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PUBLIC SERVICE
COMMISSION

December 22, 2017

Ms. Talina Mathews, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Case No. ~~2018-00000~~ 2017-00478

Dear Ms. Mathews:

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 Anthony.Croissant@atmosenergy.com.

If you have any questions, feel free to call me at 972-855-3115.

Sincerely,

Anthony Croissant
Sr. Rate Administration Analyst

Enclosures

RECEIVED

DEC 22 2017

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. ~~2018-00000~~ 2017-00478

NOTICE

QUARTERLY FILING

For The Period

February 1, 2018 – April 30, 2018

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

December 22, 2017

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

Liza Philip
Manager, Rate Administration
Atmos Energy Corporation
5430 LBJ Freeway, Suite 700
Dallas, Texas 75240

Anthony Croissant
Sr. 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 Nineteenth Revised Sheet No. 4, Nineteenth Revised Sheet No. 5, and Nineteenth Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective February 1, 2018.

The Gas Cost Adjustment (GCA) for firm sales service is $5.2725 per Mcf and $3.9548 per Mcf for interruptible sales service. The supporting calculations for the Nineteenth 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. 2017-00402, 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 February 1, 2018 through April 30, 2018, as shown in Exhibit C, page 1 of 2.

2. The G-1 Expected Gas Cost will be approximately $4.5513 per Mcf for the quarter of February 1, 2018 through April 30, 2018, as compared to $4.5613 per Mcf used for

the period of November 1, 2017 through January 31, 2018. The G-2 Expected Commodity Gas Cost will be approximately $3.2336 for the quarter of February 1, 2018 through April 30, 2018 as compared to $3.3446 for the period of November 1, 2017 through January 31, 2018.

3. The Company's notice sets out a new Correction Factor of $0.5360 per Mcf which will remain in effect until at least April, 2018.

4. The Refund Factor of ($0.0000) per Mcf will remain in effect until the refund has been completed.

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 October 31, 2017 (November, 2017 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 Nineteenth Revised Sheet No. 5; and Nineteenth 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 February 1, 2018.

DATED at Dallas, Texas this 22th Day of December, 2017.

ATMOS ENERGY CORPORATION

By: ______________________

Anthony Croissant
Sr. Rate Administration Analyst
Atmos Energy Corporation

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 4

CANCELLING

EIGHTEENTH REVISED SHEET NO. 4

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Rate Summary

Case No. 2018-00000

Firm Service

Base Charge:

Residential (G-1)	-	$17.50	per meter per month
Non-Residential (G-1)	-	44.50	per meter per month
Transportation (T-4)	-	375.00	per delivery point per month
Transportation Administration Fee	-	50.00	per customer per meter

Rate per Mcf [2]			Sales (G-1)		Transportation (T-4)		
First	300 [1]	Mcf	@	6.8065 per Mcf	@	1.5340 per Mcf	(I, -)
Next	14,700 [1]	Mcf	@	6.2225 per Mcf	@	0.9500 per Mcf	(I, -)
Over	15,000	Mcf	@	6.0125 per Mcf	@	0.7400 per Mcf	(I, -)

Interruptible Service

Base Charge	-	$375.00	per delivery point per month
Transportation Administration Fee	-	50.00	per customer per meter

Rate per Mcf [2]			Sales (G-2)		Transportation (T-3)		
First	15,000 [1]	Mcf	@	4.8048 per Mcf	@	0.8500 per Mcf	(I, -)
Over	15,000	Mcf	@	4.5953 per Mcf	@	0.6405 per Mcf	(I, -)

[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 December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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 2018-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION
NAME OF UTILITY

CANCELLING

EIGHTEENTH REVISED SHEET NO. 5

Current Gas Cost Adjustments

Case No. 2018-00000

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

Gas Cost Adjustment Components	G - 1	G-2	
EGC (Expected Gas Cost Component)	4.5513	3.2336	(R, R)
CF (Correction Factor)	0.5360	0.5360	(I, I)
RF (Refund Adjustment)	0.0000	0.0000	(-, -)
PBRRF (Performance Based Rate Recovery Factor)	0.1852	0.1852	(I, I),
GCA (Gas Cost Adjustment)	$5.2725	$3.9548	(I, I)

DATE OF ISSUE December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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 2018-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION
NAME OF UTILITY

CANCELLING

EIGHTEENTH REVISED SHEET NO. 6

Current Transportation

Case No. 2018-00000

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

System Lost and Unaccounted gas percentage: 1.61%

				Simple Margin		Non-Commodity		Gross Margin		
Transportation Service [1]										
Firm Service (T-4)										
First	300	Mcf	@	$1.5340	+	$0.0000	=	$1.5340	per Mcf	(-)
Next	14,700	Mcf	@	0.9500	+	0.0000	=	0.9500	per Mcf	(-)
All over	15,000	Mcf	@	0.7400	+	0.0000	=	0.7400	per Mcf	(-)
Interruptible Service (T-3)										
First	15,000	Mcf	@	$0.8500	+	$0.0000	=	$0.8500	per Mcf	(-)
All over	15,000	Mcf	@	0.6405	+	0.0000	=	0.6405	per Mcf	(-)

[1] Excludes standby sales service.

DATE OF ISSUE December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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 2018-00000 DATED N/A

Atmos Energy Corporation
Comparison of Current and Previous Cases
Sales Service

Line No.	Description	(a) Case No. 2017-00402	(b) Case No. 2018-00000	(c) Difference
		$/Mcf	$/Mcf	$/Mcf
1	**G - 1**			
2				
3	Distribution Charge (per Case No. 2015-00343)			
4	First 300 Mcf	1.5340	1.5340	0.0000
5	Next 14,700 Mcf	0.9500	0.9500	0.0000
6	Over 15,000 Mcf	0.7400	0.7400	0.0000
7				
8	Gas Cost Adjustment Components			
9	EGC (Expected Gas Cost):			
10	Commodity	3.1294	3.0109	(0.1185)
11	Demand	1.4319	1.5404	0.1085
12	Total EGC	4.5613	4.5513	(0.0100)
13	CF (Correction Factor)	0.1816	0.5360	0.3544
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1852	0.0133
16	GCA (Gas Cost Adjustment)	4.9148	5.2725	0.3577
17				
18	Rate per Mcf (GCA included)			
19	First 300 Mcf	6.4488	6.8065	0.3577
20	Next 14,700 Mcf	5.8648	6.2225	0.3577
21	Over 15,000 Mcf	5.6548	6.0125	0.3577
22				
23				
24	**G - 2**			
25				
26	Distribution Charge (per Case No. 2015-00343)			
27	First 15,000 Mcf	0.8500	0.8500	0.0000
28	Over 15,000 Mcf	0.6405	0.6405	0.0000
29				
30	Gas Cost Adjustment Components			
31	EGC (Expected Gas Cost):			
32	Commodity	3.1294	3.0109	(0.1185)
33	Demand	0.2152	0.2227	0.0075
34	Total EGC	3.3446	3.2336	(0.1110)
35	CF (Correction Factor)	0.1816	0.5360	0.3544
36	RF (Refund Adjustment)	0.0000	0.0000	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1852	0.0133
38	GCA (Gas Cost Adjustment)	3.6981	3.9548	0.2567
39				
40	Rate per Mcf (GCA included)			
41	First 300 Mcf	4.5481	4.8048	0.2567
42	Over 14,700 Mcf	4.3386	4.5953	0.2567
43				
44				

Line No.	Refund Factor (RF)		Case No.	Effective Date	RF
45	**Refund Factor (RF)**				
47				Effective	
48			Case No.	Date	RF
49					
50		1 -	2017-00180	6/1/2017	0.0000
51		2 -	2017-00260	8/1/2017	0.0000
52		3 -	2017-00402	11/1/2017	0.0000
53		4 -	2018-00000	2/1/2018	0.0000
54					
55	Total Refund Factor (RF)				$0.0000

Atmos Energy Corporation
Comparison of Current and Previous Cases
Transportation Service

Line No.	Description			(a) Case No. 2017-00402	(b) Case No. 2018-00000	(c) Difference
				$/Mcf	$/Mcf	$/Mcf
1	**T -4 Transportation Service / Firm Service (High Priority)**					
2						
3	Simple Margin / Distribution Charge (per Case No. 2015-00343)					
4	First	300	Mcf	1.5340	1.5340	0.0000
5	Next	14,700	Mcf	0.9500	0.9500	0.0000
6	Over	15,000	Mcf	0.7400	0.7400	0.0000
7						
8						
9	**T - 3 / Interruptible Service (Low Priority)**					
10						
11	Simple Margin / Distribution Charge (per Case No. 2015-00343)					
12	First	15,000	Mcf	0.8500	0.8500	0.0000
13	Over	15,000	Mcf	0.6405	0.6405	0.0000
14						

Atmos Energy Corporation
Expected Gas Cost (EGC) Calculation
Texas Gas Transmission - Non-Commodity

			(a)	(b)	(c)	(d)	(e)
						Non-Commodity	
Line No.	Description		Tariff Sheet No.	Annual Units	Rate	Total	Demand
				MMbtu	$/MMbtu	$	$
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			12,340,360		3,810,703	3,810,703
6							
7	**SL to Zone 3**						
8	NNS Contract #	29762		27,757,688			
9	Base Rate		Section 4.4 - NNS		0.3543	9,834,549	9,834,549
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			37,430,188		12,677,297	12,677,297
18							
19	**Zone 1 to Zone 3**						
20	STF Contract #	35772	Section 4.2 - STF	776,400			
21	Base Rate				0.3282	254,814	254,814
22							
23	STF Contract #	36788	Section 4.2 - STF	90,000			
24	Base Rate				0.3282	29,538	29,538
25							
26	Total Zone 1 to Zone 3			866,400		284,352	284,352
27							
28	**SL to Zone 4**						
29	NNS Contract #	29763		3,320,769			
30	Base Rate		Section 4.4 - NNS		0.4190	1,391,402	1,391,402
31							
32	FT Contract #	31097		1,825,000			
33	Base Rate		Section 4.1 - FT		0.3670	669,775	669,775
34							
38	Total SL to Zone 4			5,145,769		2,061,177	2,061,177
39							
40	**Zone 2 to Zone 4**						
41	FT Contract #	34674		2,309,720			
42	Base Rate		Section 4.1 - FT		0.2780	642,102	642,102
43							
44	Total Zone 2 to Zone 4			2,309,720		642,102	642,102
45							
46	**Zone 3 to Zone 3**						
47	FT Contract #	36773		1,070,000			
48	Base Rate		Section 4.1 - FT		0.1493	344,841	344,841
49							
50	Total Zone 3 to Zone 3			1,070,000		344,841	344,841
51							
52	Total SL to Zone 2			12,340,360		3,810,703	3,810,703
53	Total SL to Zone 3			37,430,188		12,677,297	12,677,297
54	Total Zone 1 to Zone 3			866,400		284,352	284,352
55	Total SL to Zone 4			5,145,769		2,061,177	2,061,177
56	Total Zone 2 to Zone 4			2,309,720		642,102	642,102
57	Total Zone 3 to Zone 3			1,070,000		344,841	344,841
58							
59	Total Texas Gas			59,162,437		19,820,472	19,820,472
60							
61							
62	Total Texas Gas Area Non-Commodity					19,820,472	19,820,472

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units	(c) Rate	(d) Non-Commodity Total	(e) Non-Commodity Demand
			MMbtu	$/MMbtu	$	$
1	**0 to Zone 2**					
2	FT-G Contract # 2546		145,000			
3	Base Rate	23		15.5759	2,258,506	2,258,506
4						
5	FT-A Contract # 95033		144,000			
6	Base Rate	14		15.5759	2,242,930	2,242,930
7						
8	Total Zone 0 to 2		289,000		4,501,436	4,501,436
9						
10	**1 to Zone 2**					
11	FT-A Contract # 300264		30,000			
12	Base Rate	14		10.5774	317,322	317,322
13						
14	Total Zone 1 to 2		30,000		317,322	317,322
15						
16	**Gas Storage**					
17	Production Area:					
18	Demand	61	34,968	2.0334	71,104	71,104
19	Space Charge	61	4,916,148	0.0207	101,764	101,764
20	Market Area:					
21	Demand	61	237,408	1.4938	354,640	354,640
22	Space Charge	61	10,846,308	0.0205	222,349	222,349
23	Total Storage		16,034,832		749,857	749,857
24						
25	Total Tennessee Gas Area FT-G Non-Commodity				5,568,615	5,568,615

Line No.	Description	(a) Tariff Sheet No.	(b)	(c) Purchases Mcf	(d) Purchases MMbtu	(e) Rate $/MMbtu	(f) Total $
1	No Notice Service				1,611,113		
2	Indexed Gas Cost					2.8820	4,643,229
3	Commodity (Zone 3)	Section 4.4 - NNS				0.0490	78,945
4	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0288	46,400
5						2.9598	4,768,574
6							
7	Firm Transportation				1,318,184		
8	Indexed Gas Cost					2.8820	3,799,005
9	Base (Weighted on MDQs)					0.0443	58,396
10	ACA	Section 4.1 - FT				0.0013	1,714
11	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0288	37,964
12						2.9564	3,897,079
13	No Notice Storage						
14	Net (Injections)/Withdrawals						
15	Withdrawals				2,304,665	2.7260	6,282,517
16	Injections				0	2.8820	0
17	Commodity (Zone 3)	Section 4.4 - NNS				0.0490	112,929
18	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0288	66,374
19					2,304,665	2.8038	6,461,820
20							
21							
22	Total Purchases in Texas Area				5,233,962	2.8903	15,127,473
23							
24							
25	Used to allocate transportation non-commodity						
26							
27				Annualized		Commodity	
28				MDQs in		Charge	Weighted
29	Texas Gas			MMbtu	Allocation	$/MMbtu	Average
30	SL to Zone 2	Section 4.1 - FT		12,340,360	21.24%	$0.0399	$ 0.0085
31	SL to Zone 3	Section 4.1 - FT		37,430,188	64.43%	0.0445	$ 0.0287
32	1 to Zone 3	Section 4.1 - FT		866,400	1.49%	0.0422	$ 0.0006
33	SL to Zone 4	Section 4.1 - FT		5,145,769	8.86%	0.0528	$ 0.0047
34	2 to Zone 4	Section 4.1 - FT		2,309,720	3.98%	0.0446	$ 0.0018
35	Total			58,092,437	100.0%		$ 0.0443
36							
37	Tennessee Gas						
38	0 to Zone 2	24		289,000	90.60%	$0.0167	$ 0.0151
39	1 to Zone 2	24		30,000	9.40%	0.0087	0.0008
40	Total			319,000	100.00%		$ 0.0159

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

		(a)	(b)	(c)	(d)	(e)	(f)
Line No.	**Description**	**Tariff Sheet No.**		**Purchases**		**Rate**	**Total**
				Mcf	MMbtu	$/MMbtu	$
1	FT-A and FT-G				447,371		
2	Indexed Gas Cost					2.8820	1,289,323
3	Base Commodity (Weighted on MDQs)					0.0159	7,135
4	ACA	24				0.0013	582
5	Fuel and Loss Retention	32	1.32%			0.0386	17,269
6						2.9378	1,314,309
7							
8	FT-GS				0		
9	Indexed Gas Cost					2.8820	0
10	Base Rate	26				0.8697	0
11	ACA	24				0.0013	0
12	Fuel and Loss Retention	32	1.32%			0.0386	0
13						3.7916	0
14							
15	Gas Storage						
16	FT-A & FT-G Market Area Withdrawals				766,961	2.7260	2,090,736
17	FT-A & FT-G Market Area Injections				0	2.8820	0
18	Withdrawal Rate	61				0.0087	6,673
19	Injection Rate	61				0.0087	0
20	Fuel and Loss Retention	61	1.37%			0.0001	77
21	Total				766,961	2.7348	2,097,486
22							
23							
24							
25	Total Tennessee Gas Zones				1,214,332	2.8096	3,411,795

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	Firm Transportation						
2	Expected Volumes				225,000		
3	Indexed Gas Cost					2.8820	648,450
4	Base Commodity	13				0.0051	1,148
5	ACA	13				0.0013	293
6	Fuel and Loss Retention	13	0.71%			0.0177	3,983
7						2.9061	653,874
8							
9							

Non-Commodity

		(a)	(b)	(c)	(d)	(e)
				Non-Commodity		
Line No.	**Description**	**Tariff Sheet No.**	**Annual Units**	**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				181,494	181,494

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

Line No.		(a)	(b)	(c)	(d)	(e)
1	Total Demand Cost:					
2	Texas Gas Transmission	$19,820,472				
3	Midwestern	0				
4	Tennessee Gas Pipeline	5,568,615				
5	Trunkline Gas Company	181,494				
6	Total	$25,570,581				
7						
8			Allocated	Related	Monthly Demand Charge	
9	Demand Cost Allocation:	Factors	Demand	Volumes	Firm	Interruptible
10	All	0.1478	$3,779,332	16,971,263	0.2227	0.2227
11	Firm	0.8522	21,791,249	16,537,040	1.3177	
12	Total	1.0000	$25,570,581		1.5404	0.2227
13						
14			Volumetric Basis for			
15		Annualized	Monthly Demand Charge			
16		Mcf @14.65	All	Firm		
17	Firm Service					
18	Sales:					
19	G-1	16,537,040	16,537,040	16,537,040	1.5404	
20						
21	Interruptible Service					
22	Sales:					
23	G-2	434,223	434,223		1.5404	0.2227
24						
25	Transportation Service					
26	T-3 & T-4	29,383,024				
27						
28		46,354,287	16,971,263	16,537,040		
29						
30						

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

Line No.	Description		(a) Purchases Mcf	(b) MMbtu	(c) Rate $/Mcf	(d) Total $
1	**Texas Gas Area**					
2	No Notice Service		1,544,692	1,611,113	3.0871	4,768,574
3	Firm Transportation		1,263,839	1,318,184	3.0835	3,897,079
4	No Notice Storage		2,209,650	2,304,665	2.9244	6,461,820
5	Total Texas Gas Area		5,018,181	5,233,962	3.0145	15,127,473
6						
7	**Tennessee Gas Area**					
8	FT-A and FT-G		421,412	447,371	3.1188	1,314,309
9	FT-GS		0	0	0.0000	0
10	Gas Storage		0			
11	Injections		0	0	0.0000	0
12	Withdrawals		722,458	766,961	2.9033	2,097,486
13			1,143,870	1,214,332	2.9827	3,411,795
14	**Trunkline Gas Area**					
15	Firm Transportation		224,104	225,000	2.9177	653,874
16						
17	**Company Owned Storage**					
18	Withdrawals		1,729,182	1,803,537	2.8038	4,848,281
19	Injections		0		2.8038	0
20	Net WKG Storage		1,729,182	1,803,537	2.8038	4,848,281
21						
22						
23	Local Production		5,690	6,040	2.8821	16,399
24						
25						
26						
27	Total Commodity Purchases		8,121,027	8,482,871	2.9624	24,057,822
28						
29	Lost & Unaccounted for @	1.61%	130,748	136,574		
30						
31	Total Deliveries		7,990,279	8,346,297	3.0109	24,057,822
32						
33						
34						
35	Total Expected Commodity Cost		7,990,279	8,346,297	3.0109	24,057,822
36						
37						
38	Note: Column (c) is calculated by dividing column (d) by column (a)					
39						

Atmos Energy Corporation
Expected Gas Cost (EGC) Calculation
Load Factor Calculation for Demand Allocation

Line No.	Description	MCF	
	Annualized Volumes Subject to Demand Charges		
1	Sales Volume	16,971,263	
2	Transportation	0	
3	Total Mcf Billed Demand Charges	16,971,263	
4	Divided by: Days/Year	365	
5	Average Daily Sales and Transport Volumes	46,497	
6			
7	Peak Day Sales and Transportation Volume		
8	Estimated total company firm requirements for 5 degree average		
9	temperature days from Peak Day Book - with adjustments per rate filing	314,559	Mcf/Peak Day
10			
11			
12	New Load Factor (line 5 / line 9)	**0.1478**	
13			

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter ending October 31, 2017

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 February 2018 through April 2018 during the period December 04 through December 15, 2017.

		Feb-18 ($/MMBTU)	Mar-18 ($/MMBTU)	Apr-18 ($/MMBTU)
Monday	12/04/17	2.988	2.955	2.834
Tuesday	12/05/17	2.920	2.894	2.797
Wednesday	12/06/17	2.924	2.898	2.804
Thursday	12/07/17	2.782	2.761	2.705
Friday	12/08/17	2.792	2.767	2.698
Monday	12/11/17	2.847	2.816	2.722
Tuesday	12/12/17	2.694	2.670	2.614
Wednesday	12/13/17	2.732	2.704	2.631
Thursday	12/14/17	2.704	2.678	2.622
Friday	12/15/17	2.635	2.610	2.563
Average		$2.802	$2.775	$2.699

B. The Company believes prices are decreasing and prices for the quarter ending April 30, 2018 will settle at $2.882 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 October 31, 2017

	February-18			March-18			April-18			Total		
	Volumes	Rate	Value	Volumes	Rate	Value	Volumes	Rate	Value	Volumes	Rate	Value
Texas Gas												
Trunkline												
Tennessee Gas												
TX Gas Storage												
TN Gas Storage												
WKG Storage												
Midwestern												
WACOGs												

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

Atmos Energy Corporation
Correction Factor (CF)
For the Three Months Ended October 2017
2018-00000

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	August-17	405,733	$2,734,901.76	$1,753,954.79	$980,946.97	$0.00	$980,946.97
2							
3	September-17	255,689	$2,979,765.54	$2,105,398.92	$874,366.62	$0.00	$874,366.62
4							
5	October-17	845,641	$4,372,665.62	$2,109,819.04	$2,262,846.58	$0.00	$2,262,846.58
6							
7	Total Gas Cost						
8	Under/(Over) Recovery		$10,087,332.92	$5,969,172.75	$4,118,160.17	$0.00	$4,118,160.17
9							
10	PBR Savings reflected in Gas Costs		$1,056,023.97				
11							
12	Correction Factor - Part 1						
13	(Over)/Under Recovered Gas Cost through July 2017 (August 2017 GL)					3,121,157.86	
14	Total Gas Cost Under/(Over) Recovery for the three months ended October 2017					4,118,160.17	
15	Recovery from outstanding Correction Factor (CF)					(107,973.74)	$6,077,146.49
16	Prior Net Uncollectable Gas Cost as of November, 2016					1,436,699.05	
17	(Over)/Under Recovered Gas Cost through October 2017 (November 2017 GL) (a)					$8,568,043.34	
18	Divided By: Total Expected Customer Sales (b)					16,971,263 Mcf	
19							
20	Correction Factor - Part 1					**$0.5049** / Mcf	
21							
22	Correction Factor - Part 2						
23	Net Uncollectible Gas Cost through November 2017 (c)					528,382.51	
24	Divided By: Total Expected Customer Sales (b)					16,971,263	
25							
26	Correction Factor - Part 2					**$0.0311** / Mcf	
27							
28	Correction Factor - Total (CF)						
29	Total Deferred Balance through October 2017 (November 2017 GL) incl. Net Uncol Gas Cost					$9,096,425.85	
30	Divided By: Total Expected Customer Sales (b)					16,971,263	
31							
32	**Correction Factor - Total (CF)**					**$0.5360** / Mcf	
33							

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended October 2017
2018-00000

Line No.	Description	Unit	(a) August-17	(b) Month September-17	(c) October-17
		GL	September-17	October-17	November-17
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	1,494,189	1,568,165	2,161,789
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	0
14	Injections	Mcf	(651,872)	(760,971)	(867,305)
15	Producers	Mcf	(14,118)	1,698	1,678
16	Third Party Reimbursements	Mcf	(421)	(101)	(18)
17	Pipeline Imbalances cashed out	Mcf			
18	System Imbalances [2]	Mcf	(422,045)	(553,102)	(450,503)
19	**Total Supply**	Mcf	405,733	255,689	845,641
20					
21	Change in Unbilled	Mcf			
22	Company Use	Mcf	0	0	0
23	Unaccounted For	Mcf	0	0	0
24	**Total Purchases**	Mcf	405,733	255,689	845,641

[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 October 2017
2018-00000

			September-17	October-17	November-17
		GL	(a)	(b)	(c)
				Month	
Line No.	Description	Unit	August-17	September-17	October-17
1	**Supply Cost**				
2	Pipelines:				
3	Texas Gas Transmission [1]	$	1,271,478	1,237,584	1,685,972
4	Tennessee Gas Pipeline [1]	$	200,257	200,772	224,770
5	Trunkline Gas Company [1]	$	6,876	6,653	6,876
6	Twin Eagle Resource Management	$	0	0	0
7	Midwestern Pipeline [1]	$	0	0	0
8	**Total Pipeline Supply**	$	1,478,612	1,445,008	1,917,618
9	Total Other Suppliers	$	4,288,205	4,474,994	6,292,871
10	Hedging Settlements	$	0	0	0
11	Off System Storage				
12	Texas Gas Transmission	$			
13	Tennessee Gas Pipeline	$			
14	WKG Storage	$	161,659	161,659	161,659
15	System Storage				
16	Withdrawals	$	0	0	23,049
17	Injections	$	(1,895,527)	(1,670,878)	(2,191,555)
18	Producers	$	7,868	8,356	5,350
19	Third Party Reimbursements	$	(2,309)	(1,304)	(89)
20	Pipeline Imbalances cashed out	$			
21	System Imbalances [2]	$	(1,303,606)	(1,438,070)	(1,836,238)
22	**Sub-Total**	$	2,734,902	2,979,766	4,372,666
23	Pipeline Refund + Interest				
24	Change in Unbilled	$			
25	Company Use	$			
26	Recovered thru Transportation	$			
27	**Total Recoverable Gas Cost**	$	2,734,901.76	2,979,765.54	4,372,665.62

[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.

Atmos Energy Corporation
Recovery from Correction Factors (CF)
For the Three Months Ended October 2017
2018-00000

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	August-17	G-1 Sales	348,332.105	$0.0882	$30,722.89	$0.0000	$0.00	$0.1719	$59,878.29	$4.7963	$1,670,705.28	$1,761,306.46	
2		G-2 Sales	7,933.538	$0.0882	699.74	$0.0000	0.00	$0.1719	1,363.78	$3.5806	28,406.83	$30,470.35	
6		Sub Total	356,265.643		$31,422.63		$0.00		$61,242.07		$1,699,112.11	$1,791,776.81	
7		Timing: Cycle Billing and PPA's	0.000		862.45		(0.01)		2,208.57		54,842.68	$57,913.69	
8		Total	356,265.643		$32,285.08		($0.01)		$63,450.64		$1,753,954.79	$1,849,690.50	$1,786,239.87
9													
10													
11	September-17	G-1 Sales	421,627.037	$0.0882	$37,187.50	$0.0000	$0.00	$0.1719	$72,477.69	$4.7963	$2,022,249.76	$2,131,914.95	
12		G-2 Sales	5,951.696	$0.0882	524.94	$0.0000	0.00	$0.1719	1,023.10	$3.5806	21,310.64	$22,858.68	
16		Sub Total	427,578.733		$37,712.44		$0.00		$73,500.79		$2,043,560.40	$2,154,773.63	
17		Timing: Cycle Billing and PPA's	0.000		(50.36)		0.00		2,532.03		61,838.52	$64,320.19	
18		Total	427,578.733		$37,662.08		$0.00		$76,032.82		$2,105,398.92	$2,219,093.82	$2,143,061.00
19													
20													
21	October-17	G-1 Sales	416,104.899	$0.0882	$36,700.45	$0.0000	$0.00	$0.1719	$71,528.43	$4.7963	$1,995,763.93	$2,103,992.81	
22		G-2 Sales	14,682.044	$0.0882	1,294.96	$0.0000	0.00	$0.1719	2,523.84	$3.5806	52,570.53	$56,389.33	
26		Sub Total	430,786.943		$37,995.41		$0.00		$74,052.27		$2,048,334.46	$2,160,382.14	
27		Timing: Cycle Billing and PPA's	0.000		31.17		0.00		2,541.61		61,484.58	$64,057.36	
28		Total	430,786.943		$38,026.58		$0.00		$76,593.88		$2,109,819.04	$2,224,439.50	$2,147,845.62
29													
30													
31	Total Recovery from Correction Factor (CF)				$107,973.74								
32	Total Amount Refunded through the Refund Factor (RF)						($0.01)						
33	Total Recovery from Performance Based Rate Recovery Factor (PBRRF)								$216,077.34				
34	Total Recoveries from Expected Gas Cost (EGC) Factor										$5,969,172.75		
35	Total Recoveries from Gas Cost Adjustment Factor (GCA)											$6,293,223.82	
36													
37													$6,077,146.49

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

Traditional and Other Pipelines

Line	Description	August, 2017 MCF	August, 2017 Cost	September, 2017 MCF	September, 2017 Cost	October, 2017 MCF	October, 2017 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**	1,242,720	$3,566,653.32	1,304,712	$3,724,202.51	1,841,737	$5,320,016.31
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**	31,699	$85,580.04	30,677	$82,239.71	30,086	$85,028.32
27							
28							
29	**Trunkline Gas Company**						
30	Atmos Energy Marketing, LLC						
31	Engage						
32	Prepaid						
33	Reservation						
34	Fuel Adjustment						
35							
36	**Total**	23	$65.86	36	$106.44	(41)	($122.78)
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**	219,747	$636,136.36	232,740	$668,638.83	290,007	$888,150.46
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	($230.69)	0	($193.41)	0	($200.88)
59							
60							
61	**All Zones**						
62	Total	1,494,189	$4,288,204.89	1,568,165	$4,474,994.08	2,161,789	$6,292,871.43
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, 2017

Line No.	Month (a)	Gas Cost Written Off (b)	Margin Written Off (c)	Taxes & Other Written Off (d)	Total Written Off (e)	Gas Cost Collected (f)	Margin Collected (g)	Net Uncollectible Gas Cost (h)	Cumulative Net Uncollectible Gas Cost (i)
1	Dec-16	($71,461.94)	($113,714.62)	($6,441.17)	($191,617.73)	$16,337.34	$18,571.40	$55,124.60	$55,124.60
2	Jan-17	($24,612.80)	($73,726.83)	($3,217.64)	($101,557.27)	$8,481.09	$8,366.24	$16,131.71	$71,256.31
3	Feb-17	$4,735.63	($22,578.05)	($2,361.71)	($20,204.13)	$9,807.69	$11,019.78	($14,543.32)	$56,712.99
4	Mar-17	($6,174.88)	($42,912.97)	($1,383.25)	($50,471.10)	$10,989.12	$10,716.24	($4,814.24)	$51,898.75
5	Apr-17	($8,954.38)	($38,313.33)	($1,481.31)	($48,749.02)	$5,209.20	$4,225.92	$3,745.18	$55,643.93
6	May-17	($19,083.71)	($43,180.44)	($290.74)	($62,554.89)	$3,042.36	$5,403.56	$16,041.35	$71,685.28
7	Jun-17	($31,134.24)	($55,295.62)	($3,003.38)	($89,433.24)	$5,910.18	$7,065.71	$25,224.06	$96,909.34
8	Jul-17	($41,563.47)	($90,787.54)	($3,830.25)	($136,181.26)	$4,094.15	$4,603.11	$37,469.32	$134,378.66
9	Aug-17	($73,895.47)	($115,109.13)	($7,040.66)	($196,045.26)	$6,380.26	$5,782.72	$67,515.21	$201,893.87
10	Sep-17	($298,777.81)	($514,370.29)	($30,131.42)	($843,279.52)	$7,501.23	$14,285.51	$291,276.58	$493,170.45
11	Oct-17	($60,014.97)	($94,528.62)	($5,868.38)	($160,411.97)	$21,745.54	$34,499.74	$38,269.43	$531,439.88
12	Nov-17	($20,993.08)	($65,859.17)	($2,872.85)	($89,725.10)	$24,050.45	$30,959.37	($3,057.37)	$528,382.51

Atmos Energy Corporation
Performance Based Rate Recovery Factor
2018-00000
(PBRRF)

Exhibit E

Line No.	Amounts Reported:	Total	AMOUNT
1	Company Share of 11/16-10/17 PBR Activity		$ 2,967,725.37
2	Carry-over Amount in Case No. 2016-00XXX		$175,533.07
3			-
4	Total		$ 3,143,258.45
5			
6			
7	Total		$ 3,143,258.45
8	Less: Amount related to specific end users		0.00
9	Amount to flow-through		$ 3,143,258.45
10			
11			
12			
13	**Allocation**	**Total**	
14			
15	Company share of PBR activity	$ 3,143,258.45	
16			
17	**PBR Calculation**		
18			
19	Demand Allocator - All		
20	(See Exh. B, p. 6, line 10)	0.1478	
21	Demand Allocator - Firm		
22	(1 - Demand Allocator - All)	0.8522	
23	Firm Volumes (normalized)		
24	(See Exh. B, p. 6, col. (a), line 19)	16,537,040	
25	All Volumes (excluding Transportation)		
26	(See Exh. B, p. 6, col. (b), line 28)	16,971,263	
27			
28			
29	Total Sales Factor (Line 15 / Line 26)	**$ 0.1852 / MCF**	
30			
31	Total Interruptible Sales Factor (Line 29)	**$ 0.1852 / MCF**	

Atmos Energy Corporation
Performance Based Rate Recovery - Residual Balance Calculation
Carry-over Amount in Case No.

EXHIBIT E
Workpaper 1

Company Share of 11/14-10/15 PBR Activity	2,727,732.37
Carry-over Amount in Case No. 2015-00424	(695,131.92)
Balance Filed in Case No.	2,032,600.45

Line No.	Month (a)	Sales (b)	PBRRF (c)	PBR Recoveries (d)	PBR Recovery Adjustments (e)	Total PBR Recoveries (d) + (e) = (f)	Balance Prior (g) - (f) = (g)
1							
2	Balance Forward (from above)						$ 2,032,600.45
3	Feb-16	3,161,509	$0.1191	$376,535.68	$6,171.85	382,707.53	1,649,892.92
4	Mar-16	2,122,372	0.1191	252,774.52	$4,026.26	256,800.78	1,393,092.14
5	Apr-16	1,258,345	0.1191	149,868.88	$2,973.20	152,842.08	1,240,250.06
6	May-16	630,453	0.1191	75,086.96	$2,720.04	77,807.00	1,162,443.06
7	Jun-16	423,406	0.1191	50,427.65	$2,488.08	52,915.73	1,109,527.33
8	Jul-16	409,890	0.1191	48,817.93	$3,159.11	51,977.04	1,057,550.29
9	Aug-16	334,732	0.1191	39,866.55	$2,696.18	42,562.73	1,014,987.56
10	Sep-16	415,378	0.1191	49,471.52	$2,282.64	51,754.16	963,233.40
11	Oct-16	459,799	0.1191	54,762.10	$2,211.38	56,973.48	906,259.92
12	Nov-16	695,201	0.1191	82,798.47	$2,277.39	85,075.86	821,184.06
13	Dec-16	2,222,721	0.1191	264,726.02	$2,270.18	266,996.20	554,187.86
14	Jan-17	3,132,054	0.1191	373,027.66	$5,627.13	378,654.79	175,533.07
15							
16	Total	15,265,860		$1,818,163.94	$38,903.44	$1,857,067.38	$175,533.07

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DEC 22 2017

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT	)	**CASE NO.**
FILING OF	)	~~2018-00000~~
ATMOS ENERGY CORPORATION	)	**2017-00478**

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) and KRS 61.878(1)(c)1 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 February 1, 2018 through April 30, 2018. 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. 2015-00343. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 2015-00424.

3. KRS 61.878 (1)(c) 1. provides that "...records confidentially disclosed to an agency or required by any agency to be disclosed to it, generally recognized as confidential or proprietary, which is openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records..."shall remain confidential unless otherwise ordered by a court of competent jurisdiction. The natural gas industry is very competitive. Atmos Energy has active competitors, who could use this information to their advantage and to the direct disadvantage of Atmos.

All of the information sought to be protected 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 outweighed 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 365.880: (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 (13) confidentiality of the attached information should be maintained indefinitely. The statutes cited above do not allow for disclosure at any

time. Given the competitive nature of the natural gas business and the efforts of non-regulated competitors to encroach upon traditional markets, it is imperative that regulated information remain protected and that the integrity of the information remain secure.

For these reasons, Atmos Energy requests that the items identified in this petition be treated as confidential. Should the Commission determine that some or all of the material is not to be given confidential protection, Atmos Energy requests a hearing prior to any public release of the information to preserve its rights to notice of the grounds for the denial and to preserve its right of appeal of the decision.

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

Respectfully submitted this 19 day of December, 2017.

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