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PUBLIC SERVICE
COMMISSION



January 11, 2018

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

Re: Case No. 2017-00478 – Amended Schedules from December 22, 2017 Filing

Dear Ms. Pinson:

We are filing the enclosed original and ten (10) copies of following amended Tariff Sheets and Exhibits, which replace the tariff sheets and exhibits as filed on December 22, 2017; Case No. 2017-00478:

- Tariff Sheet No. 4, 5, & 6,
- Exhibit A, page 1 of 2, Comparison of Current and Previous Cases
- Exhibit B, page 1 of 8, Expected Gas Cost (EGC) Calculation, Texas Gas Transmission – Non-Commodity
- Exhibit B, page 6 of 8, Expected Gas Cost (EGC) Calculation, Demand Charge Calculation

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,


Anthony Croissant
Sr. Rate Administration Analyst

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)
FILING OF)
ATMOS ENERGY CORPORATION)

Case No. 2017-00478

NOTICE

QUARTERLY FILING

For The Period

February 1, 2018 – April 30, 2018

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

January 11, 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 Nineteenth Revised Sheet No. 4, Nineteenth Revised Sheet No. 5, and Nineteenth Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective February 1, 2018.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.2614 per Mcf and \$3.9532 per Mcf for interruptible sales service. The supporting calculations for the Nineteenth 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)

Exhibit D – Correction Factor (CF) Calculation

Exhibit E – Refund Factor (RF) Calculation

Exhibit E – Performance Based Rate Recovery Factor (PBRRF) Calculation

Since the Company's last GCA filing, Case No. 2017-00402, 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 quarter of February 1, 2018 through April 30, 2018, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Gas Cost will be approximately \$4.5402 per Mcf for the quarter of February 1, 2018 through April 30, 2018, as compared to \$4.5613 per Mcf used for

the period of November 1, 2017 through January 31, 2018. The G-2 Expected Commodity Gas Cost will be approximately \$3.2320 for the quarter of February 1, 2018 through April 30, 2018 as compared to \$3.3446 for the period of November 1, 2017 through January 31, 2018.

3. The Company's notice sets out a new Correction Factor of \$0.5360 per Mcf which will remain in effect until at least April, 2018.

4. The Refund Factor of (\$0.0000) per Mcf will remain in effect until the refund has been completed.

The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction Factor be filed on a quarterly basis. In Case No. 2013-00148, effective January 24, 2014, the Company's GCA tariff allows recovery of any gas cost which is uncollectible, to be included in each February GCA filing.

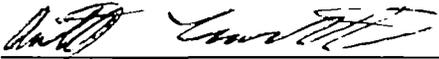
The Company is filing its updated Correction Factor that is based upon the balance in the Company's 1910 Account as of October 31, 2017 (November, 2017 general ledger). The calculation for the Correction Factor is shown on Exhibit D, Page 1 of 6. Also beginning with the January, 2014 GCA filing in compliance with tariff page 16 from the Rate Case filing

(Case No. 2013-00148) the Company is allowed to recover the net uncollectible gas cost (net uncollectible gas cost less subsequently collected gas cost).

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 Nineteenth Revised Sheet No. 5; and Nineteenth Revised 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 February 1, 2018.

DATED at Dallas, Texas this 11th Day of January, 2018.

ATMOS ENERGY CORPORATION

By:  _____

Anthony Croissant
Sr. Rate Administration Analyst
Atmos Energy Corporation

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 4

CANCELLING

EIGHTEENTH REVISED SHEET NO. 4

ATMOS ENERGY CORPORATION
NAME OF UTILITY

Current Rate Summary

Case No. 2017-00478

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	@	6.7954	per Mcf	@	1.5340	per Mcf	(l, -)
Next	14,700 ¹	Mcf	@	6.2114	per Mcf	@	0.9500	per Mcf	(l, -)
Over	15,000	Mcf	@	6.0014	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 Mcf²

Sales (G-2)

Transportation (T-3)

First	15,000 ¹	Mcf	@	4.8032	per Mcf	@	0.8500	per Mcf	(l, -)
Over	15,000	Mcf	@	4.5937	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 December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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. 2017-00478 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 5

CANCELLING

EIGHTEENTH REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Gas Cost Adjustments

Case No. 2017-00478

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)	4.5402	3.2320	(R, R)
CF (Correction Factor)	0.5360	0.5360	(I, I)
RF (Refund Adjustment)	0.0000	0.0000	(-, -)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1852</u>	<u>0.1852</u>	(I, I)
GCA (Gas Cost Adjustment)	<u>\$5.2614</u>	<u>\$3.9532</u>	(I, I)

DATE OF ISSUE December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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 2017-00478 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

NINETEENTH REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

EIGHTEENTH REVISED SHEET NO. 6

Current Transportation

Case No. 2017-00478

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

System Lost and Unaccounted gas percentage: 1.61%

				<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	@	\$1.5340 +		\$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 December 22, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2018
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 2017-00478 DATED N/A

Line No.	Description	Case No.		Difference
		(a) 2017-00402 \$/Mcf	(b) 2017-00478 \$/Mcf	
1	G - 1			
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	3.1294	3.0109	(0.1185)
11	Demand	1.4319	1.5293	0.0974
12	Total EGC	4.5613	4.5402	(0.0211)
13	CF (Correction Factor)	0.1816	0.5360	0.3544
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1852	0.0133
16	GCA (Gas Cost Adjustment)	4.9148	5.2614	0.3466
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.4488	6.7954	0.3466
20	Next 14,700 Mcf	5.8648	6.2114	0.3466
21	Over 15,000 Mcf	5.6548	6.0014	0.3466
22				
23				
24	G - 2			
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	3.1294	3.0109	(0.1185)
33	Demand	0.2152	0.2211	0.0059
34	Total EGC	3.3446	3.2320	(0.1126)
35	CF (Correction Factor)	0.1816	0.5360	0.3544
36	RF (Refund Adjustment)	0.0000	0.0000	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1719	0.1852	0.0133
38	GCA (Gas Cost Adjustment)	3.6981	3.9532	0.2551
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	4.5481	4.8032	0.2551
42	Over 14,700 Mcf	4.3386	4.5937	0.2551
43				
44				
45	Refund Factor (RF)			
47		Effective		
48		Date	RF	
49				
50	1 - 2017-00180	6/1/2017	0.0000	
51	2 - 2017-00260	8/1/2017	0.0000	
52	3 - 2017-00402	11/1/2017	0.0000	
53	4 - 2017-00478	2/1/2018	0.0000	
54				
55	Total Refund Factor (RF)		\$0.0000	

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		12,340,360		3,810,703	3,810,703
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		37,430,188		12,677,297	12,677,297
18						
19	<u>Zone 1 to Zone 3</u>					
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	<u>SL to Zone 4</u>					
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	<u>Zone 2 to Zone 4</u>					
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	<u>Zone 3 to Zone 3</u>					
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
 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	0.1478	\$3,751,976	16,971,263	0.2211 0.2211
11	Firm	0.8522	21,633,515	16,537,040	1.3082
12	Total	<u>1.0000</u>	<u>\$25,385,491</u>		<u>1.5293 0.2211</u>
13					
14					
15		Annualized	Volumetric Basis for		
16		Mcf @14.65	Monthly Demand Charge		
17	<u>Firm Service</u>		All	Firm	
18	Sales:				
19	G-1	16,537,040	16,537,040	16,537,040	1.5293
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	434,223	434,223		1.5293 0.2211
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					