Atmos Energy Corporation
Kentucky/Mid-States Division
Demand Side Management
Lost Sales Adjustment (DLSA) Calculation
To Be Effective January 1, 2017

Overview

To effectively promote and execute the program, the Company shall recover the annual lost sales attributable to customer conservation/efficiency created as a result of the Program. This aligns the Company's interest with that of its customers by reducing the correlation between volume and revenue for those customers who elect to participate in the program. The lost sales are the estimated conservation, per participant, times the base rate for the applicable customer. The goal is to make the Company whole for promoting the program. Lost sales are based on the cumulative lost sales since the program inception and will reset when the Company completes a general rate case.

G-1 Residential

Line	Month	Ccf Savings	Distribution Charge	Lost Sales
	(a)	(b)	(c)	(d)
1	Sep-15	10,595.87	0.1318	1,396.54
2	Oct-15	10,791.72	0.1318	1,422.35
3	Nov-15	9,397.84	0.1318	1,238.64
4	Dec-15	10,300.56	0.1318	1,357.61
5	Jan-16	16,861.62	0.1318	2,222.36
6	Feb-16	9,698.10	0.1318	1,278.21
7	Mar-16	10,780.57	0.1318	1,420.88
8	Apr-16	13,094.29	0.1318	1,725.83
9	May-16	11,080.67	0.1318	1,460.43
10	Jun-16	8,733.05	0.1318	1,151.02
11	Jul-16	8,044.29	0.1318	1,060.24
12	Aug-16	15,582.02	0.1534	2,390.28
13	Total			$18,124.39
14	Annual Expected Residential Sales (Mcf)			8,677,708
15	DLSA (per Mcf)			$0.0021

G-1 Commercial Line	Month	Ccf Savings	Distribution Charge	Lost Sales
	(a)	(b)	(c)	(d)
1	Sep-15	278.48	0.1318	36.70
2	Oct-15	267.63	0.1318	35.27
3	Nov-15	398.51	0.1318	52.52
4	Dec-15	411.38	0.1318	54.22
5	Jan-16	261.81	0.1318	34.51
6	Feb-16	267.25	0.1318	35.22
7	Mar-16	1,663.79	0.1318	219.29
8	Apr-16	558.31	0.1318	73.59
9	May-16	64.59	0.1318	8.51
10	Jun-16	110.22	0.1318	14.53
11	Jul-16	0.00	0.1318	0.00
12	Aug-16	287.18	0.1534	44.05
13	Total			$608.41
14	Annual Expected Commercial Sales (Mcf)			4,328,565
15	DLSA (per Mcf)			$0.0001

ATMOS ENERGY CORPORATION
Kentucky/Mid-States Division
DSM Balancing Adjustment

DSMRC = DCRC + DLSA + DIA + DBA

G-1 Residental

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	DSMRC Recoveries	DSMRC Costs	DIA + DLSA Revenue	Under/(Over) DSMRC Balance	Residential Sales (Mcf)	Billed Rate	Filed Rate	Rate Difference
Previous DBA Balancing Adjustment				($74,159.60)				
Sep-15	($12,032.05)	$ 40,674.57	$2,459.11	$31,101.63	170,236	$ 0.0707	$ 0.0707	$ (0.0000)
Oct-15	($16,157.30)	$ 43,891.03	$3,301.45	$31,035.18	228,549	$ 0.0707	$ 0.0707	$ (0.0000)
Nov-15	($36,801.24)	$ 42,702.10	$7,517.47	$13,418.33	520,410	$ 0.0707	$ 0.0707	$ 0.0000
Dec-15	($75,997.98)	$ 40,786.65	$15,527.57	($19,683.76)	1,074,924	$ 0.0707	$ 0.0707	$ 0.0000
Jan-16	($143,552.74)	$ 198,649.39	$24,834.67	$79,931.32	1,719,225	$ 0.0835	$ 0.0896	$ (0.0061)
Feb-16	($176,865.36)	$ 41,801.86	$28,513.08	($106,550.42)	1,973,870	$ 0.0896	$ 0.0896	$ 0.0000
Mar-16	($120,713.24)	$ 52,364.37	$19,463.24	($48,885.63)	1,347,378	$ 0.0896	$ 0.0896	$ (0.0000)
Apr-16	($70,300.72)	$ 46,396.19	$11,333.05	($12,571.48)	784,551	$ 0.0896	$ 0.0896	$ 0.0000
May-16	($29,203.38)	$ 60,263.07	$4,705.42	$35,765.11	325,741	$ 0.0897	$ 0.0896	$ 0.0001
Jun-16	($19,879.47)	$ 47,181.47	$3,203.67	$30,505.67	221,780	$ 0.0896	$ 0.0896	$ 0.0000
Jul-16	($15,249.00)	$ 32,445.78	$2,457.52	$19,654.30	170,126	$ 0.0896	$ 0.0896	$ 0.0000
Aug-16	($12,613.46)	$ 61,409.95	$2,035.57	$50,832.06	140,916	$ 0.0895	$ 0.0896	$ (0.0001)
	($729,365.94)	$708,566.44	$ 125,351.81	$30,392.70	8,677,708			

3-month Average Commercial Paper Rate at September 2016	0.7000%	$ 212.75
Total Residential DSMRC Balance		$30,605.45
Annual Expected Residential Sales (Mcf)		8,677,708
DBA = DSM Balancing Adjustment		0.0035
DCRC = DSM Cost Recovery - Current		0.1058
DLSA = DSM Lost Sales Adjustment		0.0021
DIA = DSM Incentive Adjustment		0.0131
DSMRC Residential Rate G-1		0.1245

ATMOS ENERGY CORPORATION
Kentucky/Mid-States Division
DSM Balancing Adjustment

DSMRC = DCRC + DLSA + DIA + DBA

G-1 Commercial

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		DSMRC Recoveries	DSMRC Costs	DIA + DLSA Revenue	Under/(Over) DSMRC Balance	Commercial Sales (Mcf)	Billed Rate	Filed Rate	Rate Difference
Previous DBA Balancing Adjustment					($304,931.31)				
	Sep-15	$8,887.04	$ 1,234.50	$83.83	$10,205.37	161,592	$ (0.0550)	$ (0.0550)	$ 0.0000
	Oct-15	$12,921.93	$ 1,653.50	$121.84	$14,697.27	234,863	$ (0.0550)	$ (0.0550)	$ (0.0000)
	Nov-15	$13,490.25	$ 1,820.96	$127.16	$15,438.37	245,109	$ (0.0550)	$ (0.0550)	$ (0.0000)
	Dec-15	$25,038.86	$ 1,769.50	$236.13	$27,044.49	455,168	$ (0.0550)	$ (0.0550)	$ (0.0000)
	Jan-16	$38,192.30	$ 780.00	$389.68	$39,361.98	751,168	$ (0.0508)	$ (0.0489)	$ (0.0019)
	Feb-16	$43,693.21	$ 1,711.27	$463.44	$45,867.92	893,344	$ (0.0489)	$ (0.0489)	$ (0.0000)
	Mar-16	$28,529.52	$ 4,909.25	$302.78	$33,741.55	583,657	$ (0.0489)	$ (0.0489)	$ 0.0000
	Apr-16	$16,936.24	$ 2,628.00	$179.72	$19,743.96	346,434	$ (0.0489)	$ (0.0489)	$ 0.0000
	May-16	$9,840.13	$ 866.23	$104.36	$10,810.72	201,172	$ (0.0489)	$ (0.0489)	$ (0.0000)
	Jun-16	$7,492.68	$ 830.50	$79.53	$8,402.71	153,305	$ (0.0489)	$ (0.0489)	$ 0.0000
	Jul-16	$8,010.13	$ -	$84.94	$8,095.07	163,725	$ (0.0489)	$ (0.0489)	$ (0.0000)
	Aug-16	$6,853.40	$ 1,857.67	$72.12	$8,783.20	139,029	$ (0.0493)	$ (0.0489)	$ (0.0004)
		$219,885.69	$20,061.38	$ 2,245.54	($62,738.71)	4,328,565			

3-month Average Commercial Paper Rate at September 2016	0.7000%	$ (439.17)
Total Commercial DSMRC Balance		($63,177.88)
Annual Expected Commercial Sales (Mcf)		4,328,565
DBA = DSM Balancing Adjustment		(0.0146)
DCRC = DSM Cost Recovery - Current		0.0183
DLSA = DSM Lost Sales Adjustment		0.0001
DIA = DSM Incentive Adjustment		0.0004
DSMRC Commercial Rate G-1		0.0042

ATMOS CARES ANNUAL TOTALS

	Weatherization			Residential Rebates						Education			Monthly Totals		Commercial Rebates					
Payment Month	Expenses	Ccf Savings	Houses	Rebate Expenses	Rebates Issued	Ccf Savings	Promo & Misc.	Qtly. Fees	Monthly Totals	Presentations	# of Students	Expenses	Expenditures	Ccf Savings	Rebate Expenses	Rebates Issued	Ccf Savings	Promo & Misc.	Qtly. Fees	Monthly Totals
Jan-15	$ 16,114.96	1,517	6	$ 29,779.23	109	9,151	$ 150.00	$ -	$ 29,929.23	1	101	$ -	$ 48,788.19	11,720	$ 2,744.00	9	1,052	$ -	$ -	$ 2,744.00
Feb-15	$ 4,911.61	506	2	$ 40,492.50	147	11,302	$ -	$ 4,055.85	$ 44,548.35	0	0	$ -	$ 51,458.11	12,265	$ 1,552.50	5	457	$ -	$ 445.65	$ 1,998.15
Mar-15	$ 16,656.22	1,517	6	$ 46,068.46	170	12,609	$ -	$ -	$ 46,068.46	4	531	$ 3,048.41	$ 69,867.59	15,140	$ 4,094.50	14	1,013	$ -	$ -	$ 4,094.50
Apr-15	$ 14,235.29	1,517	6	$ 50,121.23	202	15,527	$ -	$ -	$ 50,121.23	0	0	$ -	$ 67,295.02	17,596	$ 2,938.50	8	552	$ -	$ -	$ 2,938.50
May-15	$ 14,381.95	2,023	8	$ 30,986.50	105	7,897	$ -	$ 4,128.83	$ 35,115.33	1	238	$ -	$ 51,596.95	10,235	$ 1,646.00	4	315	$ -	$ 453.67	$ 2,099.67
Jun-15	$ 22,929.30	2,276	9	$ 27,936.71	99	8,172	$ -	$ -	$ 27,936.71	0	0	$ -	$ 52,100.51	10,642	$ 1,234.50	3	194	$ -	$ -	$ 1,234.50
Jul-15	$ -	0	0	$ 31,531.75	107	9,803	$ -	$ -	$ 31,531.75	0	0	$ -	$ 32,117.25	10,111	$ 585.50	4	308	$ -	$ -	$ 585.50
Aug-15	$ 14,194.18	1,265	5	$ 29,486.50	107	7,992	$ -	$ 3,656.03	$ 33,142.53	0	0	$ 199.00	$ 50,052.93	9,743	$ 2,115.50	6	487	$ -	$ 401.72	$ 2,517.22
Sep-15	$ 8,332.12	1,265	5	$ 30,655.10	105	9,331	$ -	$ -	$ 30,655.10	0	0	$ 1,687.35	$ 41,909.07	10,874	$ 1,234.50	3	278	$ -	$ -	$ 1,234.50
Oct-15	$ 12,270.16	1,517	6	$ 31,557.00	107	9,274	$ -	$ -	$ 31,557.00	2	120	$ 63.87	$ 45,544.53	11,059	$ 1,653.50	5	268	$ -	$ -	$ 1,653.50
Nov-15	$ 13,096.81	1,770	7	$ 25,944.75	96	7,628	$ -	$ 3,660.54	$ 29,605.29	4	307	$ -	$ 44,523.06	9,796	$ 1,418.75	4	399	$ -	$ 402.21	$ 1,820.96
Dec-15	$ 9,038.78	759	3	$ 31,747.87	113	9,542	$ -	$ -	$ 31,747.87	5	557	$ -	$ 42,556.15	10,712	$ 1,769.50	7	411	$ -	$ -	$ 1,769.50
2015 Totals	**$ 146,161.38**	**15,933**	**63**	**$ 406,307.60**	**1,467**	**118,228**	**$ 150.00**	**$ 15,501.25**	**$ 421,958.86**	**17**	**1,854**	**$ 4,998.63**	**$ 597,809.36**	**139,894**	**$ 22,987.25**	**72**	**5,733**	**$ -**	**$ 1,703.25**	**$ 24,690.50**
Cum. Totals	**$ 2,989,590.70**	**299,982**	**1,779**	**$ 2,152,147.83**	**8,370**	**663,732**	**$ 192,790.13**	**$ 82,608.31**	**$ 2,427,546.26**	**120**	**9,513**	**$ 31,505.82**	**$ 5,566,037.51**	**1,001,862**	**$ 115,632.16**	**378**	**40,771**	**$ 9,082.65**	**$ 5,985.36**	**$ 130,700.17**
Jan-16	$ 9,071.75	759	3	$ 54,992.80	196	16,103	$ 134,584.84	$ -	$ 189,577.64	1	90	$ -	$ 214,217.29	17,123	$ 780.00	3	262	$ 14,787.90	$ -	$ 15,567.90
Feb-16	$ 3,870.69	253	1	$ 32,504.45	119	9,445	$ 1,385.74	$ 4,040.99	$ 37,931.17	1	125	$ -	$ 43,665.39	9,965	$ 1,267.25	4	267	$ 152.26	$ 444.02	$ 1,863.53
Mar-16	$ 18,529.35	1,770	7	$ 31,641.67	109	9,010	$ 2,193.35	$ -	$ 33,835.02	0	185	$ -	$ 57,514.62	12,444	$ 4,909.25	25	1,664	$ 241.00	$ -	$ 5,150.25
Apr-16	$ 5,048.64	759	3	$ 40,829.48	165	12,336	$ 518.08	$ -	$ 41,347.55	0	44	$ -	$ 49,081.12	13,653	$ 2,628.00	7	558	$ 56.93	$ -	$ 2,684.93
May-16	$ 13,093.22	1,265	5	$ 41,904.99	167	9,816	$ 1,126.34	$ 4,138.52	$ 47,169.85	0	0	$ -	$ 61,253.06	11,145	$ 411.50	1	65	$ 123.76	$ 454.73	$ 989.99
Jun-16	$ 11,529.17	1,012	4	$ 31,862.00	114	7,721	$ 3,790.30	$ -	$ 35,652.30	0	0	$ -	$ 48,428.44	8,843	$ 830.50	3	110	$ 416.47	$ -	$ 1,246.97
Jul-16	$ -	0	0	$ 29,176.75	96	8,044	$ -	$ -	$ 29,176.75	0	0	$ 3,269.03	$ 32,445.78	8,044	$ -	0	0	$ -	$ -	$ -
Aug-16	$ 5,902.84	506	2	$ 48,787.23	179	15,076	$ 2,955.05	$ 3,764.83	$ 55,507.11	0	0	$ -	$ 63,592.32	15,869	$ 1,444.00	4	287	$ 324.70	$ 413.67	$ 2,182.37
Sep-16	$ -	0	0	$ -	0	0	$ -	$ -	$ -	0	0	$ -	$ -	0	$ -	0	0	$ -	$ -	$ -
Oct-16	$ -	0	0	$ -	0	0	$ -	$ -	$ -	0	0	$ -	$ -	0	$ -	0	0	$ -	$ -	$ -
Nov-16	$ -	0	0	$ -	0	0	$ -	$ -	$ -	0	0	$ -	$ -	0	$ -	0	0	$ -	$ -	$ -
Dec-16	$ -	0	0	$ -	0	0	$ -	$ -	$ -	0	0	$ -	$ -	0	$ -	0	0	$ -	$ -	$ -
2016 Totals	**$ 67,045.66**	**6,323**	**25**	**$ 311,699.37**	**1,145**	**87,552**	**$ 146,553.70**	**$ 11,944.33**	**$ 470,197.40**	**2**	**444**	**$ 3,269.03**	**$ 570,198.02**	**97,088**	**$ 12,270.50**	**47**	**3,213**	**$ 16,103.01**	**$ 1,312.42**	**$ 29,685.93**
Cum. Totals	**$ 3,056,636.36**	**306,305**	**1,804**	**$ 2,463,847.20**	**9,515**	**751,284**	**$ 339,343.83**	**$ 94,552.64**	**$ 2,897,743.66**	**122**	**9,957**	**$ 34,774.85**	**$ 6,136,235.52**	**1,098,950**	**$ 127,902.66**	**425**	**43,984**	**$ 25,185.66**	**$ 7,297.78**	**$ 160,386.10**