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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY)	Case No. 2017-00037
CORPORATION FOR AN ORDER)	
AUTHORIZING THE IMPLEMENTATION OF)	Case No.
A \$2,500,000,000 UNIVERSAL SHELF)	2015-000346
REGISTRATION)	

MOTION TO REOPEN AND MODIFY THE ORDER OF DECEMBER 16, 2015

Atmos Energy Corporation (the “Company” or “Atmos”), by counsel, pursuant to KRS 278.390 and all other applicable law submits this Motion to Reopen and Modify relating to the Commission’s Order in the above styled proceeding entered December 16, 2015. There were no intervenors and no appeal was taken in this proceeding. The Order is now final. However, KRS 278.390 gives the Commission continuing jurisdiction to review and modify its orders:

... Every order entered by the commission shall continue in force until the expiration of the time, if any, named by the commission in the order, or until revoked **or modified** by the commission, unless the order is suspended, or vacated in whole or in part, by order or decree of a court of competent jurisdiction. (Emphasis added).

Because of the circumstances which have developed since the issuance of the Order, Atmos seeks a modification related to the reporting provisions of the Order.

On October 21, 2015, Atmos submitted an application seeking Commission approval to implement a \$2,500,000,000 universal shelf registration for debt and equity financing to be issued in one or more series. On December 16, 2015, the Commission entered an Order authorizing Atmos to implement the \$2,500,000,000 universal shelf registration (the “Order”). The Commission’s Order further directed Atmos to file with the Commission a statement setting

forth the date or dates of issuance, the price paid, the interest rate, if any, the name of the purchasers and all fees and expenses involved in the transaction, within ten (10) days of issuance.

Historically, Atmos has issued stock pursuant to its universal shelf filing in large “follow-on” offerings, primarily to institutional investors. Consistent with the Commission’s orders in prior universal shelf filings, Atmos filed the required reports within ten (10) days of each such issuance.

Atmos, however, has recently been issuing stock pursuant to a program known as “at the market” (ATM) in which shares are issued in much smaller increments in the normal course of market activity. Atmos is able to optimize the price it receives for the stock because the current market price is being paid for the stock versus a discounted price that normally occurs when large blocks are issued. It is this change in issuance protocol that is the sole subject of this motion to reopen and modify. Because the issuance of small increments of stock had not previously been utilized by Atmos and the practice was not anticipated in the previous filing, the Order does not address the differences in the timing of public disclosure of the small stock issuances. Atmos seeks a modification of the Order to allow for a different reporting date for these small block stock issuances under the Company’s ATM program.

Information concerning the issuance of these smaller blocks, including the price paid, is included in Atmos’ quarterly 10Q filings, but such filings will normally be outside the ten (10) day window for reporting a stock issuance required by the Order. To optimize the benefits of these offerings, it would be preferable not to publicly disclose the price paid for the stock in these small issuances between the 10Q filings. If the fact the Company is actively issuing shares becomes public knowledge prior to the next 10Q filing, stock prices would be vulnerable to manipulations.

From November 17, 2016 through December 7, 2016, Atmos was active in the market on twelve (12) days. Issuance on these day ranged from 25,000 shares to 120,000 shares. The average number of shares issued on these twelve (12) days was approximately 50,500 shares.

In order to minimize the risk of manipulation for these shares issued at the market price, public disclosure of the prices paid should be delayed until the Company's next 10Q quarterly filing. Atmos would file the required Commission reports within ten (10) days of each 10Q filing. For purposes of the recent issuances, the report would be filed within ten (10) days from the Company's next 10Q filing.

The alternative would be for the Company to file, for each day that it actively issues shares into the market, the required report under a petition for confidentiality, asking that the information relating to issuance, including price paid, be held confidential by the Commission until Atmos' next 10Q report has been filed. The information included in the required reports does not affect rates or directly relate to any tariff. Customers are not specifically notified of the issuances or the filing of the reports. Deferral of the reporting of this information will have no impact on the type, amount or detail of information provided. Atmos asserts that no significant public purpose is served under this approach and it would result in unnecessary work on the part of both Atmos and the Commission Staff.

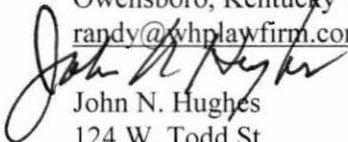
Atmos acknowledges that due to the unexpected utilization of small batch offerings, it has failed to comply with the reporting requirements of the Order. However, the failure to report the stock issuances was not willful or intentional, but the result of a new financial strategy, which was not immediately conformed to the Commission's Order. The purpose of this motion is to provide a mechanism for future compliance for stock issuance under the Company's ATM program.

Atmos accordingly requests that the report required by ordering paragraph 4 of the Order for any stock issuance under the Company's ATM program, be filed with the Commission within ten (10) days following the date each such issue was publically disclosed in Atmos' 10Q report filed with the Security and Exchange Commission.

Respectfully submitted.

WILSON, HUTCHINSON & LITTLEPAGE

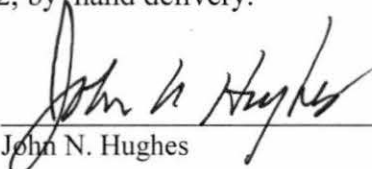
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CERTIFICATE OF SERVICE

I hereby certify that on the 9th day of January, 2017, the original of this Application, together with ten (10) copies was filed with the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40602, by hand delivery.



John N. Hughes