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SEP 30 2015

PUBLIC SERVICE
COMMISSION

September 30, 2015

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Case No. 2015-00000

Case No. 2015-00327

Dear Mr. Derouen:

We are filing the enclosed original and ten (10) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2013-00148. **This filing contains a Petition of Confidentiality and confidential documents.**

Please indicate receipt of this filing by stamping and dating this letter and returning a scanned copy by E-mail to Stellie.Jackson@atmosenergy.com.

If you have any questions, feel free to call me at 972-855-3077.

Sincerely,

A handwritten signature in cursive script that reads "Stellie Jackson".

Stellie S. Jackson
Rate Administration Analyst

Enclosures

RECEIVED

SEP 30 2015

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)
FILING OF)
ATMOS ENERGY CORPORATION)

Case No. 2015-00000

NOTICE

QUARTERLY FILING

For The Period

November 1, 2015 – January 31, 2016

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

September 30, 2015

Atmos Energy Corporation, ("the Company"), is duly qualified under the laws of the Commonwealth of Kentucky to do its business. The Company is an operating public utility engaged in the business of purchasing, transporting and distributing natural gas to residential, commercial and industrial users in western and central Kentucky. The Company's principal operating office and place of business is 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. Correspondence and communications with respect to this notice should be directed to:

Mark A. Martin
Vice President of Rates & Regulatory Affairs
Kentucky/Mid-States Division
Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, Kentucky 42303

Mark R. Hutchinson
Attorney for Applicant
611 Frederica Street
Owensboro, Kentucky 42301

Laura Brevard
Manager, Rate Administration
Atmos Energy Corporation
5430 LBJ Freeway, Suite 700
Dallas, Texas 75240

Stellie S. Jackson
Rate Administration Analyst
Atmos Energy Corporation
5430 LBJ Freeway, Suite 700
Dallas, Texas 75240

The Company gives notice to the Kentucky Public Service Commission, hereinafter "the Commission", pursuant to the Gas Cost Adjustment Clause contained in the Company's settlement gas rate schedules in **Case No. 2013-00148**.

The Company hereby files Eighth Revised Sheet No. 4, Eighth Revised Sheet No. 5, and Eighth Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective November 1, 2015.

The Gas Cost Adjustment (GCA) for firm sales service is \$4.0835 per Mcf and \$2.7617 per Mcf for interruptible sales service. The supporting calculations for the Eighth Revised Sheet No. 5 are provided in the following Exhibits:

Exhibit A – Comparison of Current and Previous Gas Cost Adjustment (GCA) Cases

Exhibit B – Expected Gas Cost (EGC) Calculation

Exhibit C - Rates used in the Expected Gas Cost (EGC)

Exhibit D – Correction Factor (CF) Calculation

Exhibit E – Refund Factor (RF) Calculation

Exhibit E – Performance Based Rate Recovery Factor (PBRRF) Calculation

Since the Company's last GCA filing, Case No. 2015-00220, the following changes have occurred in its pipeline and gas supply commodity rates for the GCA period.

1. The commodity rates per Mcf used are based on historical estimates and/or current data for the quarter of November 1, 2015 through January 31, 2016, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Gas Cost will be approximately \$4.5800 per Mcf for the quarter of November 1, 2015 through January 31, 2016, as compared to \$4.7980 per Mcf used

for the period of August 1, 2015 through October 31, 2015. The G-2 Expected Commodity Gas Cost will be approximately \$3.2582 for the quarter of November 1, 2015 through January 31, 2016 as compared to \$3.4771 for the period of August 1, 2015 through October 31, 2015.

3. The Company's notice sets out a new Correction Factor of \$(0.6457) per Mcf which will remain in effect until at least January 31, 2016. The new Correction factor includes the balance from Pipeline Refunds of \$0.00. This balance is due to adjustments to customers billed prior to the pipeline refund cutoff date (November 1, 2013).
4. The Company's notice also sets out a new Refund Factor of (\$0.0035) per Mcf which will remain in effect until at least January 31, 2016.

The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction Factor be filed on a quarterly basis. In Case No. 2013-00148, effective January 24, 2014, the Company's GCA tariff allows recovery of any gas cost which is uncollectible, to be included in each February GCA filing.

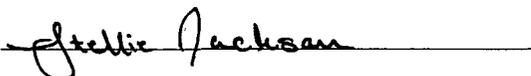
The Company is filing its updated Correction Factor that is based upon the balance in the Company's 1910 Account as of July 31, 2015 (August, 2015 general ledger). The

calculation for the Correction Factor is shown on Exhibit D, Page 1 of 6. Also beginning with the January, 2014 GCA filing in compliance with tariff page 16 from the Rate Case filing (Case No. 2013-00148) the Company is allowed to recover the net uncollectible gas cost (net uncollectible gas cost less subsequently collected gas cost).

WHEREFORE, Atmos Energy Corporation requests this Commission, pursuant to the Commission's order in Case No. 99-070, to approve the Gas Cost Adjustment (GCA) as filed in Eighth Revised Sheet No. 5; and Eighth Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-3 and T-4 for each respective sales rate for meter readings made on and after November 1, 2015.

DATED at Dallas, Texas this 30th Day of September, 2015.

ATMOS ENERGY CORPORATION

By: 

Stellie S. Jackson
Rate Administration Analyst
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Rate Summary

Case No. 2015-00000

Firm Service

Base Charge:

| | | | |
|-----------------------------------|---|---------|------------------------------|
| Residential (G-1) | - | \$16.00 | per meter per month |
| Non-Residential (G-1) | - | 40.00 | per meter per month |
| Transportation (T-4) | - | 350.00 | per delivery point per month |
| Transportation Administration Fee | - | 50.00 | per customer per meter |

Rate per Mcf ²

| <u>Rate per Mcf ²</u> | | | <u>Sales (G-1)</u> | | <u>Transportation (T-4)</u> | | |
|----------------------------------|--------|------------------|--------------------|----------------|-----------------------------|----------------|--------|
| First | 300 | ¹ Mcf | @ | 5.4015 per Mcf | @ | 1.3180 per Mcf | (R, -) |
| Next | 14,700 | ¹ Mcf | @ | 4.9635 per Mcf | @ | 0.8800 per Mcf | (R, -) |
| Over | 15,000 | Mcf | @ | 4.7035 per Mcf | @ | 0.6200 per Mcf | (R, -) |

Interruptible Service

| | | | |
|-----------------------------------|---|----------|------------------------------|
| Base Charge | - | \$350.00 | per delivery point per month |
| Transportation Administration Fee | - | 50.00 | per customer per meter |

Rate per Mcf ²

| <u>Rate per Mcf ²</u> | | | <u>Sales (G-2)</u> | | <u>Transportation (T-3)</u> | | |
|----------------------------------|--------|------------------|--------------------|----------------|-----------------------------|----------------|--------|
| First | 15,000 | ¹ Mcf | @ | 3.5517 per Mcf | @ | 0.7900 per Mcf | (R, -) |
| Over | 15,000 | Mcf | @ | 3.2917 per Mcf | @ | 0.5300 per Mcf | (R, -) |

¹ All gas consumed by the customer (sales, transportation; firm and interruptible) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.

² DSM, PRP and R&D Riders may also apply, where applicable.

DATE OF ISSUE September 30, 2015
MONTH / DATE / YEAR

DATE EFFECTIVE November 1, 2015
MONTH / DATE / YEAR

ISSUED BY /s/ Mark A. Martin
SIGNATURE OF OFFICER

TITLE Vice President – Rates & Regulatory Affairs

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO 2015-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

EIGHTH REVISED SHEET NO. 5

CANCELLING

SEVENTH REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Gas Cost Adjustments

Case No. 2015-00000

Applicable

For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).

Gas Charge = GCA

GCA = EGC + CF + RF + PBRRF

| <u>Gas Cost Adjustment Components</u> | <u>G - 1</u> | <u>G-2</u> | |
|--|------------------------|------------------------|---------|
| EGC (Expected Gas Cost Component) | 4.5800 | 3.2582 | (R, R) |
| CF (Correction Factor) | (0.6457) | (0.6457) | (I, I) |
| RF (Refund Adjustment) | (0.0035) | (0.0035) | (R, R), |
| PBRRF (Performance Based Rate Recovery Factor) | <u>0.1527</u> | <u>0.1527</u> | (R, R) |
| GCA (Gas Cost Adjustment) | <u><u>\$4.0835</u></u> | <u><u>\$2.7617</u></u> | (R, R) |

DATE OF ISSUE September 30, 2015
MONTH / DATE / YEAR

DATE EFFECTIVE November 1, 2015
MONTH / DATE / YEAR

ISSUED BY /s/ Mark A. Martin
SIGNATURE OF OFFICER

TITLE Vice President – Rates & Regulatory Affairs

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO 2015-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

EIGHTH REVISED SHEET NO. 6

CANCELLING

SEVENTH REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Transportation

Case No. 2015-00000

The Transportation Rates (T-3 and T-4) for each respective service net monthly rate is as follows:

System Lost and Unaccounted gas percentage: 1.16%

| | | | | <u>Simple Margin</u> | <u>Non- Commodity</u> | <u>Gross Margin</u> | | |
|--|--------|-----|---|--------------------------|---------------------------|-------------------------|---------|-----|
| Transportation Service ¹ | | | | | | | | |
| Firm Service (T-4) | | | | | | | | |
| First | 300 | Mcf | @ | \$1.3180 + | \$0.0000 = | \$1.3180 | per Mcf | (-) |
| Next | 14,700 | Mcf | @ | 0.8800 + | 0.0000 = | 0.8800 | per Mcf | (-) |
| All over | 15,000 | Mcf | @ | 0.6200 + | 0.0000 = | 0.6200 | per Mcf | (-) |
| | | | | | | | | |
| Interruptible Service (T-3) | | | | | | | | |
| First | 15,000 | Mcf | @ | \$0.7900 + | \$0.0000 = | \$0.7900 | per Mcf | (-) |
| All over | 15,000 | Mcf | @ | 0.5300 + | 0.0000 = | 0.5300 | per Mcf | (-) |

¹ Excludes standby sales service.

DATE OF ISSUE September 30, 2015
MONTH / DATE / YEAR

DATE EFFECTIVE November 1, 2015
MONTH / DATE / YEAR

ISSUED BY /s/ Mark A. Martin
SIGNATURE OF OFFICER

TITLE Vice President – Rates & Regulatory Affairs

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO 2015-00000 DATED N/A

| Line No. | Description | Case No. | | Difference |
|----------|--|------------|------------|------------|
| | | 2015-00220 | 2015-00000 | |
| | | \$/Mcf | \$/Mcf | \$/Mcf |
| 1 | <u>G - 1</u> | | | |
| 2 | | | | |
| 3 | <u>Distribution Charge (per Case No. 2013-00148)</u> | | | |
| 4 | First 300 Mcf | 1.3180 | 1.3180 | 0.0000 |
| 5 | Next 14,700 Mcf | 0.8800 | 0.8800 | 0.0000 |
| 6 | Over 15,000 Mcf | 0.6200 | 0.6200 | 0.0000 |
| 7 | | | | |
| 8 | <u>Gas Cost Adjustment Components</u> | | | |
| 9 | EGC (Expected Gas Cost): | | | |
| 10 | Commodity | 3.2381 | 3.0202 | (0.2179) |
| 11 | Demand | 1.5599 | 1.5598 | (0.0001) |
| 12 | Total EGC | 4.7980 | 4.5800 | (0.2180) |
| 13 | CF (Correction Factor) | (0.7274) | (0.6457) | 0.0817 |
| 14 | RF (Refund Adjustment) | 0.0000 | (0.0035) | (0.0035) |
| 15 | PBRRF (Performance Based Rate Recovery Factor) | 0.1527 | 0.1527 | (0.0000) |
| 16 | GCA (Gas Cost Adjustment) | 4.2233 | 4.0835 | (0.1398) |
| 17 | | | | |
| 18 | <u>Rate per Mcf (GCA included)</u> | | | |
| 19 | First 300 Mcf | 5.5413 | 5.4015 | (0.1398) |
| 20 | Next 14,700 Mcf | 5.1033 | 4.9635 | (0.1398) |
| 21 | Over 15,000 Mcf | 4.8433 | 4.7035 | (0.1398) |
| 22 | | | | |
| 23 | | | | |
| 24 | <u>G - 2</u> | | | |
| 25 | | | | |
| 26 | <u>Distribution Charge (per Case No. 2013-00148)</u> | | | |
| 27 | First 15,000 Mcf | 0.7900 | 0.7900 | 0.0000 |
| 28 | Over 15,000 Mcf | 0.5300 | 0.5300 | 0.0000 |
| 29 | | | | |
| 30 | <u>Gas Cost Adjustment Components</u> | | | |
| 31 | EGC (Expected Gas Cost): | | | |
| 32 | Commodity | 3.2381 | 3.0202 | (0.2179) |
| 33 | Demand | 0.2390 | 0.2380 | (0.0010) |
| 34 | Total EGC | 3.4771 | 3.2582 | (0.2189) |
| 35 | CF (Correction Factor) | (0.7274) | (0.6457) | 0.0817 |
| 36 | RF (Refund Adjustment) | 0.0000 | (0.0035) | (0.0035) |
| 37 | PBRRF (Performance Based Rate Recovery Factor) | 0.1527 | 0.1527 | (0.0000) |
| 38 | GCA (Gas Cost Adjustment) | 2.9024 | 2.7617 | (0.1407) |
| 39 | | | | |
| 40 | <u>Rate per Mcf (GCA included)</u> | | | |
| 41 | First 300 Mcf | 3.6924 | 3.5517 | (0.1407) |
| 42 | Over 14,700 Mcf | 3.4324 | 3.2917 | (0.1407) |
| 43 | | | | |
| 44 | | | | |
| 45 | <u>Refund Factor (RF)</u> | | | |
| 47 | | Effective | | |
| 48 | Case No. | Date | RF | |
| 49 | | | | |
| 50 | 1 - 2015-00070 | 4/1/2015 | 0.0000 | |
| 51 | 2 - 2015-00103 | 5/1/2015 | 0.0000 | |
| 52 | 3 - 2015-00220 | 8/1/2015 | 0.0000 | |
| 53 | 4 - 2015-00000 | 11/1/2015 | (0.0035) | |
| 54 | | | | |
| 55 | Total Refund Factor (RF) | | (\$0.0035) | |

Atmos Energy Corporation
 Comparison of Current and Previous Cases
 Transportation Service

| Line No. | Description | (a) | (b) | (c) |
|----------|--|------------|------------|------------|
| | | Case No. | | Difference |
| | | 2015-00220 | 2015-00000 | |
| | | \$/Mcf | \$/Mcf | \$/Mcf |
| 1 | <u>T -4 Transportation Service / Firm Service (High Priority)</u> | | | |
| 2 | | | | |
| 3 | <u>Simple Margin / Distribution Charge (per Case No. 2013-00148)</u> | | | |
| 4 | First 300 Mcf | 1.3180 | 1.3180 | 0.0000 |
| 5 | Next 14,700 Mcf | 0.8800 | 0.8800 | 0.0000 |
| 6 | Over 15,000 Mcf | 0.6200 | 0.6200 | 0.0000 |
| 7 | | | | |
| 8 | | | | |
| 9 | <u>T - 3 / Interruptible Service (Low Priority)</u> | | | |
| 10 | | | | |
| 11 | <u>Simple Margin / Distribution Charge (per Case No. 2013-00148)</u> | | | |
| 12 | First 15,000 Mcf | 0.7900 | 0.7900 | 0.0000 |
| 13 | Over 15,000 Mcf | 0.5300 | 0.5300 | 0.0000 |
| 14 | | | | |

| Line No. | Description | Tariff Sheet No. | (a) Annual Units MMbtu | (b) Rate \$/MMbtu | (c) Non-Commodity | |
|----------|------------------------------------|-------------------|------------------------------|-------------------------|--------------------|---------------------|
| | | | | | (d) Total \$ | (e) Demand \$ |
| 1 | SL to Zone 2 | | | | | |
| 2 | NNS Contract # | 29760 | 12,340,360 | | | |
| 3 | Base Rate | Section 4.4 - NNS | | 0.3088 | 3,810,703 | 3,810,703 |
| 4 | | | | | | |
| 5 | Total SL to Zone 2 | | <u>12,340,360</u> | | <u>3,810,703</u> | <u>3,810,703</u> |
| 6 | | | | | | |
| 7 | SL to Zone 3 | | | | | |
| 8 | NNS Contract # | 29762 | 27,776,588 | | | |
| 9 | Base Rate | Section 4.4 - NNS | | 0.3543 | 9,841,245 | 9,841,245 |
| 10 | | | | | | |
| 11 | FT Contract # | 29759 | 6,022,500 | | | |
| 12 | Base Rate | Section 4.1 - FT | | 0.2939 | 1,770,013 | 1,770,013 |
| 13 | | | | | | |
| 14 | FT Contract # | 34380 | 3,650,000 | | | |
| 15 | Base Rate | Section 4.1 - FT | | 0.2939 | 1,072,735 | 1,072,735 |
| 16 | | | | | | |
| 17 | Total SL to Zone 3 | | <u>37,449,088</u> | | <u>12,683,993</u> | <u>12,683,993</u> |
| 18 | | | | | | |
| 19 | Zone 1 to Zone 3 | | | | | |
| 20 | FT Contract # | 29761 | 1,093,740 | | | |
| 21 | Base Rate | Section 4.1 - FT | | 0.2616 | 286,122 | 286,122 |
| 22 | | | | | | |
| 23 | Total Zone 1 to Zone 3 | | <u>1,093,740</u> | | <u>286,122</u> | <u>286,122</u> |
| 24 | | | | | | |
| 25 | SL to Zone 4 | | | | | |
| 26 | NNS Contract # | 29763 | 3,320,769 | | | |
| 27 | Base Rate | Section 4.4 - NNS | | 0.4190 | 1,391,402 | 1,391,402 |
| 28 | | | | | | |
| 29 | FT Contract # | 29765 | 1,277,500 | | | |
| 30 | Base Rate | Section 4.1 - FT | | 0.3670 | 468,843 | 468,843 |
| 31 | | | | | | |
| 32 | FT Contract # | 31097 | 1,825,000 | | | |
| 33 | Base Rate | Section 4.1 - FT | | 0.3670 | 669,775 | 669,775 |
| 34 | | | | | | |
| 35 | Total SL to Zone 4 | | <u>6,423,269</u> | | <u>2,530,020</u> | <u>2,530,020</u> |
| 36 | | | | | | |
| 37 | Zone 2 to Zone 4 | | | | | |
| 38 | FT Contract # | 32799 | 2,309,720 | | | |
| 39 | Base Rate | Section 4.1 - FT | | 0.2780 | 642,102 | 642,102 |
| 40 | | | | | | |
| 41 | Total Zone 2 to Zone 4 | | <u>2,309,720</u> | | <u>642,102</u> | <u>642,102</u> |
| 42 | | | | | | |
| 43 | Total SL to Zone 2 | | 12,340,360 | | 3,810,703 | 3,810,703 |
| 44 | Total SL to Zone 3 | | 37,449,088 | | 12,683,993 | 12,683,993 |
| 45 | Total Zone 1 to Zone 3 | | 1,093,740 | | 286,122 | 286,122 |
| 46 | Total SL to Zone 4 | | 6,423,269 | | 2,530,020 | 2,530,020 |
| 47 | Total Zone 2 to Zone 4 | | 2,309,720 | | 642,102 | 642,102 |
| 48 | | | | | | |
| 49 | Total Texas Gas | | <u>59,616,177</u> | | <u>19,952,940</u> | <u>19,952,940</u> |
| 50 | | | | | | |
| 51 | | | | | | |
| 52 | Total Texas Gas Area Non-Commodity | | | | <u>19,952,940</u> | <u>19,952,940</u> |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Tennessee Gas Pipeline - Non-Commodity

| Line No. | Description | (a) Tariff Sheet No. | (b) Annual Units MMbtu | (c) Rate \$/MMbtu | (d) (e) Non-Commodity | |
|----------|---|-------------------------|------------------------------|-------------------------|--------------------------|------------------|
| | | | | | Total \$ | Demand \$ |
| 1 | 0 to Zone 2 | | | | | |
| 2 | FT-G Contract # 2546 | | 145,000 | | | |
| 3 | Base Rate | 23 | | 16.0576 | 2,328,352 | 2,328,352 |
| 4 | | | | | | |
| 5 | FT-A Contract # 95033 | | 144,000 | | | |
| 6 | Base Rate | 14 | | 16.0576 | 2,312,294 | 2,312,294 |
| 7 | | | | | | |
| 8 | FT-A Contract # 308768 | | 2,500 | | | |
| 9 | Base Rate | 14 | | 16.0576 | 40,144 | 40,144 |
| 10 | | | | | | |
| 12 | Total Zone 0 to 2 | | <u>291,500</u> | | <u>4,680,790</u> | <u>4,680,790</u> |
| 13 | | | | | | |
| 14 | 1 to Zone 2 | | | | | |
| 15 | FT-A Contract # 300264 | | 30,000 | | | |
| 16 | Base Rate | 14 | | 10.9045 | 327,135 | 327,135 |
| 17 | | | | | | |
| 18 | Total Zone 1 to 2 | | <u>30,000</u> | | <u>327,135</u> | <u>327,135</u> |
| 19 | | | | | | |
| 20 | Gas Storage | | | | | |
| 21 | Production Area: | | | | | |
| 22 | Demand | 61 | 34,968 | 2.8100 | 98,260 | 98,260 |
| 23 | Space Charge | 61 | 4,916,148 | 0.0286 | 140,602 | 140,602 |
| 24 | Market Area: | | | | | |
| 25 | Demand | 61 | 237,408 | 1.5400 | 365,608 | 365,608 |
| 26 | Space Charge | 61 | <u>10,846,308</u> | 0.0211 | <u>228,857</u> | <u>228,857</u> |
| 27 | Total Storage | | 16,034,832 | | 833,327 | 833,327 |
| 28 | | | | | | |
| 29 | Total Tennessee Gas Area FT-G Non-Commodity | | | | <u>5,841,252</u> | <u>5,841,252</u> |

| Line No. | Description | (a) Tariff Sheet No. | (b) | (c) | | (d) | (e) | (f) |
|----------|--|----------------------------|-------|------------|------------|-----------|-------|------------|
| | | | | Purchases | | Rate | Total | |
| | | | | Mcf | MMbtu | \$/MMbtu | | \$ |
| 1 | <u>No Notice Service</u> | | | | 1,377,719 | | | |
| 2 | Indexed Gas Cost | | | | | 2.8490 | | 3,925,123 |
| 3 | Commodity (Zone 3) | Section 4.4 - NNS | | | | 0.0490 | | 67,508 |
| 4 | Fuel and Loss Retention @ | Section 4.18.1 | 2.52% | | | 0.0737 | | 101,538 |
| 5 | | | | | | 2.9717 | | 4,094,169 |
| 6 | | | | | | | | |
| 7 | <u>Firm Transportation</u> | | | | 1,127,225 | | | |
| 8 | Indexed Gas Cost | | | | | 2.8490 | | 3,211,464 |
| 9 | Base (Weighted on MDQs) | | | | | 0.0445 | | 50,162 |
| 10 | ACA | Section 4.1 - FT | | | | 0.0014 | | 1,578 |
| 11 | Fuel and Loss Retention @ | Section 4.18.1 | 2.52% | | | 0.0737 | | 83,076 |
| 12 | | | | | | 2.9686 | | 3,346,280 |
| 13 | <u>No Notice Storage</u> | | | | | | | |
| 14 | Net (Injections)/Withdrawals | | | | | | | |
| 15 | Withdrawals | | | | 1,066,084 | 2.8260 | | 3,012,753 |
| 16 | Injections | | | | 0 | 2.8490 | | 0 |
| 17 | Commodity (Zone 3) | Section 4.4 - NNS | | | | 0.0490 | | 52,238 |
| 18 | Fuel and Loss Retention @ | Section 4.18.1 | 2.52% | | | 0.0737 | | 78,570 |
| 19 | | | | | 1,066,084 | 2.9487 | | 3,143,561 |
| 20 | | | | | | | | |
| 21 | | | | | | | | |
| 22 | Total Purchases in Texas Area | | | | 3,571,028 | 2.9639 | | 10,584,010 |
| 23 | | | | | | | | |
| 24 | | | | | | | | |
| 25 | <u>Used to allocate transportation non-commodity</u> | | | | | | | |
| 26 | | | | | | | | |
| 27 | | | | Annualized | | Commodity | | |
| 28 | | | | MDQs in | | Charge | | Weighted |
| 29 | <u>Texas Gas</u> | | | MMbtu | Allocation | \$/MMbtu | | Average |
| 30 | SL to Zone 2 | Section 4.1 - FT | | 12,340,360 | 20.70% | \$0.0399 | \$ | 0.0083 |
| 31 | SL to Zone 3 | Section 4.1 - FT | | 37,449,088 | 62.82% | 0.0445 | \$ | 0.0280 |
| 32 | 1 to Zone 3 | Section 4.1 - FT | | 1,093,740 | 1.83% | 0.0422 | \$ | 0.0008 |
| 33 | SL to Zone 4 | Section 4.1 - FT | | 6,423,269 | 10.77% | 0.0528 | \$ | 0.0057 |
| 34 | 2 to Zone 4 | Section 4.1 - FT | | 2,309,720 | 3.87% | 0.0446 | \$ | 0.0017 |
| 35 | Total | | | 59,616,177 | 100.0% | | \$ | 0.0445 |
| 36 | | | | | | | | |
| 37 | <u>Tennessee Gas</u> | | | | | | | |
| 38 | 0 to Zone 2 | 24 | | 291,500 | 90.67% | \$0.0167 | \$ | 0.0151 |
| 39 | 1 to Zone 2 | 24 | | 30,000 | 9.33% | 0.0087 | | 0.0008 |
| 40 | Total | | | 321,500 | 100.00% | | \$ | 0.0160 |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Tennessee Gas Pipeline - Commodity Purchases

| Line No. | Description | Tariff Sheet No. | (a) | (b) | (c) | (d) | (e) | (f) | |
|----------|-------------------------------------|------------------|-------|-----|-----|-----|-----------|----------|-----------|
| | | | | | | | | | Purchases |
| | | | | | | Mcf | MMbtu | \$/MMbtu | \$ |
| 1 | <u>FT-A and FT-G</u> | | | | | | 376,192 | | |
| 2 | Indexed Gas Cost | | | | | | | 2.8490 | 1,071,770 |
| 3 | Base Commodity (Weighted on MDQs) | | | | | | | 0.0160 | 6,002 |
| 4 | ACA | 24 | | | | | | 0.0014 | 527 |
| 5 | Fuel and Loss Retention | 32 | 1.26% | | | | | 0.0364 | 13,693 |
| 6 | | | | | | | | 2.9028 | 1,091,992 |
| 7 | | | | | | | | | |
| 8 | <u>FT-GS</u> | | | | | | 0 | | |
| 9 | Indexed Gas Cost | | | | | | | 2.8490 | 0 |
| 10 | Base Rate | 26 | | | | | | 0.8976 | 0 |
| 11 | ACA | 24 | | | | | | 0.0014 | 0 |
| 12 | Fuel and Loss Retention | 32 | 1.26% | | | | | 0.0364 | 0 |
| 13 | | | | | | | | 3.7844 | 0 |
| 14 | | | | | | | | | |
| 15 | <u>Gas Storage</u> | | | | | | | | |
| 16 | FT-A & FT-G Market Area Withdrawals | | | | | | 736,280 | 2.8260 | 2,080,728 |
| 17 | FT-A & FT-G Market Area Injections | | | | | | 0 | 2.8490 | 0 |
| 18 | Withdrawal Rate | 61 | | | | | | 0.0087 | 6,406 |
| 19 | Injection Rate | 61 | | | | | | 0.0087 | 0 |
| 20 | Fuel and Loss Retention | 61 | 0.08% | | | | | 0.0000 | 0 |
| 21 | Total | | | | | | 736,280 | 2.8347 | 2,087,134 |
| 22 | | | | | | | | | |
| 23 | | | | | | | | | |
| 24 | | | | | | | | | |
| 25 | Total Tennessee Gas Zones | | | | | | 1,112,472 | 2.8577 | 3,179,126 |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Trunkline Gas Company

| Commodity | (a) | (b) | (c) | (d) | (e) | (f) |
|-----------|----------------------------|------------------|-----------|---------|---------------|----------------|
| Line No. | Description | Tariff Sheet No. | Purchases | | Rate | Total |
| | | | Mcf | MMbtu | \$/MMbtu | \$ |
| 1 | <u>Firm Transportation</u> | | | | | |
| 2 | Expected Volumes | | | 215,000 | | |
| 3 | Indexed Gas Cost | | | | 2.8490 | 612,535 |
| 4 | Base Commodity | 13 | | | 0.0051 | 1,097 |
| 5 | ACA | 13 | | | 0.0014 | 301 |
| 6 | Fuel and Loss Retention | 13 | 1.09% | | 0.0285 | 6,128 |
| 7 | | | | | <u>2.8840</u> | <u>620,061</u> |
| 8 | | | | | | |
| 9 | | | | | | |

Non-Commodity

| Line No. | Description | Tariff Sheet No. | Annual Units | Non-Commodity | | |
|----------|------------------------------------|------------------|--------------|---------------|----------------|----------------|
| | | | | Rate | Total | Demand |
| | | | MMbtu | \$/MMbtu | \$ | \$ |
| | Injections | | | | | |
| 10 | FT-G Contract # 014573 | | 33,750 | | | |
| 11 | Discount Rate on MDQs | | | 5.3776 | 181,494 | 181,494 |
| 12 | | | | | | |
| 13 | Total Trunkline Area Non-Commodity | | | | <u>181,494</u> | <u>181,494</u> |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Demand Charge Calculation

| Line No. | (a) | (b) | (c) | (d) | (e) |
|----------|--------------------------------|---------------------|-----------------------|-------------------|----------------------------------|
| 1 | <u>Total Demand Cost:</u> | | | | |
| 2 | Texas Gas Transmission | \$19,952,940 | | | |
| 3 | Midwestern | 0 | | | |
| 4 | Tennessee Gas Pipeline | 5,841,252 | | | |
| 5 | Trunkline Gas Company | 181,494 | | | |
| 6 | Total | <u>\$25,975,686</u> | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | <u>Demand Cost Allocation:</u> | Factors | Allocated Demand | Related Volumes | Monthly Demand Charge |
| 10 | All | 0.1544 | \$4,010,646 | 16,849,112 | Firm 0.2380 Interruptible 0.2380 |
| 11 | Firm | 0.8456 | 21,965,040 | 16,617,444 | 1.3218 |
| 12 | Total | <u>1.0000</u> | <u>\$25,975,686</u> | | <u>1.5598</u> <u>0.2380</u> |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | Annualized | Volumetric Basis for | | |
| 16 | | Mcf @14.65 | Monthly Demand Charge | | |
| 17 | <u>Firm Service</u> | | All | Firm | |
| 18 | Sales: | | | | |
| 19 | G-1 | 16,617,444 | 16,617,444 | 16,617,444 | 1.5598 |
| 20 | | | | | |
| 21 | <u>Interruptible Service</u> | | | | |
| 22 | Sales: | | | | |
| 23 | G-2 | 231,668 | 231,668 | | 1.5598 0.2380 |
| 24 | | | | | |
| 25 | <u>Transportation Service</u> | | | | |
| 26 | T-3 & T-4 | 28,656,251 | | | |
| 27 | | | | | |
| 28 | | <u>45,505,363</u> | <u>16,849,112</u> | <u>16,617,444</u> | |
| 29 | | | | | |
| 30 | | | | | |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Commodity - Total System

| | (a) | (b) | (c) | (d) |
|--|-----------|-----------|--------|------------|
| Line | | | | |
| No. Description | Purchases | | Rate | Total |
| | Mcf | MMbtu | \$/Mcf | \$ |
| 1 Texas Gas Area | | | | |
| 2 No Notice Service | 1,362,999 | 1,377,719 | 3.0038 | 4,094,169 |
| 3 Firm Transportation | 1,115,181 | 1,127,225 | 3.0007 | 3,346,280 |
| 4 No Notice Storage | 1,054,693 | 1,066,084 | 2.9805 | 3,143,561 |
| 5 Total Texas Gas Area | 3,532,873 | 3,571,028 | 2.9959 | 10,584,010 |
| 6 | | | | |
| 7 Tennessee Gas Area | | | | |
| 8 FT-A and FT-G | 351,089 | 376,192 | 3.1103 | 1,091,992 |
| 9 FT-GS | 0 | 0 | 0.0000 | 0 |
| 10 Gas Storage | | | | |
| 11 Injections | 0 | 0 | 0.0000 | 0 |
| 12 Withdrawals | 688,821 | 736,280 | 3.0300 | 2,087,134 |
| 13 | 1,039,910 | 1,112,472 | 3.0571 | 3,179,126 |
| 14 Trunkline Gas Area | | | | |
| 15 Firm Transportation | 214,421 | 215,000 | 2.8918 | 620,061 |
| 16 | | | | |
| 17 Company Owned Storage | | | | |
| 18 Injections | 2,521,765 | 2,549,000 | 2.8490 | 7,435,926 |
| 19 Withdrawals | 0 | 0 | | 0 |
| 20 Net WKG Storage | 2,521,765 | 2,549,000 | 2.9487 | 7,435,926 |
| 21 | | | | |
| 22 | | | | |
| 23 Local Production | 5,159 | 5,536 | 2.8490 | 14,698 |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 Total Commodity Purchases | 7,314,128 | 7,453,036 | 2.9852 | 21,833,821 |
| 28 | | | | |
| 29 Lost & Unaccounted for @ 1.16% | 84,844 | 86,455 | | |
| 30 | | | | |
| 31 Total Deliveries | 7,229,284 | 7,366,581 | 3.0202 | 21,833,821 |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 Total Expected Commodity Cost | 7,229,284 | 7,366,581 | 3.0202 | 21,833,821 |
| 36 | | | | |
| 37 | | | | |
| 38 Note: Column (c) is calculated by dividing column (d) by column (a) | | | | |
| 39 | | | | |

| Line No. | Description | MCF |
|----------|--|----------------------|
| | <u>Annualized Volumes Subject to Demand Charges</u> | |
| 1 | Sales Volume | 16,849,112 |
| 2 | Transportation | 0 |
| 3 | Total Mcf Billed Demand Charges | 16,849,112 |
| 4 | Divided by: Days/Year | 365 |
| 5 | Average Daily Sales and Transport Volumes | 46,162 |
| 6 | | |
| 7 | <u>Peak Day Sales and Transportation Volume</u> | |
| 8 | Estimated total company firm requirements for 5 degree average | |
| 9 | temperature days from Peak Day Book - with adjustments per rate filing | 299,064 Mcf/Peak Day |
| 10 | | |
| 11 | | |
| 12 | New Load Factor (line 5 / line 9) | 0.1544 |
| 13 | | |

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter ending January 31, 2016

The projected commodity price was provided by the Gas Supply Department and was based upon the following:

- A. The Gas Supply Department reviewed the NYMEX futures close prices for the quarter of November 2015 through January 2016 during the period September 10 through September 23, 2015.

| | | Nov-15 | Dec-15 | Jan-16 |
|-----------|----------|----------------|----------------|----------------|
| | | (\$/MMBTU) | (\$/MMBTU) | (\$/MMBTU) |
| Thursday | 09/10/15 | 2.759 | 2.914 | 3.024 |
| Friday | 09/11/15 | 2.767 | 2.913 | 3.022 |
| Monday | 09/14/15 | 2.828 | 2.971 | 3.077 |
| Tuesday | 09/15/15 | 2.800 | 2.951 | 3.060 |
| Wednesday | 09/16/15 | 2.739 | 2.892 | 3.000 |
| Thursday | 09/17/15 | 2.728 | 2.884 | 2.992 |
| Friday | 09/18/15 | 2.676 | 2.831 | 2.941 |
| Monday | 09/21/15 | 2.642 | 2.798 | 2.907 |
| Tuesday | 09/22/15 | 2.639 | 2.795 | 2.905 |
| Wednesday | 09/23/15 | 2.638 | 2.793 | 2.907 |
| Average | | <u>\$2.722</u> | <u>\$2.874</u> | <u>\$2.984</u> |

- B. The Company believes prices are decreasing and prices for the quarter ending January 31, 2016 will settle at \$2.849 per MMBTU (based on the average of the past ten days) for the period that the GCA is to become effective.

In support of Item B, a worksheet entitled "Estimated Weighted Average Cost of Gas" has been filed under a Petition for Confidentiality in this Case.

Atmos Energy Corporation
Estimated Weighted Average Cost of Gas
For the Quarter ending January 31, 2016

| | <u>November-15</u> | | | <u>December-15</u> | | | <u>January-16</u> | | | <u>Total</u> | | |
|----------------|--------------------|-------------|--------------|--------------------|-------------|--------------|-------------------|-------------|--------------|----------------|-------------|--------------|
| | <u>Volumes</u> | <u>Rate</u> | <u>Value</u> | <u>Volumes</u> | <u>Rate</u> | <u>Value</u> | <u>Volumes</u> | <u>Rate</u> | <u>Value</u> | <u>Volumes</u> | <u>Rate</u> | <u>Value</u> |
| Texas Gas | | | | | | | | | | | | |
| Trunkline | | | | | | | | | | | | |
| Tennessee Gas | | | | | | | | | | | | |
| TX Gas Storage | | | | | | | | | | | | |
| TN Gas Storage | | | | | | | | | | | | |
| WKG Storage | | | | | | | | | | | | |
| Midwestern | | | | | | | | | | | | |

(This information has been filed under a Petition for Confidentiality)

WACOGs

| Line No. | (a) Month | (b) Actual Purchased Volume (Mcf) | (c) Recoverable Gas Cost | (d) Actual GCA Recovered Gas Cost | (e) Under (Over) Recovery Amount | (f) Adjustments | (g) Total |
|----------|--|---|--------------------------------|--|---|--------------------------|-----------------------|
| 1 | May-15 | 589,501 | \$2,829,673.48 | \$3,058,271.71 | (\$228,598.23) | \$0.00 | (\$228,598.23) |
| 2 | | | | | | | |
| 3 | June-15 | 578,231 | \$2,925,871.39 | \$2,062,134.30 | \$863,737.09 | \$0.00 | \$863,737.09 |
| 4 | | | | | | | |
| 5 | July-15 | 401,944 | \$2,748,129.69 | \$1,718,648.54 | \$1,029,481.15 | \$0.00 | \$1,029,481.15 |
| 6 | | | | | | | |
| 7 | Total Gas Cost | | | | | | |
| 8 | Under/(Over) Recovery | | <u>\$8,503,674.56</u> | <u>\$6,839,054.55</u> | <u>\$1,664,620.01</u> | <u>\$0.00</u> | <u>\$1,664,620.01</u> |
| 9 | | | | | | | |
| 10 | PBR Savings reflected in Gas Costs | | <u>\$940,888.58</u> | | | | |
| 11 | | | | | | | |
| 12 | <u>Correction Factor - Part 1</u> | | | | | | |
| 13 | (Over)/Under Recovered Gas Cost through April 2015 (May 2015 GL) | | | | | (13,323,022.77) | |
| 14 | Total Gas Cost Under/(Over) Recovery for the three months ended July 2015 | | | | | 1,664,620.01 | |
| 15 | Recovery from outstanding Correction Factor (CF) | | | | | (287,842.70) | |
| 16 | Over-Refunded Amount of Pipeline Refunds | | | | | 0.00 | |
| 17 | (Over)/Under Recovered Gas Cost through July 2015 (August 2015 GL) (a) | | | | | <u>(\$11,946,245.46)</u> | |
| 18 | Divided By: Total Expected Customer Sales (b) | | | | | 16,849,112 | Mcf |
| 19 | | | | | | | |
| 20 | Correction Factor - Part 1 | | | | | <u>(\$0.7090)</u> | / Mcf |
| 21 | | | | | | | |
| 22 | <u>Correction Factor - Part 2</u> | | | | | | |
| 23 | Net Uncollectible Gas Cost through November 2014 (c) | | | | | 1,066,833.80 | |
| 24 | Divided By: Total Expected Customer Sales (b) | | | | | 16,849,112 | |
| 25 | | | | | | | |
| 26 | Correction Factor - Part 2 | | | | | <u>\$0.0633</u> | / Mcf |
| 27 | | | | | | | |
| 28 | <u>Correction Factor - Total (CF)</u> | | | | | | |
| 29 | Total Deferred Balance through July 2015 (August 2015 GL) including Net Uncol Gas Cost | | | | | <u>(\$10,879,411.66)</u> | |
| 30 | Divided By: Total Expected Customer Sales (b) | | | | | 16,849,112 | |
| 31 | | | | | | | |
| 32 | Correction Factor - Total (CF) | | | | | <u><u>(\$0.6457)</u></u> | / Mcf |
| 33 | | | | | | | |

Atmos Energy Corporation
 Recoverable Gas Cost Calculation
 For the Three Months Ended July 2015
 2015-00000

| Line No. | Description | GL Unit | June-15 | July-15 | August-15 |
|----------|-------------------------------------|---------|---------------|-------------------------|----------------|
| | | | (a) May-15 | (b) Month June-15 | (c) July-15 |
| 1 | Supply Volume | | | | |
| 2 | Pipelines: | | | | |
| 3 | Texas Gas Transmission ¹ | Mcf | 0 | 0 | 0 |
| 4 | Tennessee Gas Pipeline ¹ | Mcf | 0 | 0 | 0 |
| 5 | Trunkline Gas Company ¹ | Mcf | 0 | 0 | 0 |
| 6 | Midwestern Pipeline ¹ | Mcf | 0 | 0 | 0 |
| 7 | Total Pipeline Supply | Mcf | 0 | 0 | 0 |
| 8 | Total Other Suppliers | Mcf | 1,711,017 | 1,793,149 | 1,554,675 |
| 9 | Off System Storage | | | | |
| 10 | Texas Gas Transmission | Mcf | 0 | 0 | 0 |
| 11 | Tennessee Gas Pipeline | Mcf | 0 | 0 | 0 |
| 12 | System Storage | | | | |
| 13 | Withdrawals | Mcf | 0 | 0 | 1,247 |
| 14 | Injections | Mcf | (851,387) | (813,837) | (827,070) |
| 15 | Producers | Mcf | 2,182 | 2,053 | 2,007 |
| 16 | Third Party Reimbursements | Mcf | (99) | (0) | (13) |
| 17 | Pipeline Imbalances cashed out | Mcf | | | |
| 18 | System Imbalances ² | Mcf | (272,212) | (403,134) | (328,903) |
| 19 | Total Supply | Mcf | 589,501 | 578,231 | 401,944 |
| 20 | | | | | |
| 21 | Change in Unbilled | Mcf | | | |
| 22 | Company Use | Mcf | 0 | 0 | 0 |
| 23 | Unaccounted For | Mcf | 0 | 0 | 0 |
| 24 | Total Purchases | Mcf | 589,501 | 578,231 | 401,944 |

¹ Includes settlement of historical imbalances and prepaid items.

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended July 2015
2015-00000

| Line No. | Description | GL Unit | June-15 | July-15 | August-15 |
|----------|-------------------------------------|---------|---------------------|---------------------|---------------------|
| | | | (a) | (b) | (c) |
| | | | May-15 | Month June-15 | July-15 |
| 1 | Supply Cost | | | | |
| 2 | Pipelines: | | | | |
| 3 | Texas Gas Transmission ¹ | \$ | 1,295,960 | 1,252,278 | 1,292,785 |
| 4 | Tennessee Gas Pipeline ¹ | \$ | 196,439 | 185,429 | 185,429 |
| 5 | Trunkline Gas Company ¹ | \$ | 6,877 | 6,655 | 6,877 |
| 6 | Twin Eagle Resource Management | \$ | 21,206 | 19,750 | 20,156 |
| 7 | Midwestern Pipeline ¹ | \$ | 0 | 0 | 0 |
| 8 | Total Pipeline Supply | \$ | 1,520,481 | 1,464,111 | 1,505,247 |
| 9 | Total Other Suppliers | \$ | 4,122,057 | 4,792,462 | 4,165,876 |
| 10 | Hedging Settlements | \$ | 0 | 0 | 0 |
| 11 | Off System Storage | | | | |
| 12 | Texas Gas Transmission | \$ | | | |
| 13 | Tennessee Gas Pipeline | \$ | | | |
| 14 | WKG Storage | \$ | 122,500 | 122,500 | 122,500 |
| 15 | System Storage | | | | |
| 16 | Withdrawals | \$ | 0 | 0 | 3,675 |
| 17 | Injections | \$ | (2,027,059) | (2,178,815) | (2,188,765) |
| 18 | Producers | \$ | 5,792 | 5,655 | 5,582 |
| 19 | Third Party Reimbursements | \$ | (880) | (2,487) | (1,632) |
| 20 | Pipeline Imbalances cashed out | \$ | | | |
| 21 | System Imbalances ² | \$ | (913,218) | (1,277,554) | (864,354) |
| 22 | Sub-Total | \$ | 2,829,673 | 2,925,871 | 2,748,130 |
| 23 | Pipeline Refund + Interest | | | | |
| 24 | Change in Unbilled | \$ | | | |
| 25 | Company Use | \$ | 0 | | |
| 26 | Recovered thru Transportation | \$ | 0 | | |
| 27 | Total Recoverable Gas Cost | \$ | <u>2,829,673.48</u> | <u>2,925,871.39</u> | <u>2,748,129.69</u> |

¹ Includes demand charges, cost of settlement of historical imbalances and prepaid items.

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

| Line No. | Month | Type of Sales | (a) Mcf Sold | (b) CF Rate | (c) CF Amounts | (d) RF Rate | (e) RF Amounts | (f) PBR Rate | (g) PBRRF Amounts | (h) EGC Rate | (i) EGC Recovery Amounts | (j) Total Recoveries |
|----------|---------|--|-------------------|----------------|---------------------|----------------|-------------------|-----------------|----------------------|-----------------|-----------------------------|-------------------------|
| 1 | May-15 | G-1 Sales | 596,059.105 | \$0.2111 | \$125,828.08 | \$0.0000 | \$0.00 | \$0.1527 | \$91,018.23 | \$4.7814 | \$2,849,997.00 | \$3,066,843.31 |
| 2 | | G-2 Sales | <u>22,348.749</u> | \$0.2111 | <u>4,717.82</u> | \$0.0000 | <u>0.00</u> | \$0.1527 | <u>3,412.65</u> | \$3.4527 | <u>77,163.53</u> | <u>\$85,294.00</u> |
| 6 | | Sub Total | 618,407.854 | | \$130,545.90 | | \$0.00 | | \$94,430.88 | | \$2,927,160.53 | \$3,152,137.31 |
| 7 | | Timing: Cycle Billing and PPA's | <u>0.000</u> | | <u>(1,377.50)</u> | | <u>0.00</u> | | <u>4,373.14</u> | | <u>131,111.18</u> | <u>\$134,106.82</u> |
| 8 | | Total | 618,407.854 | | \$129,168.40 | | \$0.00 | | \$98,804.02 | | \$3,058,271.71 | \$3,286,244.13 |
| 9 | | | | | | | | | | | | \$3,187,440.11 |
| 10 | | | | | | | | | | | | |
| 11 | June-15 | G-1 Sales | 392,480.210 | \$0.2111 | \$82,852.57 | \$0.0000 | \$0.00 | \$0.1527 | \$59,931.73 | \$4.7814 | \$1,876,604.88 | \$2,019,389.18 |
| 12 | | G-2 Sales | <u>20,004.198</u> | \$0.2111 | <u>4,222.89</u> | \$0.0000 | <u>0.00</u> | \$0.1527 | <u>3,054.64</u> | \$3.4527 | <u>69,068.49</u> | <u>\$76,346.02</u> |
| 16 | | Sub Total | 412,484.408 | | \$87,075.46 | | \$0.00 | | \$62,986.37 | | \$1,945,673.37 | \$2,095,735.20 |
| 17 | | Timing: Cycle Billing and PPA's | <u>0.000</u> | | <u>239.79</u> | | <u>0.00</u> | | <u>4,983.05</u> | | <u>116,460.93</u> | <u>\$121,683.77</u> |
| 18 | | Total | 412,484.408 | | \$87,315.25 | | \$0.00 | | \$67,969.42 | | \$2,062,134.30 | \$2,217,418.97 |
| 19 | | | | | | | | | | | | \$2,149,449.55 |
| 20 | | | | | | | | | | | | |
| 21 | July-15 | G-1 Sales | 337,650.873 | \$0.2111 | \$71,278.10 | \$0.0000 | \$0.00 | \$0.1527 | \$51,559.29 | \$4.7814 | \$1,614,443.88 | \$1,737,281.27 |
| 22 | | G-2 Sales | <u>2,227.072</u> | \$0.2111 | <u>470.13</u> | \$0.0000 | <u>0.00</u> | \$0.1527 | <u>340.07</u> | \$3.4527 | <u>7,689.41</u> | <u>\$8,499.61</u> |
| 26 | | Sub Total | 339,877.945 | | \$71,748.23 | | \$0.00 | | \$51,899.36 | | \$1,622,133.29 | \$1,745,780.88 |
| 27 | | Timing: Cycle Billing and PPA's | <u>0.000</u> | | <u>(389.18)</u> | | <u>0.00</u> | | <u>4,050.86</u> | | <u>96,515.25</u> | <u>\$100,176.93</u> |
| 28 | | Total | 339,877.945 | | \$71,359.05 | | \$0.00 | | \$55,950.22 | | \$1,718,648.54 | \$1,845,957.81 |
| 29 | | | | | | | | | | | | \$1,790,007.59 |
| 30 | | | | | | | | | | | | |
| 31 | | Total Recovery from Correction Factor (CF) | | | <u>\$287,842.70</u> | | | | | | | |
| 32 | | Total Amount Refunded through the Refund Factor (RF) | | | | | <u>\$0.00</u> | | | | | |
| 33 | | Total Recovery from Performance Based Rate Recovery Factor (PBRRF) | | | | | | | <u>\$222,723.66</u> | | | |
| 34 | | Total Recoveries from Expected Gas Cost (EGC) Factor | | | | | | | | | <u>\$6,839,054.55</u> | |
| 35 | | Total Recoveries from Gas Cost Adjustment Factor (GCA) | | | | | | | | | | <u>\$7,349,620.91</u> |
| 36 | | | | | | | | | | | | |
| 37 | | | | | | | | | | | | <u>\$7,126,897.25</u> |

NOTE: The cycle billing is a result of customers being billed by the meter read date.
The prior period adjustments (PPA's) consist of billing revisions/adjustments.

| Description | May, 2015 | | June, 2015 | | July, 2015 | |
|---------------------------------------|-----------|----------------|------------|----------------|------------|----------------|
| | MCF | Cost | MCF | Cost | MCF | Cost |
| 1 Texas Gas Pipeline Area | | | | | | |
| 2 LG&E Natural | | | | | | |
| 3 Texaco Gas Marketing | | | | | | |
| 4 CMS | | | | | | |
| 5 WESCO | | | | | | |
| 6 Southern Energy Company | | | | | | |
| 7 Union Pacific Fuels | | | | | | |
| 8 Atmos Energy Marketing, LLC | | | | | | |
| 9 Engage | | | | | | |
| 10 ERI | | | | | | |
| 11 Prepaid | | | | | | |
| 12 Reservation | | | | | | |
| 13 Hedging Costs - All Zones | | | | | | |
| 14 | | | | | | |
| 15 Total | 1,479,495 | \$3,494,864.68 | 1,592,759 | \$4,187,610.08 | 1,346,544 | \$3,547,046.92 |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 Tennessee Gas Pipeline Area | | | | | | |
| 19 Chevron Natural Gas, Inc. | | | | | | |
| 20 Atmos Energy Marketing, LLC | | | | | | |
| 21 WESCO | | | | | | |
| 22 Prepaid | | | | | | |
| 23 Reservation | | | | | | |
| 24 Fuel Adjustment | | | | | | |
| 25 | | | | | | |
| 26 Total | 231,842 | \$628,394.07 | 199,952 | \$603,749.09 | 208,204 | \$619,279.75 |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 Trunkline Gas Company | | | | | | |
| 30 Atmos Energy Marketing, LLC | | | | | | |
| 31 Engage | | | | | | |
| 32 Prepaid | | | | | | |
| 33 Reservation | | | | | | |
| 34 Fuel Adjustment | | | | | | |
| 35 | | | | | | |
| 36 Total | 0 | (\$51.60) | 0 | \$33.44 | 0 | (\$24.27) |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 Midwestern Pipeline | | | | | | |
| 40 Atmos Energy Marketing, LLC | | | | | | |
| 41 Midwestern Gas Transmission | | | | | | |
| 42 Anadarko | | | | | | |
| 43 Prepaid | | | | | | |
| 44 Reservation | | | | | | |
| 45 Fuel Adjustment | | | | | | |
| 46 | | | | | | |
| 47 Total | (320) | (\$976.63) | 438 | \$1,282.20 | (73) | (\$218.08) |
| 48 | | | | | | |
| 49 | | | | | | |
| 50 ANR Pipeline | | | | | | |
| 51 Atmos Energy Marketing, LLC | | | | | | |
| 52 LG&E Natural | | | | | | |
| 53 Anadarko | | | | | | |
| 54 Prepaid | | | | | | |
| 55 Reservation | | | | | | |
| 56 Fuel Adjustment | | | | | | |
| 57 | | | | | | |
| 58 Total | 0 | (\$173.13) | 0 | (\$212.80) | 0 | (\$208.66) |
| 59 | | | | | | |
| 60 | | | | | | |
| 61 All Zones | | | | | | |
| 62 Total | 1,711,017 | \$4,122,057.39 | 1,793,149 | \$4,792,462.01 | 1,554,675 | \$4,165,875.66 |
| 63 | | | | | | |
| 64 | | | | | | |
| 65 | | | | | | |

**** Detail of Volumes and Prices Has Been Filed Under Petition for Confidentiality ****

Atmos Energy Corporation
Net Uncollectible Gas Cost
Twelve Months Ended November, 2014

Exhibit D
Page 6 of 6

| Line No. | Month | Gas Cost Written Off | Margin Written Off | Taxes & Other Written Off | Total Written Off | Gas Cost Collected | Margin Collected | Net Uncollectible Gas Cost | Cumulative Net Uncollectible Gas Cost |
|----------|--------|----------------------|--------------------|---------------------------|-------------------|--------------------|------------------|----------------------------|---------------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Dec-13 | (\$61,142.54) | (\$73,651.55) | (\$6,485.42) | (\$141,279.51) | \$18,477.73 | \$15,168.71 | \$42,664.81 | \$42,664.81 |
| 2 | Jan-14 | (\$28,363.27) | (\$52,067.36) | (\$3,234.04) | (\$83,664.67) | \$12,675.37 | \$12,684.00 | \$15,687.90 | \$58,352.71 |
| 3 | Feb-14 | (\$19,001.55) | (\$33,043.97) | (\$1,979.61) | (\$54,025.13) | \$20,496.40 | \$16,871.83 | (\$1,494.85) | \$56,857.86 |
| 4 | Mar-14 | (\$37,635.47) | (\$60,291.85) | (\$4,279.32) | (\$102,206.64) | \$10,165.59 | \$10,779.75 | \$27,469.88 | \$84,327.74 |
| 5 | Apr-14 | (\$39,017.14) | (\$53,059.85) | (\$4,080.74) | (\$96,157.73) | \$10,038.85 | \$8,550.51 | \$28,978.29 | \$113,306.03 |
| 6 | May-14 | (\$47,407.70) | (\$52,789.88) | (\$4,272.65) | (\$104,470.23) | \$6,825.14 | \$6,785.80 | \$40,582.56 | \$153,888.59 |
| 7 | Jun-14 | (\$73,888.61) | (\$53,045.65) | (\$5,201.00) | (\$132,135.26) | \$6,797.67 | \$6,423.62 | \$67,090.94 | \$220,979.53 |
| 8 | Jul-14 | (\$122,762.70) | (\$76,465.59) | (\$9,111.91) | (\$208,283.23) | \$7,838.56 | \$7,689.90 | \$114,924.14 | \$335,903.67 |
| 9 | Aug-14 | (\$217,494.00) | (\$128,778.25) | (\$15,670.89) | (\$361,493.14) | \$10,532.37 | \$10,923.63 | \$206,961.63 | \$542,865.30 |
| 10 | Sep-14 | (\$263,107.05) | (\$165,421.11) | (\$18,037.32) | (\$446,565.48) | \$12,353.05 | \$11,403.28 | \$250,754.00 | \$793,619.30 |
| 11 | Oct-14 | (\$312,438.07) | (\$185,849.06) | (\$22,282.62) | (\$520,569.75) | \$42,461.72 | \$36,328.57 | \$269,976.35 | \$1,063,595.65 |
| 12 | Nov-14 | (\$70,909.95) | (\$70,254.05) | (\$6,739.10) | (\$147,903.10) | \$67,671.80 | \$54,282.98 | \$3,238.15 | \$1,066,833.80 |

| Line No. | Amounts Reported: | | | | AMOUNT |
|----------|---|---------------|------------------|-----------------|------------------------|
| 1 | Tennessee Gas Pipeline Rate Case Refund, Docket No. RP11-1566 | | | | \$ 58,997.12 |
| 2 | | | | | |
| 3 | Carryover from Case No. 2015-00000 | | | | |
| 4 | Less: amount related to specific end users | | | | 0.00 |
| 5 | Amount to flow-through | | | | <u>\$ 58,997.12</u> |
| 6 | | | | | |
| 7 | Average of the 3-Month Commercial Paper Rates for the immediately | | | | 0.00% |
| 8 | preceding 12-month period less 1/2 of 1% to cover the costs of refunding. | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | Allocation | (1) | (2) | (3) | |
| 12 | | Demand | Commodity | Total | |
| 13 | Balance to be Refunded | \$0 | \$ 58,997 | \$58,997 | |
| 14 | | 0 | 0 | 0 | |
| 15 | | | | | |
| 16 | Total (w/o interest) | <u>0</u> | <u>58,997</u> | <u>58,997</u> | |
| 17 | Interest (Line 14 x Line 5) | 0 | 0 | 0 | |
| 18 | Total | <u>\$0</u> | <u>\$58,997</u> | <u>\$58,997</u> | |
| 19 | | | | | |
| 20 | Refund Calculation | | | | |
| 21 | | | | | |
| 22 | Demand Allocator - All | | | | |
| 23 | (See Exh. B, p. 8, line 12) | | | 0.1544 | |
| 24 | Demand Allocator - Firm | | | | |
| 25 | (1 - Demand Allocator - All) | | | 0.8456 | |
| 26 | Firm Volumes (normalized) | | | | |
| 27 | (See Exh. B, p. 6, col. 3, line 28) | | | 16,617,444 | |
| 28 | All Volumes (excluding Transportation) | | | | |
| 29 | (See Exh. B, p. 6, col. 2, line 28) | | | 16,849,112 | |
| 30 | | | | | |
| 31 | Demand Factor - All | \$0 | | | \$0.0000 / MCF |
| 32 | Demand Factor - Firm | \$0 | | | \$0.0000 / MCF |
| 33 | Commodity Factor | \$58,997 | | | \$ 0.0035 / MCF |
| 34 | Total Demand Firm Factor | | | | |
| 35 | (Col. 2, lines 29 - 30) | | | | \$0.0000 / MCF |
| 36 | Total Demand Interruptible Factor | | | | |
| 37 | (Col. 2, line 29) | | | | \$0.0000 / MCF |
| 38 | Total Firm Sales Factor | | | | |
| 39 | (Col. 2, line 31 + col. 1, line 33) | | | | \$ 0.0035 / MCF |

Atmos Energy Corporation
Performance Based Rate Recovery Factor
2015-00000
(PBRRF)

Exhibit E

| Line No. | Amounts Reported: | AMOUNT |
|----------|--|-------------------------------|
| 1 | Company Share of 11/13-10/14 PBR Activity | \$ 2,666,021.47 |
| 2 | Carry-over Amount in Case No. 2010-00526 | (\$93,722.12) |
| 3 | | - |
| 4 | Total | <u>\$ 2,572,299.35</u> |
| 5 | | |
| 6 | | |
| 7 | Total | \$ 2,572,299.35 |
| 8 | Less: Amount related to specific end users | 0.00 |
| 9 | Amount to flow-through | <u><u>\$ 2,572,299.35</u></u> |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | Allocation | Total |
| 14 | | |
| 15 | Company share of PBR activity | \$ 2,572,299.35 |
| 16 | | |
| 17 | PBR Calculation | |
| 18 | | |
| 19 | Demand Allocator - All | |
| 20 | (See Exh. B, p. 6, line 10) | 0.1544 |
| 21 | Demand Allocator - Firm | |
| 22 | (1 - Demand Allocator - All) | 0.8456 |
| 23 | Firm Volumes (normalized) | |
| 24 | (See Exh. B, p. 6, col. (a), line 19) | 16,617,444 |
| 25 | All Volumes (excluding Transportation) | |
| 26 | (See Exh. B, p. 6, col. (b), line 28) | 16,849,112 |
| 27 | | |
| 28 | | |
| 29 | Total Sales Factor (Line 15 / Line 26) | \$ 0.1527 / MCF |
| 30 | | |
| 31 | Total Interruptible Sales Factor (Line 29) | \$ 0.1527 / MCF |

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------|---|------------|
| GAS COST ADJUSTMENT |) | CASE NO. |
| FILING OF |) | 2015-00000 |
| ATMOS ENERGY CORPORATION |) | |

PETITION FOR CONFIDENTIALITY OF INFORMATION
BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION

Atmos Energy Corporation ("Atmos") respectfully petitions the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001 Section 13 for confidential treatment of the information which is described below and which is attached hereto. In support of this Petition, Atmos states as follows:

1. Atmos is filing its Gas Cost Adjustment ("GCA") for the quarterly period commencing on November 1, 2015 through January 31, 2016. This GCA filing contains a change to Atmos' Correction Factor (CF) as well as information pertaining to Atmos' projected gas prices. The following two attachments contain information which requires confidential treatment.

- a. The attached Exhibit D, Page 5 of 6 contains confidential information from which the actual price being paid by Atmos for natural gas to its supplier can be determined.
- b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, Page 2 of 2 contains confidential information pertaining to prices projected to be paid by Atmos for purchase contracts.

2. Information of the type described above has previously been filed by Atmos with the Commission under petitions for confidentiality. The Commission has consistently granted confidential protection to that type of information in each of the prior GCA filings in KPSC Case No. 1999-070. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 97-513.

3. All of the information sought to be protected herein as confidential, if publicly disclosed, would have serious adverse consequences to Atmos and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos. Atmos has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos' competitors, (including specifically non-regulated gas marketers), would clearly put Atmos to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos' gas purchases and transportation costs and strategies. The Commission has accordingly granted confidential protection to such information.

4. Likewise, the information contained in the WACOG schedule in support of Exhibit C, Page 2 of 2, also constitutes sensitive, proprietary information which if publicly disclosed would put Atmos to an unfair commercial disadvantage in future negotiations.

5. Atmos would not, as a matter of company policy, disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos' internal practices and policies are directed

towards non-disclosure of the attached information. In fact, the information contained in the attached report is not disclosed to any personnel of Atmos except those who need to know in order to discharge their responsibility. Atmos has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry.

6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

7. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 265.880: (a) the economic value of the information as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos maintaining the confidentiality of the information since competitors and entities with whom Atmos transacts business could obtain economic value by its disclosure.

8. Pursuant to 807 KAR 5:001 Section 7(3) temporary confidentiality of the attached information should be maintained until the Commission enters an order as to this petition. Once the order regarding confidentiality has been issued, Atmos would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:001 Section 7(4). Atmos requests that the information be kept confidential for an indefinite period.

WHEREFORE, Atmos petitions the Commission to treat as confidential all of the material and information which is included in the attached one volume marked "Confidential".

Respectfully submitted this 30th day of September, 2015.



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