



November 29, 2018

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

Re: Case No. 2018-00398

Dear Ms. Pinson:

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.**

Due to the recent unexpected increases in the commodity cost of gas, the GCA rates submitted in our previous GCA will not be sufficient to adequately recover gas costs. We are filing an interim GCA (out of the normal quarterly cycle) so that we can account for the increase in cost.

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,

A handwritten signature in black ink, appearing to read "Anthony Croissant", written over a horizontal line.

Anthony Croissant
Sr. Rate Administration Analyst

Enclosures

RECEIVED

NOV 30 2018

PUBLIC SERVICE
COMMISSION

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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)	2018-00398
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) 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 period commencing on January 1, 2019 through January 31, 2019. This GCA filing contains information pertaining to Atmos' projected gas prices. The following attachment contains information which requires confidential treatment.

a. 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 29 day of November 2018.



Mark R. Hutchinson
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Owensboro, Kentucky 42301
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124 W. Todd Street
Frankfort, Kentucky 40601
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Attorneys for Atmos Energy Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED

NOV 30 2018

PUBLIC SERVICE
COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)
FILING OF)
ATMOS ENERGY CORPORATION)

Case No. 2018-00000

NOTICE

INTERIM FILING

For The Period

January 1, 2019 – January 31, 2019

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

November 29, 2018

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 Twenty-Fifth Revised Sheet No. 4, Twenty-Fifth Revised Sheet No. 5, and Twenty-Fifth Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective January 1, 2019.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.2617 per Mcf and \$3.9537 per Mcf for interruptible sales service. The supporting calculations for the Twenty-Fifth 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)

Since the Company's last GCA filing, Case No. 2018-00337, 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 period of January 1, 2019 through January 31, 2019, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Gas Cost will be approximately \$5.3614 per Mcf for the period of January 1, 2019 through January 31, 2019, as compared to \$4.4228 per Mcf for the period of November 01, 2018 through December 31 2018. The G-2 Expected Gas Cost will be approximately \$4.0534 for the period of January 1, 2019 through January 31, 2019, as compared to \$3.1148 for the period of November 01, 2018 through December 31 2018.

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 Twenty-Fifth Revised Sheet No. 5; and Twenty-Fifth 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 January 1, 2019.

DATED at Dallas, Texas this 29th Day of November, 2018.

ATMOS ENERGY CORPORATION

By: _____

Anthony Croissant
Sr. Rate Administration Analyst
Atmos Energy Corporation

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-FIFTH REVISED SHEET NO. 4

CANCELLING

TWENTY-FOURTH REVISED SHEET NO. 4

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Rate Summary

Case No. 2018-0000

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 Mcf²

Sales (G-1)

Transportation (T-4)

First	300	¹ Mcf	@	6.9867	per Mcf	@	1.7250	per Mcf	(l, -)
Next	14,700	¹ Mcf	@	6.2217	per Mcf	@	0.9600	per Mcf	(l, -)
Over	15,000	Mcf	@	6.0317	per Mcf	@	0.7700	per Mcf	(l, -)

Interruptible Service

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

Rate per Mcf²

Sales (G-2)

Transportation (T-3)

First	15,000	¹ Mcf	@	4.8087	per Mcf	@	0.8550	per Mcf	(l, -)
Over	15,000	Mcf	@	4.5887	per Mcf	@	0.6350	per Mcf	(l, -)

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 November 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE January 1, 2019
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 2018-0000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-FIFTH REVISED SHEET NO. 5

CANCELLING

TWENTY-FOURTH REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Gas Cost Adjustments

Case No. 2018-0000

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)	5.3614	4.0534	(l, l)
CF (Correction Factor)	(0.2849)	(0.2849)	(-, -)
RF (Refund Adjustment)	0.0000	0.0000	(-, -)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1852</u>	<u>0.1852</u>	(-, -)
GCA (Gas Cost Adjustment)	<u>\$5.2617</u>	<u>\$3.9537</u>	(l, l)

DATE OF ISSUE November 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE January 1, 2019
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 2018-0000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-FIFTH REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

TWENTY-FOURTH REVISED SHEET NO. 6

Current Transportation

Case No. 2018-0000

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

System Lost and Unaccounted gas percentage: -2.21%

				<u>Simple</u>	<u>Non-</u>	<u>Gross</u>	
				<u>Margin</u>	<u>Commodity</u>	<u>Margin</u>	
<u>Transportation Service</u>¹							
<u>Firm Service (T-4)</u>							
First	300	Mcf	@	\$1.7250 +	\$0.0000 =	\$1.7250 per Mcf	(-)
Next	14,700	Mcf	@	0.9600 +	0.0000 =	0.9600 per Mcf	(-)
All over	15,000	Mcf	@	0.7700 +	0.0000 =	0.7700 per Mcf	(-)
<u>Interruptible Service (T-3)</u>							
First	15,000	Mcf	@	\$0.8550 +	\$0.0000 =	\$0.8550 per Mcf	(-)
All over	15,000	Mcf	@	0.6350 +	0.0000 =	0.6350 per Mcf	(-)

¹ Excludes standby sales service.

DATE OF ISSUE November 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE January 1, 2019
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 2018-0000 DATED N/A

Line No.	Description	Case No.		(c) Difference \$/Mcf
		(a) 2018-00337 \$/Mcf	(b) 2018-0000 \$/Mcf	
1	<u>G - 1</u>			
2				
3	<u>Distribution Charge (per Case No. 2015-00343)</u>			
4	First 300 Mcf	1.7250	1.7250	0.0000
5	Next 14,700 Mcf	0.9600	0.9600	0.0000
6	Over 15,000 Mcf	0.7700	0.7700	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	2.8936	3.8322	0.9386
11	Demand	1.5292	1.5292	0.0000
12	Total EGC	4.4228	5.3614	0.9386
13	CF (Correction Factor)	(0.2849)	(0.2849)	0.0000
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1852	0.1852	0.0000
16	GCA (Gas Cost Adjustment)	4.3231	5.2617	0.9386
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.0481	6.9867	0.9386
20	Next 14,700 Mcf	5.2831	6.2217	0.9386
21	Over 15,000 Mcf	5.0931	6.0317	0.9386
22				
23				
24	<u>G - 2</u>			
25				
26	<u>Distribution Charge (per Case No. 2015-00343)</u>			
27	First 15,000 Mcf	0.8550	0.8550	0.0000
28	Over 15,000 Mcf	0.6350	0.6350	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	2.8936	3.8322	0.9386
33	Demand	0.2212	0.2212	0.0000
34	Total EGC	3.1148	4.0534	0.9386
35	CF (Correction Factor)	(0.2849)	(0.2849)	0.0000
36	RF (Refund Adjustment)	0.0000	0.0000	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1852	0.1852	0.0000
38	GCA (Gas Cost Adjustment)	3.0151	3.9537	0.9386
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	3.8701	4.8087	0.9386
42	Over 14,700 Mcf	3.6501	4.5887	0.9386
43				
44				
45	<u>Refund Factor (RF)</u>			
47		Effective		
48		Date	RF	
49				
50	1 - 2017-00402	11/1/2017	0.0000	
51	2 - 2018-00233	8/1/2018	0.0000	
52	3 - 2018-00337	11/1/2018	0.0000	
53	4 - 2018-0000	1/1/2019	0.0000	
54				
55	Total Refund Factor (RF)		\$0.0000	

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2018-00337	2018-0000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T -4 Transportation Service / Firm Service (High Priority)</u>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 2015-00343)</u>			
4	First 300 Mcf	1.7250	1.7250	0.0000
5	Next 14,700 Mcf	0.9600	0.9600	0.0000
6	Over 15,000 Mcf	0.7700	0.7700	0.0000
7				
8				
9	<u>T - 3 / Interruptible Service (Low Priority)</u>			
10				
11	<u>Simple Margin / Distribution Charge (per Case No. 2015-00343)</u>			
12	First 15,000 Mcf	0.8550	0.8550	0.0000
13	Over 15,000 Mcf	0.6350	0.6350	0.0000
14				

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units MMbtu	(c) Rate \$/MMbtu	(d) (e) Non-Commodity	
					Total \$	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		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	776,400			
21	Base Rate	Section 4.2 - STF		0.3282	254,814	254,814
22						
23	STF Contract #	36788	90,000			
24	Base Rate	Section 4.2 - STF		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	159,751	159,751
49						
50	Total Zone 3 to Zone 3		1,070,000		159,751	159,751
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		159,751	159,751
58						
59	Total Texas Gas		59,162,437		19,635,382	19,635,382
60						
61						
62	Total Texas Gas Area Non-Commodity				19,635,382	19,635,382

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

Line No.	Description	(a)	(b)	(c)	(d) (e) Non-Commodity	
		Tariff Sheet No.	Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$
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		<u>289,000</u>		<u>4,501,436</u>	<u>4,501,436</u>
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		<u>30,000</u>		<u>317,322</u>	<u>317,322</u>
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		<u>16,034,832</u>		<u>749,857</u>	<u>749,857</u>
24						
25	Total Tennessee Gas Area FT-G Non-Commodity				<u>5,568,615</u>	<u>5,568,615</u>

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)
		Tariff Sheet No.			Purchases	Rate	Total
				Mcf	MMbtu	\$/MMbtu	\$
1	<u>No Notice Service</u>				1,089,103		
2	Indexed Gas Cost					4.4170	4,810,567
3	Commodity (Zone 3)	Section 4.4 - NNS				0.0490	53,366
4	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0442	48,138
5						4.5102	4,912,071
6							
7	<u>Firm Transportation</u>				891,084		
8	Indexed Gas Cost					4.4170	3,935,919
9	Base (Weighted on MDQs)					0.0443	39,475
10	ACA	Section 4.1 - FT				0.0013	1,158
11	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0442	39,386
12						4.5068	4,015,938
13	<u>No Notice Storage</u>						
14	Net (Injections)/Withdrawals						
15	Withdrawals				735,876	2.5590	1,883,107
16	Injections				0	4.4170	0
17	Commodity (Zone 3)	Section 4.4 - NNS				0.0490	36,058
18	Fuel and Loss Retention @	Section 4.18.1	0.99%			0.0442	32,526
19					735,876	2.6522	1,951,691
20							
21							
22	Total Purchases in Texas Area				2,716,063	4.0057	10,879,700

Used to allocate transportation non-commodity

Line No.	Description	Tariff Sheet No.	Annualized MDQs in MMbtu	Allocation	Commodity Charge \$/MMbtu	Weighted Average
29	<u>Texas Gas</u>					
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	<u>Tennessee Gas</u>					
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

Line No.	Description	Tariff Sheet No.	(a)	(b)	(c)	(d)	(e)	(f)
			Purchases	Rate	Total	Mcf	MMbtu	\$/MMbtu
1	<u>FT-A and FT-G</u>					213,045		
2	Indexed Gas Cost						4.4170	941,021
3	Base Commodity (Weighted on MDQs)						0.0159	3,398
4	ACA	24					0.0013	277
5	Fuel and Loss Retention	32	1.92%				0.0865	18,428
6							4.5207	963,124
7								
8	<u>FT-GS</u>					0		
9	Indexed Gas Cost						4.4170	0
10	Base Rate	26					0.8697	0
11	ACA	24					0.0013	0
12	Fuel and Loss Retention	32	1.92%				0.0865	0
13							5.3745	0
14								
15	<u>Gas Storage</u>							
16	FT-A & FT-G Market Area Withdrawals					303,335	2.5590	776,234
17	FT-A & FT-G Market Area Injections					0	4.4170	0
18	Withdrawal Rate	61					0.0087	2,639
19	Injection Rate	61					0.0087	0
20	Fuel and Loss Retention	61	1.51%				0.0001	30
21	Total					303,335	2.5678	778,903
22								
23								
24								
25	Total Tennessee Gas Zones					516,380	3.3735	1,742,027

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			77,500		
3	Indexed Gas Cost				4.4170	342,318
4	Base Commodity	13			0.0051	395
5	ACA	13			0.0013	101
6	Fuel and Loss Retention	13	0.35%		0.0111	860
7					4.4345	343,674
8						
9						

Non-Commodity

Line No.	Description	Tariff Sheet No.	(a)	(b)	(c)	(d)	(e)
			<u>Non-Commodity</u>				
			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	<u>Total Demand Cost:</u>				
2	Texas Gas Transmission	\$19,635,382			
3	Midwestern	0			
4	Tennessee Gas Pipeline	5,568,615			
5	Trunkline Gas Company	181,494			
6	Total	<u>\$25,385,491</u>			
7					
8		Allocated	Related	Monthly Demand Charge	
9	<u>Demand Cost Allocation:</u>	Factors	Demand	Volumes	Firm Interruptible
10	All	0.1479	\$3,754,514	16,971,263	0.2212 0.2212
11	Firm	0.8521	21,630,977	16,537,040	1.3080
12	Total	<u>1.0000</u>	<u>\$25,385,491</u>		<u>1.5292 0.2212</u>
13					
14			Volumetric Basis for		
15		Annualized	Monthly Demand Charge		
16		Mcf @14.65	All	Firm	
17	<u>Firm Service</u>				
18	Sales:				
19	G-1	16,537,040	16,537,040	16,537,040	1.5292
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	434,223	434,223		1.5292 0.2212
24					
25	<u>Transportation Service</u>				
26	T-3 & T-4	29,383,024			
27					
28		<u>46,354,287</u>	<u>16,971,263</u>	<u>16,537,040</u>	
29					
30					

	(a)	(b)	(c)	(d)
Line No.	Purchases		Rate	Total
Description	Mcf	MMbtu	\$/Mcf	\$
1 Texas Gas Area				
2 No Notice Service	1,043,330	1,089,103	4.7081	4,912,071
3 Firm Transportation	853,634	891,084	4.7045	4,015,938
4 No Notice Storage	704,949	735,876	2.7686	1,951,691
5 Total Texas Gas Area	<u>2,601,913</u>	<u>2,716,063</u>	<u>4.1814</u>	<u>10,879,700</u>
6				
7 Tennessee Gas Area				
8 FT-A and FT-G	201,775	213,045	4.7733	963,124
9 FT-GS	0	0	0.0000	0
10 Gas Storage	0			
11 Injections	0	0	0.0000	0
12 Withdrawals	287,288	303,335	2.7112	778,903
13	<u>489,063</u>	<u>516,380</u>	<u>3.5620</u>	<u>1,742,027</u>
14 Trunkline Gas Area				
15 Firm Transportation	76,961	77,500	4.4656	343,674
16				
17 Company Owned Storage				
18 Withdrawals	442,339	461,745	2.6522	1,173,172
19 Injections	0		2.6522	0
20 Net WKG Storage	442,339	461,745	2.6522	1,173,172
21				
22				
23 Local Production	5,257	5,551	4.4170	23,220
24				
25				
26				
27 Total Commodity Purchases	<u>3,615,533</u>	<u>3,777,239</u>	<u>3.9169</u>	<u>14,161,793</u>
28				
29 Lost & Unaccounted for @	-2.21%	(79,903)	(83,477)	
30				
31 Total Deliveries	<u>3,695,436</u>	<u>3,860,716</u>	<u>3.8322</u>	<u>14,161,793</u>
32				
33				
34				
35 Total Expected Commodity Cost	<u>3,695,436</u>	<u>3,860,716</u>	<u>3.8322</u>	<u>14,161,793</u>
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	16,971,263
2	Transportation	<u>0</u>
3	Total Mcf Billed Demand Charges	16,971,263
4	Divided by: Days/Year	<u>365</u>
5	Average Daily Sales and Transport Volumes	<u><u>46,497</u></u>
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	<u><u>314,428</u></u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	0.1479
13		

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Month of January - 2019

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 month of January 2019 during the period November 15 through November 28, 2018.

		Jan-19 (\$/MMBTU)
Thursday	11/15/18	4.043
Friday	11/16/18	4.291
Monday	11/19/18	4.712
Tuesday	11/20/18	4.521
Wednesday	11/21/18	4.477
Thursday	11/22/18	4.477
Friday	11/23/18	4.355
Monday	11/26/18	4.299
Tuesday	11/27/18	4.292
Wednesday	11/28/18	4.699
Average		<u><u>\$4.417</u></u>

- B. The Company believes prices are increasing and prices for the month ending January 31, 2019 will settle at \$4.417 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 Month of January - 2019

	<u>January-19</u>				<u>Total</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