in Exhibit 5 also include the category of the applicable state
10 or federal pipeline safety requirements relating to the replacement of the existing facilities and
11 a full description of how the project meets the specific pipeline safety regulation, or to state
12 the project is due to a Public Works Project.

13 **Q. WHAT ARE THE INCLUSION CRITERIA FOR THE FIRST AND THIRD TYPES**
14 **OF PROJECTS BEING INCLUDED IN THE PROPOSAL (SPECIFIC AND**
15 **FUNCTIONAL SAFETY RELATED SYSTEM REPLACEMENT PROJECTS)?**

16 A. The inclusion criteria for the safety related projects, according to K.S.A. 66-2202, is as
17 follows: "(1) mains, meters, valves, service lines, regulator stations, vaults and other pipeline
18 system components installed to replace, upgrade or modernize obsolete facilities, including,
19 but not limited to, installation to comply with state or federal safety requirements replacing
20 existing facilities; (2) main relining projects, service line insertion projects, joint encapsulation
21 projects and other similar projects extending the useful life or enhancing the integrity of
22 pipeline system components including, but not limited to, projects undertaken to comply with

1 state or federal safety requirements. . . and (5) investments made in accordance with the
2 utility's safety and risk management programs."

3 **Q. REGARDING THE SECOND TYPE OF PROJECT BEING INCLUDED IN THE**
4 **PROPOSAL (GOVERNMENT MANDATED ROAD RELOCATIONS), WHAT IS THE**
5 **INCLUSION CRITERIA FOR THESE ROAD RELOCATION PROJECTS?**

6 A. The inclusion criteria for the road relocation projects, according to K.S.A. 66-2202, is as
7 follows: "Facility relocations required due to construction or improvement of a highway, road,
8 street, public way or other public work by or on behalf of the United States, this state, a
9 political subdivision of this state or another entity having the power of eminent domain
10 provided that the costs related to such projects have not been reimbursed to the natural gas
11 public utility."

12 **Q. ARE PROJECTS OTHER THAN SAFETY RELATED AND GOVERNMENT**
13 **MANDATED ROAD RELOCATIONS MEETING THE INCLUSION CRITERIA**
14 **LISTED ABOVE BEING INCLUDED IN THE GSRS PETITION?**

15 A. No. Only projects meeting the criteria previously mentioned are being submitted for
16 consideration in this filing.


17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes, it does.

VERIFICATION

STATE OF KANSAS)
)
COUNTY OF JOHNSON)

Eric Gant, being duly sworn upon his oath, deposes and states that he is Vice President of Operations of Atmos Energy Corporation's Colorado-Kansas Division; that he has read and is familiar with the foregoing Direct Testimony filed herewith; and that the statements made therein are true to the best of his knowledge, information and belief.


Eric Gant

Subscribed and sworn before me this 18th day of August, 2025.


Notary Public

My appointment expires: 12/2027

