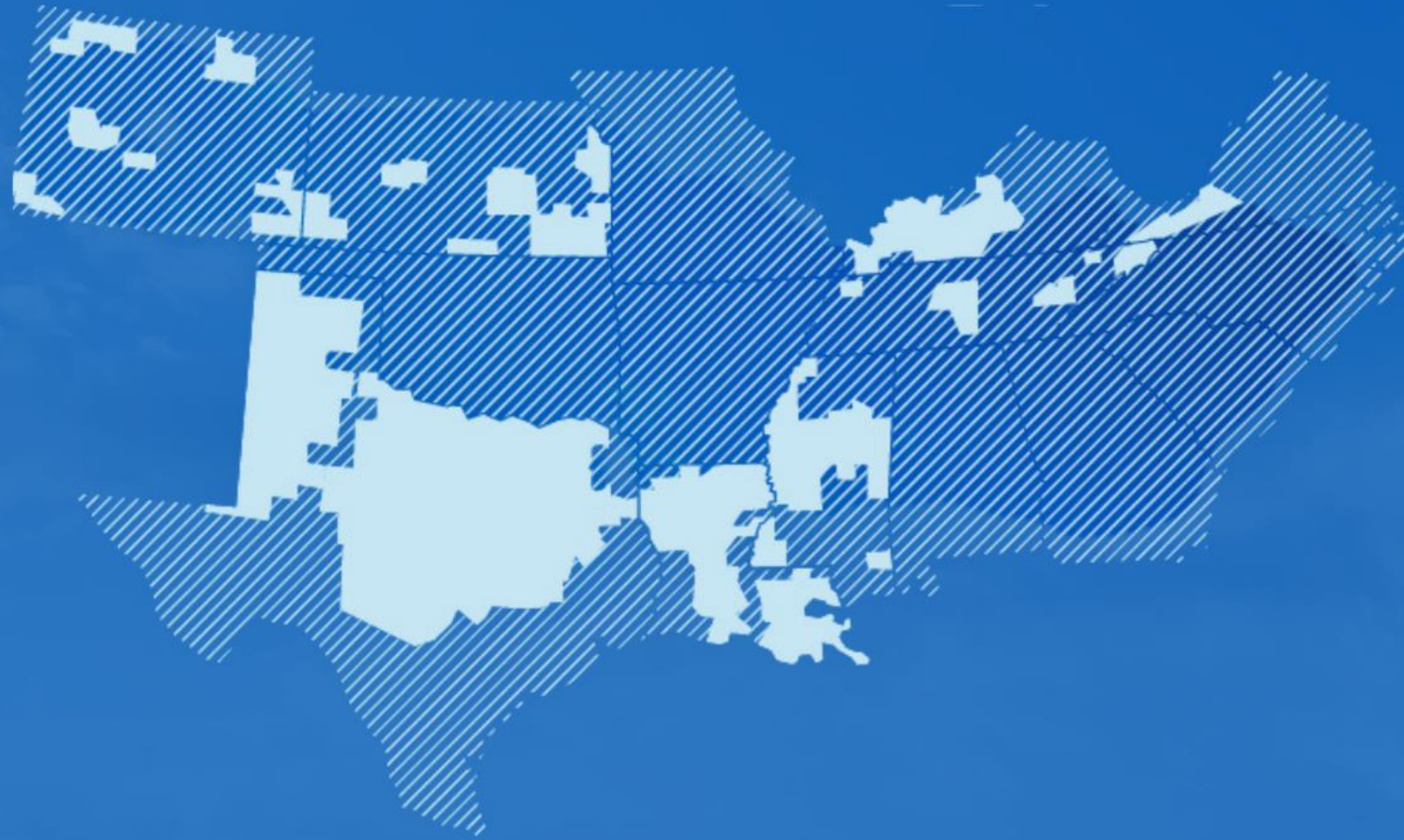


# Fueling Our Energy Future



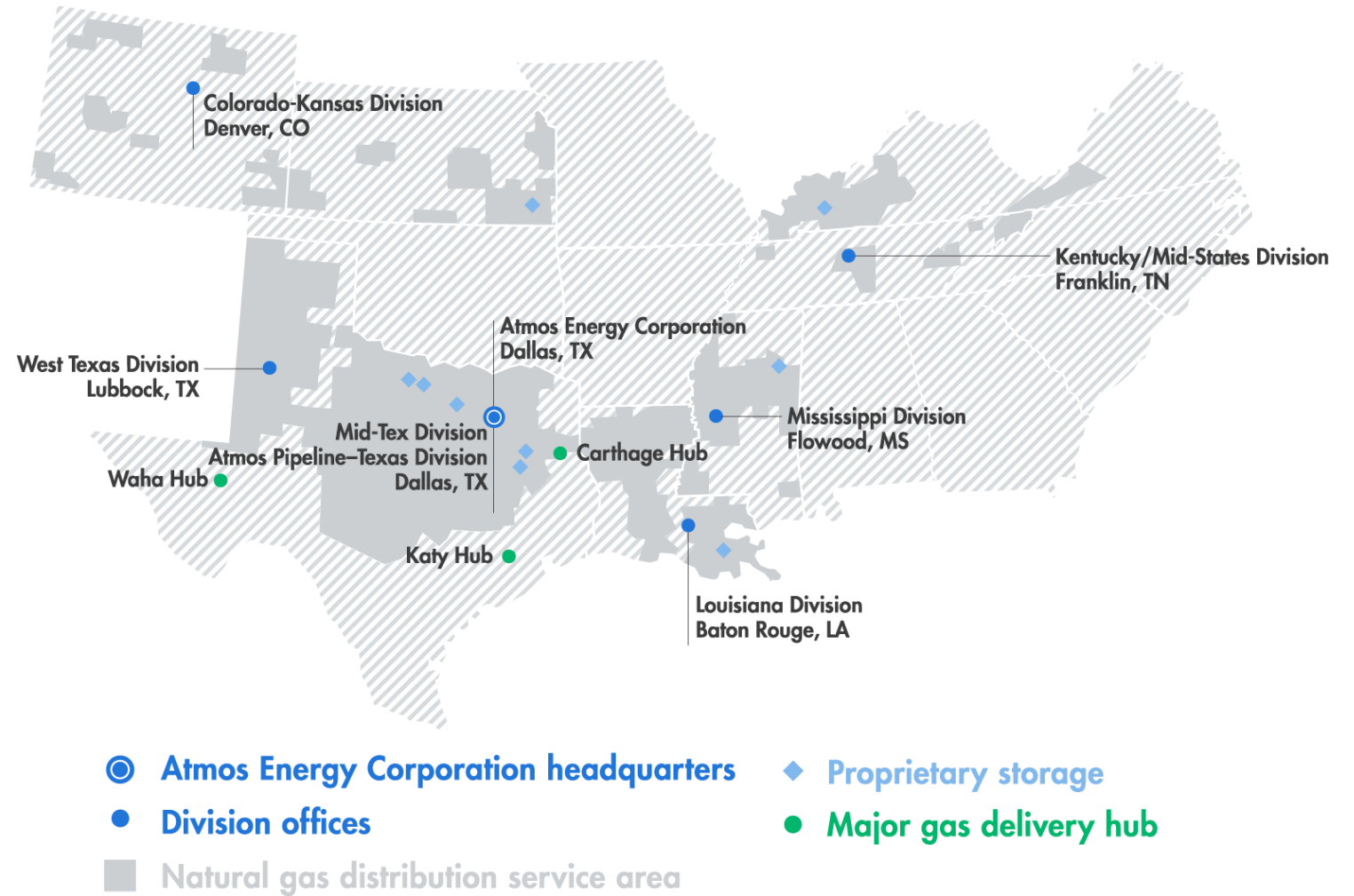
Jan Rugg  
July 16, 2024



# Our Footprint

We own and operate approximately 79,000 miles of natural gas pipelines that serve some of the fastest growing and most vibrant communities in the country.

Safely owning, operating, and modernizing such a dynamic system requires a [strong partnership](#) between the communities we serve, the regulators who oversee our activities, and the investors and creditors who ensure we have the financial resources necessary to continue [improving our system](#).



# Atmos Energy Corporation

## BY THE NUMBERS

3.5 Million

Customers in 8 states

1,400

Communities Served

79,334

Miles of pipeline

5,019

Employees

\$2.8 Billion

FY23 Capital Investment

\$12 Million

Charitable Giving



# Farmers Branch

## BY THE NUMBERS

9306

Customers

139

Miles of pipeline

58

Employees

\$8 Million

FY23 Capital Investment

\$30,000

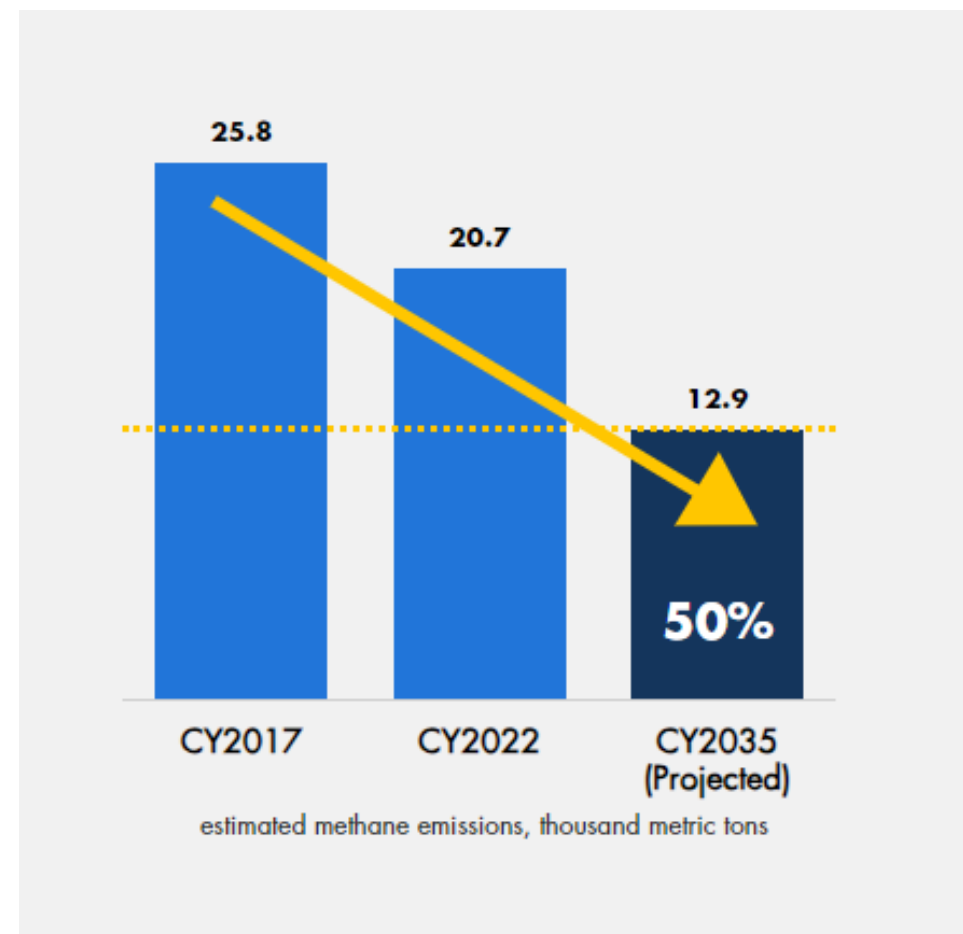
Charitable Giving



# Greenhouse Gas Reduction Goal

Atmos Energy continues to execute on our goal of reducing methane emissions from its natural gas distribution system mains and services by 50% from 2017 to 2035\*.

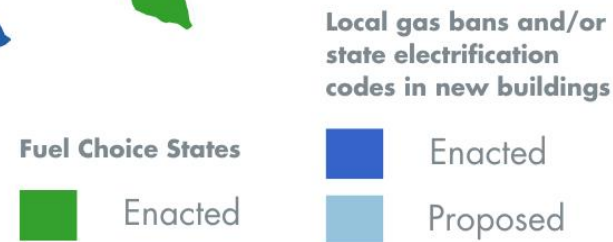
As of calendar year end 2022, we have achieved an approximate 20% reduction in methane emissions.



\* As reported to the EPA, in accordance with 40 CFR 98 Subpart W.

**Local gas bans and/or state electrification codes in new buildings**

Fuel Choice States	Enacted	Proposed
Enacted	Green	Blue
Proposed	Blue	Green



# Safety Drives Everything We Do

Our vision is to be the **safest provider of natural gas services**, and we are doing our part to replace the nation's aging natural gas delivery network.

Over the last 10 years, we have invested **more than \$10 billion to modernize** our pipeline infrastructure and have committed to spending approximately \$17 billion over the next five years.





# Training for Safe Operations

Atmos Energy field employees receive extensive in-person, virtual, and hands-on training and participate in our Pipeline Safety Management System that provides continuous feedback.

## 105,949

Hours of safety training completed by employees in FY2022.

## 2 Million+

Hours of training at the Charles K. Vaughan Center since its opening in 2010.





# Natural Gas Safety for First Responders

We conduct natural gas safety workshops for city officials, fire departments, police and other first responders to provide valuable natural gas safety training for an emergency response situation.

The relationships and communication networks developed during these trainings will enhance the safety of our communities for years to come.



# Reducing Third-Party Pipeline Damage

Safe digging starts with calling 811 to have underground utility-owned lines located and marked. It's free. It keeps you safe. It's the law.



SAFETY IS IN YOUR HANDS.  
EVERY DIG. EVERY TIME.



## Call 811 Before You Dig

- Natural gas safety is a partnership, so we want everyone to **understand the importance of calling 811** before building a deck, planting a tree, installing a fence, or digging for any other project.
- The most common cause of outside natural gas leaks is excavation that damages natural gas pipelines.

## APWA Uniform Color for Marking Underground Utility Lines

	<b>Red:</b> Electric
	<b>Yellow:</b> Gas
	<b>Orange:</b> Communication
	<b>Blue:</b> Potable Water
	<b>Purple:</b> Reclaimed water, Irrigation
	<b>Green:</b> Sewer
	<b>White:</b> Proposed excavation
	<b>Pink:</b> Temporary survey

Gus the Gopher is our natural gas safety ambassador, reminding you to always call 811 before digging!



# Smell Gas? Act Fast!

Natural gas in its original form has no smell or color. That's why we add a distinctive "rotten egg" or skunk-like odor to make you aware if gas is leaking.

Rosie the Skunk is our safety ambassador that reminds you to use all of your senses when detecting a natural gas leak.



Rosie the Skunk's

## Natural Gas SAFETY GUIDE

We use natural gas for lots of things, like heating our homes or cooking dinner. While natural gas is an affordable and efficient energy source, it can be dangerous if there is a gas leak. Knowing how to detect and deal with a gas leak in your home could help you save the day!

### SMELL



Natural gas has a smelly odor like rotten eggs.

### LOOK



You might also notice blowing dirt, a cloud of vapor, or bubbling water near a gas line.

### LISTEN



A hissing or blowing sound near a gas line might indicate a leak.

### IF YOU SUSPECT A LEAK

#### ALWAYS

Leave immediately! Then tell an adult and call 911 and Atmos Energy at 866-322-8667.

#### NEVER

Turn anything on or off, use the phone near a leak, or do anything to cause a spark.

**ATMOS**  
energy.



# Delivering Natural Gas

There are three segments of the natural gas industry involved in delivering natural gas to our customers.

## Production

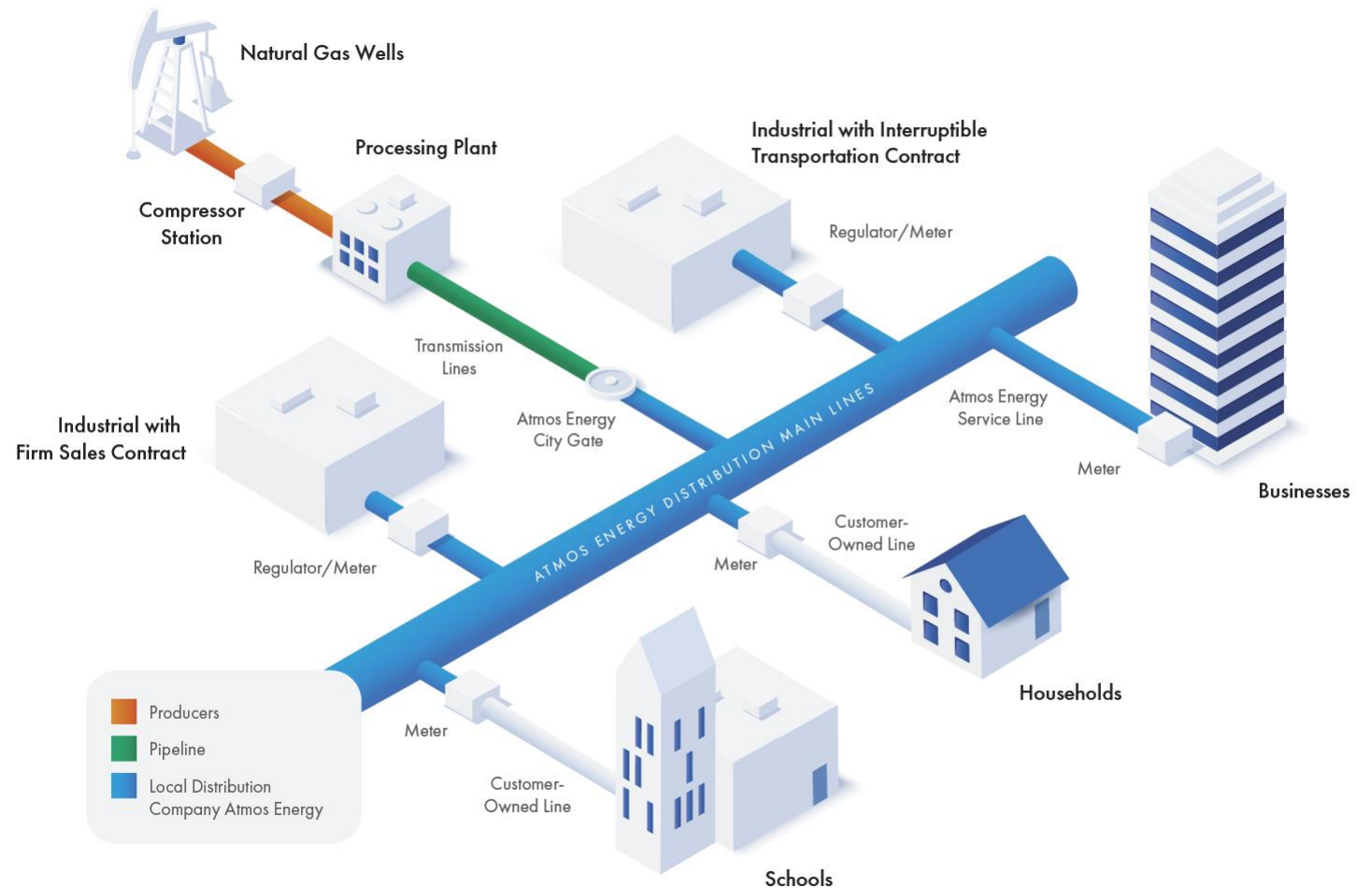
Production companies explore, drill, and extract natural gas from underground.

## Transmission

Transmission companies operate pipelines that link natural gas fields to communities.

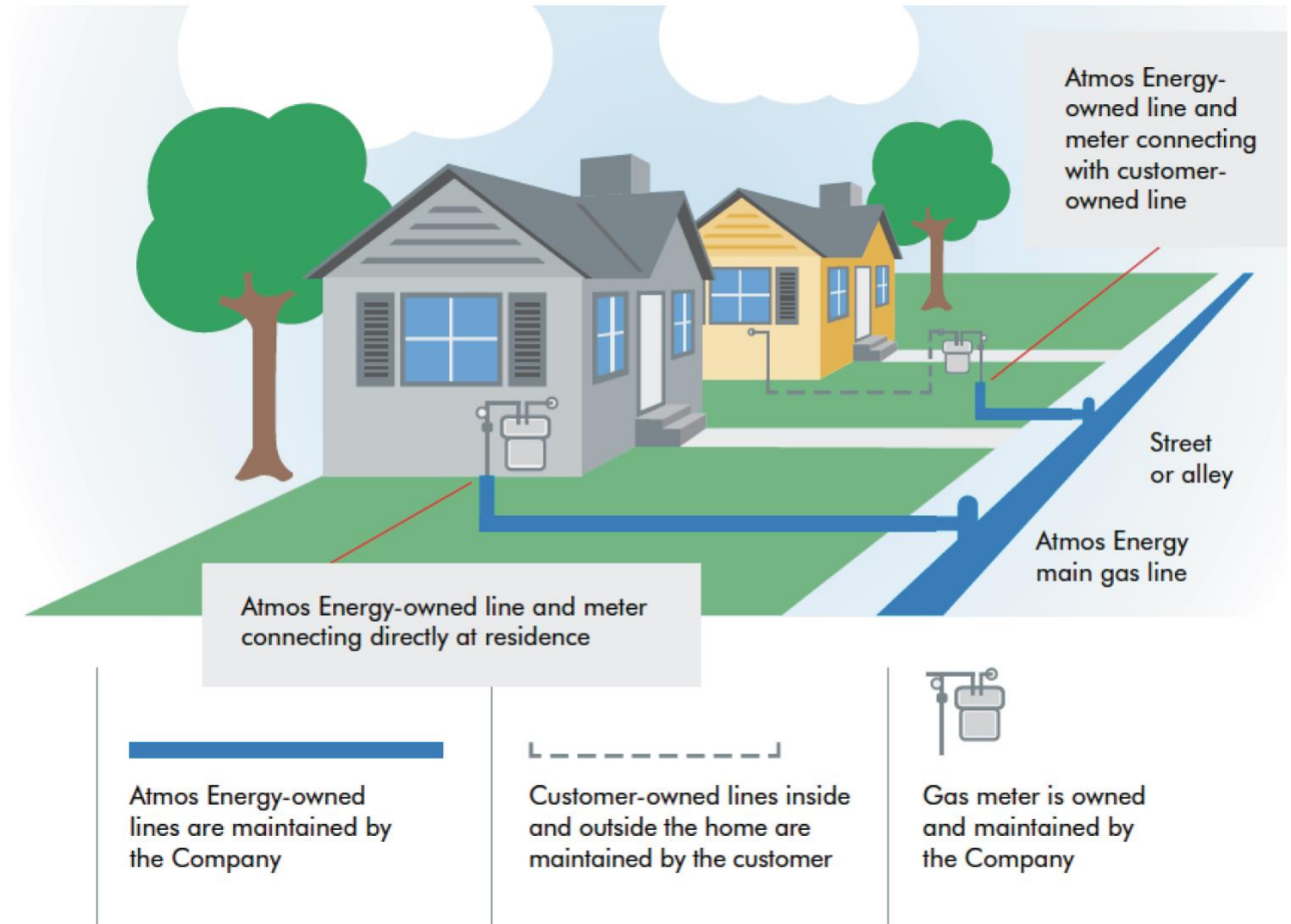
## Distribution

We are the distribution company. This means we purchase natural gas, receive it from transmission companies, and deliver it to the natural gas meters at our customers' homes.



# Homeowner Safety

Our communities are safer when customers understand how to safely use the natural gas we deliver to their homes. That's why we're continually educating the public about how to detect leaks and prevent accidents.



# Leak Detection and Monitoring

We operate our system safely and in full compliance with state and federal regulations.

- We do this by **monitoring our system**, utilizing state-of-the-art equipment and operating an emergency hotline 24 hours a day, seven days a week.
- Every working day of the year, company employees are performing **regularly scheduled surveys of our system**, the frequency of which is governed by state and federal regulations.
- To determine the schedule for pipeline replacements, we use a **risk-based prioritization model** that considers factors such as the pipe's age, location, material, leak history, environmental factors, and more.
- **Leak surveys** are one of the most important safety activities we conduct as part of our normal operations. When we detect a leak, we grade it 1, 2, or 3, according to state and federal regulations. This grade determines a leak's repair schedule. When a grade 1 (hazardous leak) is reported, immediate action is taken to eliminate the hazard. Grade 2 and 3 leaks are monitored and scheduled for repair.

## LEAK GRADES

### Grade 1

Leaks which represent an immediate hazard to persons and/or property.

### Grade 2

Leaks recognized as being nonhazardous at the time of detection but having the potential to become a future hazard.

### Grade 3

Leaks that are nonhazardous at the time of detection and can be expected to remain nonhazardous.



# Advanced Leak Detection Technology

Atmos Energy applies state-of-the-art technology for leak detection, monitoring, and leak repair prioritization to enhance safety and protect the environment.

- Advanced Mobile Leak Detection (AMLD – pictured at right) technology is 1,000 times more sensitive than legacy technologies.
- To monitor storage and compression facilities, Atmos Energy uses a variety of fixed and portable cameras and equipment to conduct inspections.



# Fueling Safe and Thriving Communities

Whether it is reading to students, working with local food banks, or showing appreciation to our hometown heroes, our employees have always invested in the communities we call home.

Our Fueling Safe and Thriving Communities program focuses on three essential pillars:

Fueling bright minds and healthy futures for our **kids**.

Fueling honor and thanks for our community **heroes**.

Fueling hope and growth for our **neighbors**.



# Helping Our Communities Stay Warm

Helping our communities stay warm during the year is one of Atmos Energy's highest priorities. Through a variety of energy assistance programs, in 2023 we helped more than 61,000 eligible household access \$29 million to help pay their natural gas bills.

- Atmos Energy and our customers partner to provide funds through our **Sharing the Warmth** program. In 2023, more than \$2.9 million was donated to help support customers in need.
- The federal LIHEAP program (Low Income Home Energy Assistance Program) releases funds every winter to all states to pay utility bills.

We also maintain partnerships with Habitat for Humanity chapters to construct new, energy-efficient homes for deserving families throughout our service area.





# Natural Gas: Fueling Our Energy Future

Affordable, safe, and reliable natural gas is a key driver of our economy and essential for thriving families.

We are committed to safely delivering natural gas while providing energy-efficient and affordable solutions to our customers.

## \$1,132

Average annual savings per year for homes who use natural gas compared to homes using electricity for heating, cooking and clothes drying.

## 3.3x

Natural gas is 3.3 times more affordable than electricity.

## 20 percent

Direct employment at natural gas utilities has grown 20% over the last 10 years.

## \$125 Billion

Total amount saved by families who use natural gas over 10 years

## \$500+ Billion

Total amount saved by commercial and industrial customers who used natural gas over the last 10 years

# Exceptional Customer Service

Atmos Energy claimed the number one spot in the 2024 American Customer Satisfaction Index (ACSI) Energy Utilities Study. Our employees are committed to providing exceptional customer service, and we appreciate the opportunity to serve you.

**Customer Service Department: 888.286.6700**

Available 7 am to 6 pm (Central time), Monday – Friday (normal workdays)

**Emergency Services: 866.322.8667**

Available 24/7 for emergencies such as reporting a natural gas leak or service interruption



## #1 in Customer Satisfaction

According to the 2024 American Customer Satisfaction Index (ACSI®) survey of customers rating their own energy utility company's performance. ACSI and its logo are registered trademarks of American Customer Satisfaction Index LLC.



# Natural Gas: The Smart Energy Choice

Energy is a key driver of our economy and essential for thriving families. It takes a diverse mix of energy sources working together to ensure reliability, keep costs affordable, and drive economic growth.

## 20 percent

Direct employment at natural gas utilities has grown 20% over the last 10 years.

## \$500 billion

Saved by American businesses in energy costs over the last 10 years

## \$1,068

Average annual savings for homes that use natural gas instead of electricity

## \$147 billion

Saved by families over 10 years by using natural gas

## 75 million

American homes have natural gas.

## 92%

Natural gas system efficiency from production to the customer as compared to 38% for the electric system.

Cost and carbon savings generated from GTI Energy Source Energy and Emissions Analysis tool. Calculated using 2021 EIA eGRID electric rates and Atmos Energy average state rates for a home with Energy 3.1 rated (gas & electric) furnace, heat pump, water heater, stove and clothes dryer. A home that is all electric compared to a similar home with gas appliances for furnace, heat pump, water heater, stove and clothes dryer. Estimated number of natural gas homes sourced from the Energy Information Administration.



# Natural Gas: The Smart Energy Choice for Texas

Energy is a key driver of our economy and essential for thriving families. It takes a diverse mix of energy sources working together to ensure reliability, keep costs affordable, and drive economic growth.

**5,097,533**

Texas homes have natural gas.

**\$200**

Average annual savings of a home with natural gas in Texas compared to an all-electric home

**15.6%**

Average annual CO2 savings of a home with natural gas in Texas compared to an all-electric home

**\$14.4 million**

Financial assistance provided to Texas customers in 2023

**28,540**

Texas households that received financial assistance from Atmos Energy in 2023

**26%**

Texas households that qualified for federal assistance in 2023

Cost and carbon savings generated from GTI Energy Source Energy and Emissions Analysis tool. Calculated using 2021 EIA eGRID electric rates and Atmos Energy average state rates for a home with Energy 3.1 rated (gas & electric) furnace, heat pump, water heater, stove and clothes dryer. A home that is all electric compared to a similar home with gas appliances for furnace, heat pump, water heater, stove and clothes dryer. Estimated number of natural gas homes sourced from the Energy Information Administration.

# Fueling Economic Growth

Atmos Energy partners with our communities to encourage economic growth and create jobs. Natural gas helps to drive economic development in our communities by supplying affordable and reliable energy to power your business so it can grow and prosper.

We partner with customers and suppliers to apply innovative technologies that deliver the ultimate in energy efficiency and reliability, in addition to helping you meet environmental goals.







# Thank you.

Jan Rugg

[Jan.rugg@atmosenergy.com](mailto:Jan.rugg@atmosenergy.com)

214-458-9270