

The Law Offices of

WILSON, HUTCHINSON & LITTLEPAGE

611 Frederica Street
Owensboro, Kentucky 42301
Telephone (270) 926-5011
Facsimile (270) 926-9394

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PUBLIC SERVICE
COMMISSION

William L. Wilson, Jr.
Mark R. Hutchinson
T. Tommy Littlepage

bill@whplawfirm.com
randy@whplawfirm.com
ttommy@whplawfirm.com

OVERNIGHT DELIVERY

January 14, 2016

Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40602

RE: Case No. 2015-00384

Dear Mr. Derouen:

Atmos Energy Corporation (Company) herewith submits an original and eight (8) copies of the Company's responses to the Commission Staff's Second Requests for Information in the above referenced case.

Please feel free to contact me at 270-926-5011 if you have any questions and/or need any additional information.

Very truly yours,

WILSON, HUTCHINSON & LITTLEPAGE



Mark R. Hutchinson

Enclosure
c: Erikka Hise
Mark Martin

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

APPLICATION OF ATMOS ENERGY CORPORATION)
FOR AN ORDER AUTHORIZING A TERM LOAN IN AN AMOUNT) Case No.
NOT TO EXCEED \$200 MILLION) 2015-00384

AFFIDAVIT

The Affiant, Richard M. Thomas, being duly sworn, disposes and states that the attached responses to the Commission Staff's ~~first~~^{second} request for information are true and correct to the best of his knowledge and belief.



Richard M. Thomas

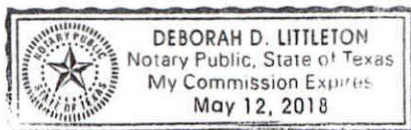
STATE OF TEXAS)
)
COUNTY OF DALLAS)

SUBSCRIBED AND SWORN to before me by Richard M. Thomas on this the 14 day of January, 2016.



Notary Public

My Commission Expires: 5-12-18



Atmos Energy Corporation
Kentucky
Case No. 2015-00384
Commission Staff Data Request
DR Item 1
Witness: Daniel M. Meziere
Vice President and Treasurer

Data Request:

Refer to Atmos's response to the Commission Staff's First Request for Information, Items 1 and 2. Explain in detail Atmos's decision to pursue the proposed \$200 million five-year term loan in light of the availability of its \$1.25 billion Revolving Credit Agreement ("Credit Facility"), which may be accessed on the Securities and Exchange Commission Web site via the link provided in item 2.

Response:

As disclosed in our Form 10-K filed with the SEC on November 6, 2015, "Our short-term borrowing requirements are affected by the seasonal nature of the natural gas business. Changes in the price of natural gas and the amount of natural gas we need to supply to meet our customers' needs could significantly affect our borrowing requirements. We finance our short-term borrowing requirements through a combination of a \$1.25 billion commercial paper program, which is collateralized by our \$1.25 billion unsecured credit facility, as well as three additional committed revolving credit facilities and one uncommitted revolving credit facility with third-party lenders that provide approximately \$1.3 billion of working capital funding." Typically, our commercial paper balances peak during the winter months. As such, we believe we will need a more permanent form of financing in order to maintain adequate liquidity to manage through the seasonal nature of the business. The term loan will accomplish that goal.

Atmos Energy Corporation
Kentucky
Case No. 2015-00384
Commission Staff Data Request
DR Item 2
Witness: Daniel M. Meziere
Vice President and Treasurer

Data Request:

Provide a comparison of the expected cost of the proposed term loan and similar financing pursuant to the Credit Facility, with example calculations based on current interest rates and fees specific to each. The cost comparison should include the impact of a reduction in the commitment fees Atmos must pay on the unused portion of the Credit Facility, as well as the steps necessary to renew the borrowing beyond the 364-day limit.

Response:

As noted in response 1 above, we typically finance our short-term borrowing requirements with commercial paper rather than borrowing under the credit facility. However, the credit facility serves as a backup to our commercial paper program. Due to the constantly changing costs of the commercial paper market, we have not completed such an analysis. However, we anticipate the terms of the term loan to be very similar to the terms of our current credit facility. Please note in response 1 above, that the primary reason of executing the term loan is to maintain adequate liquidity to manage the seasonal nature of our business.

Atmos Energy Corporation
Kentucky
Case No. 2015-00384
Commission Staff Data Request
DR Item 3
Witness: Daniel M. Meziere
Vice President and Treasurer

Data Request:

Confirm that, following the expiration of the \$600 million five-year revolving credit facility approved in Case No. 2006-00425, Atmos did not seek Commission approval of the current \$1.25 billion five-year Credit Facility due to the Credit Facility's requirement that all borrowings must be repaid within 364 days.

Response:

Confirmed.