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PUBLIC SERVICE
COMMISSION

December 6, 2018

Mr. Jeff Cline
Kentucky Public Service Commission
P. O. Box 615
Frankfort, KY 40602

RE: Atmos Energy Corporation

Docket No. 2018-00280

Dear Mr. Cline:

Pursuant to the Order of the Kentucky Public Service Commission entered into on September 19, 2018, enclosed is the report of action for Atmos Energy Corporation. The report, in accordance with the above referenced docket, relates to the issuance of securities pursuant to the \$3,000,000,000 universal shelf registration and the Prospectus Supplement which details the terms and conditions of the offering.

If you have any questions or need further assistance, please contact me at 972-855-4031. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in blue ink that reads "Jason Schneider".

Jason Schneider
Assistant Treasurer

**COMMONWEALTH OF KENTUCKY
CASE NO: 2018-00280**

**REPORT OF ACTION
Prepared December 6, 2018**

Reference is made to the order entered into on September 19, 2018, which requires the Company to make a report to the Commission concerning the issuance of securities under the \$3,000,000,000 universal shelf registration.

Atmos hereby reports:

On November 28, 2018 Atmos Energy Corporation announced that it priced its public offering of 7,008,087 shares of its common stock at a public offering price of \$92.75 per share totaling \$650,000,000. Of the 7,008,087 shares of Atmos Energy common stock being offered, Atmos Energy is selling 5,390,836 shares to the underwriters in the offering, and the forward counterparties are borrowing and selling to such underwriters 1,617,251 shares in connection with the forward sale agreements described below. In conjunction with the offering, Atmos Energy has granted to the underwriters an option to purchase up to 1,051,213 additional shares of Atmos Energy's common stock totaling \$97,500,000. If such option is exercised, Atmos Energy may, in its sole discretion, enter into additional forward sale agreements with the forward counterparties with respect to such additional shares, and Atmos Energy currently expects that, if such option is exercised, it will do so.

Goldman Sachs & Co. LLC, BofA Merrill Lynch, and Wells Fargo Securities are acting as underwriters for the offering and propose to offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices.

In connection with the offering, Atmos Energy has entered into forward sale agreements with each of Goldman Sachs & Co. LLC and Bank of America N.A., referred to in such capacity as the forward counterparties, pursuant to which Atmos Energy has agreed to sell to the forward counterparties or their respective affiliates (subject to its right to elect net share or cash settlement of such forward sale agreement) 1,617,251 shares of Atmos Energy's common stock, at a price per share equal to the public offering price of Atmos Energy's shares of common stock in this offering, less the underwriting discounts and commissions and subject to certain adjustments.


Additionally, Atmos Energy has granted to the underwriters an option to purchase up to 1,051,213 additional shares of Atmos Energy's common stock. Atmos Energy has entered into forward sale agreements with each of Goldman Sachs & Co. LLC and Bank of America N.A., referred to in such capacity as the forward counterparties, pursuant to which Atmos Energy has agreed to sell to the forward counterparties or their respective affiliates (subject to its right to elect net share or cash settlement of such forward sale agreement) 1,051,213 shares of Atmos Energy's common stock, at a price per share equal to the public offering price of Atmos Energy's shares of common stock in this

offering, less the underwriting discounts and commissions and subject to certain adjustments.

Atmos Energy intends to use the net proceeds from this offering, together with any net proceeds received upon the settlement of the forward sale agreements, to repay short-term debt under its commercial paper program, to fund capital spending primarily to enhance the safety and reliability of its system and for general corporate purposes. Atmos Energy believes that this offering will cover its anticipated equity capital raising needs for fiscal 2019.

Attached is a list of actual and estimated fees and expenses related to the equity issuance.

Atmos Energy Corporation



Jason Schneider
Assistant Treasurer

Atmos Energy Corporation
November 2018 Equity Block Offering Summary
As of December 7, 2018

Description			
Gross Proceeds, 5,390,836 shares @ \$92.75	\$ 500,000,000.00		
Underwriting Discount for Initial Offering @ \$0.98 (1%)	<u>5,266,307.00</u>	\$ 494,733,693.00	
Net Proceeds, before other expenses			494,733,693.00
<i>Expenses:</i>			
Attorney Fee (Gibson Dunn)		87,904.50	
E & Y Fee		100,000.00	
Printing Expenses (Donnelley)		30,000.00	
American Stock Transfer Agent (Closing Fee)		5,000.00	
Misc		-	
NYSE (Filing Fee)		-	
SEC (Registration Fee)		<u>90,900.00</u>	
Total expenses			<u>313,804.50</u>
Net Proceeds			<u>\$ 494,419,888.50</u>