



April 30, 2017

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

RECEIVED

APR 27 2017

PUBLIC SERVICE
COMMISSION

Re: Case No. 2017-00000

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.**

Due to the recent unexpected increases in the commodity cost of gas, the GCA rates submitted in our previous GCA will 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 stellie.jackson@atmosenergy.com.

If you have any questions, feel free to call me at 972-855-3077.

Sincerely,

A handwritten signature in blue ink that reads "Stellie Jackson".

Stellie Jackson
Rate Administration Analyst

Enclosures

RECEIVED

APR 27 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. 2017-00000

NOTICE

INTERIM FILING

For The Period

June 1, 2017 – July 31, 2017

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

April 30, 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

Stellie S. Jackson
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 Sixteenth Revised Sheet No. 4, Sixteenth Revised Sheet No. 5, and Sixteenth Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective June 1, 2017.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.1480 per Mcf and \$3.9323 per Mcf for interruptible sales service. The supporting calculations for the Sixteenth 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. 2017-00156, 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 June 1, 2017 through July 31, 2017, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Gas Cost will be approximately \$4.7652 per Mcf for the period of June 1, 2017 through July 31, 2017, as compared to \$4.6001 per Mcf used for the month of May 2017. The G-2 Expected Gas Cost will be approximately \$3.5495 for the period of June 1, 2017 through July 31, 2017, as compared to \$3.3844 for the month of May 2017.

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 Sixteenth Revised Sheet No. 5; and Sixteenth 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 June 1, 2017.

DATED at Dallas, Texas this 30th Day of April 2017.

ATMOS ENERGY CORPORATION

By:  _____

Stellie Jackson
Rate Administration Analyst
Atmos Energy Corporation

ATMOS ENERGY CORPORATION
NAME OF UTILITY

Current Rate Summary
Case No. 2017-00000

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	@	6.6820	per Mcf	@	1.5340	per Mcf	(l, -)
Next	14,700	¹ Mcf	@	6.0980	per Mcf	@	0.9500	per Mcf	(l, -)
Over	15,000	Mcf	@	5.8880	per Mcf	@	0.7400	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 Mcf ²

Sales (G-2)

Transportation (T-3)

First	15,000	¹ Mcf	@	4.7823	per Mcf	@	0.8500	per Mcf	(l, -)
Over	15,000	Mcf	@	4.5728	per Mcf	@	0.6405	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 April 30, 2017
MONTH/ DATE / YEAR

DATE EFFECTIVE June 1, 2017
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 2017-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

SIXTEENTH REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

FIFTEENTH REVISED SHEET NO. 5

Current Gas Cost Adjustments

Case No. 2017-00000

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

<u>Gas Cost Adjustment Components</u>	<u>G - 1</u>	<u>G-2</u>	
EGC (Expected Gas Cost Component)	4.7652	3.5495	(I, I)
CF (Correction Factor)	0.2109	0.2109	(-, -)
RF (Refund Adjustment)	0.0000	0.0000	(-, -)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1719</u>	<u>0.1719</u>	(-, -)
GCA (Gas Cost Adjustment)	<u><u>\$5.1480</u></u>	<u><u>\$3.9323</u></u>	(I, I)

DATE OF ISSUE April 30, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE June 1, 2017
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 2017-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

SIXTEENTH REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

FIFTEENTH REVISED SHEET NO. 6

Current Transportation

Case No. 2017-00000

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

System Lost and Unaccounted gas percentage:

1.28%

				<u>Simple Margin</u>	<u>Non- Commodity</u>	<u>Gross Margin</u>			
<u>Transportation Service</u>¹									
<u>Firm Service (T-4)</u>									
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		(-)
<u>Interruptible Service (T-3)</u>									
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 April 30, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE June 1, 2017
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 2017-00000 DATED N/A

Line No.	Description	Case No.		Difference
		(a) 2017-00156 \$/Mcf	(b) 2017-00000 \$/Mcf	
1	<u>G - 1</u>			
2				
3	<u>Distribution Charge (per Case No. 2015-00343)</u>			
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	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	3.1682	3.3333	0.1651
11	Demand	1.4319	1.4319	0.0000
12	Total EGC	4.6001	4.7852	0.1651
13	CF (Correction Factor)	0.2109	0.2109	0.0000
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1719	0.0000
16	GCA (Gas Cost Adjustment)	4.9829	5.1480	0.1651
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.5169	6.6820	0.1651
20	Next 14,700 Mcf	5.9329	6.0980	0.1651
21	Over 15,000 Mcf	5.7229	5.8880	0.1651
22				
23				
24	<u>G - 2</u>			
25				
26	<u>Distribution Charge (per Case No. 2015-00343)</u>			
27	First 15,000 Mcf	0.8500	0.8500	0.0000
28	Over 15,000 Mcf	0.6405	0.6405	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	3.1682	3.3333	0.1651
33	Demand	0.2162	0.2162	0.0000
34	Total EGC	3.3844	3.5495	0.1651
35	CF (Correction Factor)	0.2109	0.2109	0.0000
36	RF (Refund Adjustment)	0.0000	0.0000	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1719	0.0000
38	GCA (Gas Cost Adjustment)	3.7672	3.9323	0.1651
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	4.6172	4.7823	0.1651
42	Over 14,700 Mcf	4.4077	4.5728	0.1651
43				
44				
45	<u>Refund Factor (RF)</u>			
47		Effective		
48		Date	RF	
49				
50	1 - 2016-00352	11/1/2016	0.0000	
51	2 - 2017-00029	2/1/2017	0.0000	
52	3 - 2017-00156	5/1/2017	0.0000	
53	4 - 2017-00000	6/1/2017	0.0000	
54				
55	Total Refund Factor (RF)		\$0.0000	

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2017-00156	2017-00000	
		\$/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	1.5340	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	<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	0.8500	0.8500	0.0000
13	Over 15,000 Mcf	0.6405	0.6405	0.0000
14				

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units MMbtu	(c) Rate \$/MMbtu	(d) (e) Non-Commodity	
					Total \$	Demand \$
1	<u>SL to Zone 2</u>					
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		<u>12,340,360</u>		<u>3,810,703</u>	<u>3,810,703</u>
6						
7	<u>SL to Zone 3</u>					
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		<u>37,430,188</u>		<u>12,677,297</u>	<u>12,677,297</u>
18						
19	<u>SL to Zone 4</u>					
20	NNS Contract #	29763	3,320,769			
21	Base Rate	Section 4.4 - NNS		0.4190	1,391,402	1,391,402
22						
23	FT Contract #	31097	1,825,000			
24	Base Rate	Section 4.1 - FT		0.3670	669,775	669,775
25						
26	Total SL to Zone 4		<u>5,145,769</u>		<u>2,061,177</u>	<u>2,061,177</u>
27						
28	<u>Zone 2 to Zone 4</u>					
29	FT Contract #	34674	2,309,720			
30	Base Rate	Section 4.1 - FT		0.2780	642,102	642,102
31						
32	Total Zone 2 to Zone 4		<u>2,309,720</u>		<u>642,102</u>	<u>642,102</u>
33						
34	Total SL to Zone 2		12,340,360		3,810,703	3,810,703
35	Total SL to Zone 3		37,430,188		12,677,297	12,677,297
36	Total Zone 1 to Zone 3		0		0	0
37	Total SL to Zone 4		5,145,769		2,061,177	2,061,177
38	Total Zone 2 to Zone 4		2,309,720		642,102	642,102
39						
40	Total Texas Gas		<u>57,226,037</u>		<u>19,191,279</u>	<u>19,191,279</u>
41						
42						
43	Total Texas Gas Area Non-Commodity				<u>19,191,279</u>	<u>19,191,279</u>

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		7,500			
12	Base Rate	14		10.5774	79,331	79,331
13						
14	Total Zone 1 to 2		<u>7,500</u>		<u>79,331</u>	<u>79,331</u>
15						
16	Gas Storage					
17	Production Area:					
18	Demand	61	34,968	2.0344	71,139	71,139
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>749,892</u>	<u>749,892</u>
24						
25	Total Tennessee Gas Area FT-G Non-Commodity				<u><u>5,330,659</u></u>	<u><u>5,330,659</u></u>

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

Line No.	(a) Description	(b) Tariff Sheet No.	(c) Purchases Mcf	(d) Purchases MMbtu	(e) Rate \$/MMbtu	(f) Total \$
1	<u>No Notice Service</u>			2,028,431		
2	Indexed Gas Cost				3.1460	6,381,444
3	Commodity (Zone 3)	Section 4.4 - NNS			0.0490	99,393
4	Fuel and Loss Retention @	Section 4.18.1	0.39%		0.0123	24,950
5					3.2073	6,505,787
6						
7	<u>Firm Transportation</u>			1,659,625		
8	Indexed Gas Cost				3.1460	5,221,180
9	Base (Weighted on MDQs)				0.0442	73,355
10	ACA	Section 4.1 - FT			0.0013	2,158
11	Fuel and Loss Retention @	Section 4.18.1	0.39%		0.0123	20,413
12					3.2038	5,317,106
13	<u>No Notice Storage</u>					
14	Net (Injections)/Withdrawals					
15	Withdrawals			0	2.3830	0
16	Injections			(987,721)	3.1460	(3,107,370)
17	Commodity (Zone 3)	Section 4.4 - NNS			0.0490	(48,398)
18	Fuel and Loss Retention @	Section 4.18.1	0.39%		0.0123	(12,149)
19				(987,721)	3.2073	(3,167,917)
20						
21						
22	Total Purchases in Texas Area			2,700,335	3.2051	8,654,976
23						
24						
25	<u>Used to allocate transportation non-commodity</u>					
26						
27			Annualized		Commodity	
28			MDQs in		Charge	Weighted
29	<u>Texas Gas</u>		MMbtu	Allocation	\$/MMbtu	Average
30	SL to Zone 2	Section 4.1 - FT	12,340,360	21.56%	\$0.0399	\$ 0.0086
31	SL to Zone 3	Section 4.1 - FT	37,430,188	65.41%	0.0445	\$ 0.0291
32	1 to Zone 3	Section 4.1 - FT	0	0.00%	0.0422	\$ -
33	SL to Zone 4	Section 4.1 - FT	5,145,769	8.99%	0.0528	\$ 0.0047
34	2 to Zone 4	Section 4.1 - FT	2,309,720	4.04%	0.0446	\$ 0.0018
35	Total		57,226,037	100.0%		\$ 0.0442
36						
37	<u>Tennessee Gas</u>					
38	0 to Zone 2	24	289,000	97.47%	\$0.0167	\$ 0.0163
39	1 to Zone 2	24	7,500	2.53%	0.0087	\$ 0.0002
40	Total		296,500	100.00%		\$ 0.0165

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

Line No.	Description	(a) Tariff Sheet No.	(b)	(c) Purchases		(e) Rate	(f) Total
				Mcf	MMbtu	\$/MMbtu	\$
1	<u>FT-A and FT-G</u>				443,858		
2	Indexed Gas Cost					3.1460	1,396,377
3	Base Commodity (Weighted on MDQs)					0.0165	7,323
4	ACA	24				0.0013	577
5	Fuel and Loss Retention	32	1.32%			0.0421	18,686
6						3.2059	1,422,963
7							
8	<u>FT-GS</u>				0		
9	Indexed Gas Cost					3.1460	0
10	Base Rate	26				0.8697	0
11	ACA	24				0.0013	0
12	Fuel and Loss Retention	32	1.32%			0.0421	0
13						4.0591	0
14							
15	<u>Gas Storage</u>						
16	FT-A & FT-G Market Area Withdrawals				0	2.3830	-
17	FT-A & FT-G Market Area Injections				(341,661)	3.1460	(1,074,866)
18	Withdrawal Rate	61				0.0087	0
19	Injection Rate	61				0.0087	(2,972)
20	Fuel and Loss Retention	61	1.37%			0.0001	(34)
21	Total				(341,661)	3.1548	(1,077,872)
22							
23							
24							
25	Total Tennessee Gas Zones				102,197	3.3767	345,091

Commodity	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Tariff Sheet No.		Purchases Mcf	Rate MMbtu \$/MMbtu	Total \$
1	<u>Firm Transportation</u>					
2	Expected Volumes			61,000		
3	Indexed Gas Cost				3.1460	191,906
4	Base Commodity	13			0.0051	311
5	ACA	13			0.0013	79
6	Fuel and Loss Retention	13	1.13%		0.0327	1,995
7					<u>3.1851</u>	<u>194,291</u>
8						
9						

Non-Commodity

Line No.	Description	Tariff Sheet No.	(a)	(b)	Non-Commodity		
					Annual Units MMbtu	Rate \$/MMbtu	Total \$
	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					<u>181,494</u>	<u>181,494</u>

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	\$19,191,279			
3	Midwestern	0			
4	Tennessee Gas Pipeline	5,330,659			
5	Trunkline Gas Company	181,494			
6	Total	<u>\$24,703,432</u>			
7					
8		Allocated	Related	Monthly Demand Charge	
9	<u>Demand Cost Allocation:</u>	Factors	Demand	Volumes	Firm Interruptible
10	All	0.1531	\$3,782,095	17,494,254	0.2162 0.2162
11	Firm	0.8469	20,921,337	17,208,968	1.2157
12	Total	<u>1.0000</u>	<u>\$24,703,432</u>		<u>1.4319 0.2162</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	17,208,968	17,208,968	17,208,968	1.4319
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	285,286	285,286		1.4319 0.2162
24					
25	<u>Transportation Service</u>				
26	T-3 & T-4	29,492,463			
27					
28		<u>46,986,717</u>	<u>17,494,254</u>	<u>17,208,968</u>	
29					
30					

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

Line No. Description	(a)	(b)	(c)	(d)
	Mcf	MMbtu	\$/Mcf	\$
1 Texas Gas Area				
2 No Notice Service	1,997,470	2,028,431	3.2570	6,505,787
3 Firm Transportation	1,634,293	1,659,625	3.2535	5,317,106
4 No Notice Storage	(972,645)	(987,721)	3.2570	(3,167,917)
5 Total Texas Gas Area	2,659,118	2,700,335	3.2548	8,654,976
6				
7 Tennessee Gas Area				
8 FT-A and FT-G	417,945	443,858	3.4047	1,422,963
9 FT-GS	0	0	0.0000	0
10 Gas Storage				
11 Injections	(321,715)	(341,661)	3.3503	(1,077,838)
12 Withdrawals	0	0	0.0000	(34)
13	96,230	102,197	3.5861	345,091
14 Trunkline Gas Area				
15 Firm Transportation	60,757	61,000	3.1978	194,291
16				
17 Company Owned Storage				
18 Injections	(878,188)	(891,800)	3.2073	(2,816,612)
19 Withdrawals	0	0		0
20 Net WKG Storage	(878,188)	(891,800)	3.2073	(2,816,612)
21				
22				
23 Local Production	5,726	5,815	3.1460	18,014
24				
25				
26				
27 Total Commodity Purchases	1,943,643	1,977,547	3.2906	6,395,760
28				
29 Lost & Unaccounted for @	1.28%	24,879	25,313	
30				
31 Total Deliveries	1,918,764	1,952,234	3.3333	6,395,760
32				
33				
34				
35 Total Expected Commodity Cost	1,918,764	1,952,234	3.3333	6,395,760
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	17,494,254
2	Transportation	<u>0</u>
3	Total Mcf Billed Demand Charges	17,494,254
4	Divided by: Days/Year	<u>365</u>
5	Average Daily Sales and Transport Volumes	<u><u>47,929</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>313,060</u></u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	0.1531
13		

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter ending July 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 June 2017 through July 2017 during the period April 10 through April 21, 2017.

		Jun-17 (\$/MMBTU)	Jul-17 (\$/MMBTU)
Monday	04/10/17	3.309	3.380
Tuesday	04/11/17	3.224	3.296
Wednesday	04/12/17	3.262	3.332
Thursday	04/13/17	3.307	3.376
Friday	04/14/17	3.307	3.376
Monday	04/17/17	3.251	3.327
Tuesday	04/18/17	3.236	3.314
Wednesday	04/19/17	3.276	3.353
Thursday	04/20/17	3.250	3.329
Friday	04/21/17	3.192	3.270
Average		<u>\$3.261</u>	<u>\$3.335</u>

- B. The Company believes prices are increasing and prices for the quarter ending July 31, 2017 will settle at \$3.146 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 July 31, 2017

	June-17			July-17			Total		
	<u>Volumes</u>	<u>Rate</u>	<u>Value</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

**COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

GAS COST ADJUSTMENT)	CASE NO.
FILING OF)	2017-00000
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 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 June 1, 2017 through July 31, 2017. 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) 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 out weighed 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 265.880: (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

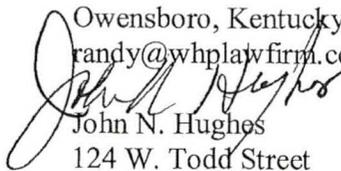
competitors to encroach upon traditional markets, it is imperative that regulated information remain protected and that the integrity of the information remain secure.

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 30th day of April, 2017.

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