

8/29/2016

Analysis of Contribution to Fixed Cost

Annual Mcf {1} [REDACTED]

Annual Revenue {1}:

Monthly Base Charges, @ Tariff	[REDACTED]	
Transportation Adm. Fee, @ Tariff	12 mo. X \$50/mo. =	600
Commodity Gas Cost, @ Tariff	[REDACTED]	*
Non-Commodity Charges, @ Tariff	[REDACTED]	*
Simple Margin, special contract rates applied to annual deliveries:		
Interruptible Service -		
[REDACTED] @ [REDACTED] per Mcf		[REDACTED]
	TOTAL	[REDACTED]

* - Excluding non-commodity charges and gas costs as noted.

Less Variable/Avoidable Costs:

Lost & Unaccounted For {2}	[REDACTED]	
Odorant {3}	[REDACTED]	
KPSC Assessment {3}	[REDACTED]	
Measurement/Regulation Station {3}	[REDACTED]	
Meter Reading, Maintenance and Billing	[REDACTED]	[REDACTED]
Contribution to Fixed Cost:		[REDACTED]

Notes: {1} - Pro-forma Test Year Volumes in Case 2015-00343. Annual Revenue applying rate structures and service mix in pending special contract.
{2} - In accordance with tariffs, Company retains a portion of Customers supplies to compensate for the L&U experienced in Atmos' distribution system. Thus, the variable cost of L&U is, in effect, recovered through gas-in-kind retention.
{3} - Calculations shown on Page 2 of this Exhibit.

[REDACTED]

Analysis of Contribution to Fixed Cost

Odorant:

Odorant injection rate, lb./MMcf	[REDACTED]	
[REDACTED]	x	[REDACTED]
Odorant Cost per lb., current	x	[REDACTED]

KPSC Assessment:

Annual Revenue	[REDACTED]	
Percentage	[REDACTED]	[REDACTED]

Measurement/Regulation Station:

Standard Measurement/Regulation Station Cost-		
Materials: Regulators, valves, piping, etc.		[REDACTED]
Labor: Fabrication and installation		[REDACTED]
Total		[REDACTED]
Annual Depreciation Rate -	x	[REDACTED]
Annual Depreciation Expense		[REDACTED]
Capital Cost {1}		[REDACTED]
Income Tax {2}		[REDACTED]
TOTAL		[REDACTED]

Notes:

[REDACTED]