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PUBLIC SERVICE
COMMISSION

June 29, 2018

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

Re: Case No. 2018-00223

Dear Ms. Pinson:

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.**

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,

A handwritten signature in blue ink, appearing to read "Anthony Croissant", written over a horizontal line.

Anthony Croissant
Sr. Rate Administration Analyst

Enclosures

RECEIVED

JUL 03 2018

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. 2018-00000

NOTICE

QUARTERLY FILING

For The Period

August 1, 2018 – October 31, 2018

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

June 29, 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 Twenty-third Revised Sheet No. 4, Twenty-third Revised Sheet No. 5, and Twenty-third Revised Sheet No. 6 to its PSC No. 2, Rates, Rules and Regulations for Furnishing Natural Gas to become effective August 1, 2018.

The Gas Cost Adjustment (GCA) for firm sales service is \$4.6751 per Mcf and \$3.3489 per Mcf for interruptible sales service. The supporting calculations for the Twenty-third 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. 2017-00349, 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 August 1, 2018 through October 31, 2018, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Gas Cost will be approximately \$4.7812 per Mcf for the quarter of August 1, 2018 through October 31, 2018, as compared to \$4.6277 per Mcf used for

the period of May 1, 2018 through June 30, 2018. The G-2 Expected Commodity Gas Cost will be approximately \$3.4730 for the quarter of August 1, 2018 through October 31, 2018 as compared to \$3.3195 for the period of May 1, 2018 through July 31, 2018.

3. The Company's notice sets out a new Correction Factor of (\$0.3093) per Mcf which will remain in effect until at least October 31, 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 April 30, 2018 (May, 2018 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 Twenty-third Revised Sheet No. 5; and Twenty-third 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 August 1, 2018.

DATED at Dallas, Texas this 29th Day of June, 2018.

ATMOS ENERGY CORPORATION

By: 

Anthony Croissant
Sr. Rate Administration Analyst
Atmos Energy Corporation

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-THIRD REVISED SHEET NO. 4

CANCELLING

TWENTY SECOND REVISED SHEET NO. 4

ATMOS ENERGY CORPORATION

NAME OF UTILITY

Current Rate Summary

Case No. 2018-00000

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 Mcf²

Sales (G-1)

Transportation (T-4)

First	300 ¹	Mcf	@	6.3821	per Mcf	@	1.7250	per Mcf	(R, -)
Next	14,700 ¹	Mcf	@	5.6171	per Mcf	@	0.9600	per Mcf	(R, -)
Over	15,000	Mcf	@	5.4271	per Mcf	@	0.7700	per Mcf	(R, -)

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	@	4.2039	per Mcf	@	0.8550	per Mcf	(R, -)
Over	15,000	Mcf	@	3.9839	per Mcf	@	0.6350	per Mcf	(R, -)

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 June 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE August 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 2018-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-THIRD REVISED SHEET NO. 5

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

TWENTY SECOND REVISED SHEET NO. 5

Current Gas Cost Adjustments

Case No. 2018-00000

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)	4.7812	3.4730	(I, I)
CF (Correction Factor)	(0.3093)	(0.3093)	(R, R)
RF (Refund Adjustment)	0.0000	0.0000	(-, -)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1852</u>	<u>0.1852</u>	(-, -)
GCA (Gas Cost Adjustment)	<u>\$4.6571</u>	<u>\$3.3489</u>	(R, R)

DATE OF ISSUE June 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE August 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 2018-00000 DATED N/A

FOR ENTIRE SERVICE AREA

P.S.C. KY NO. 2

TWENTY-THIRD REVISED SHEET NO. 6

ATMOS ENERGY CORPORATION

NAME OF UTILITY

CANCELLING

TWENTY SECOND REVISED SHEET NO. 6

Current Transportation

Case No. 2018-00000

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

System Lost and Unaccounted gas percentage: 1.61%

				<u>Simple Margin</u>	<u>Non- Commodity</u>	<u>Gross Margin</u>		
<u>Transportation Service ¹</u>								
<u>Firm Service (T-4)</u>								
First	300	Mcf	@	\$1.7250 +	\$0.0000 =	\$1.7250 per Mcf	(-)	
Next	14,700	Mcf	@	0.9600 +	0.0000 =	0.9600 per Mcf	(-)	
All over	15,000	Mcf	@	0.7700 +	0.0000 =	0.7700 per Mcf	(-)	
<u>Interruptible Service (T-3)</u>								
First	15,000	Mcf	@	\$0.8550 +	\$0.0000 =	\$0.8550 per Mcf	(-)	
All over	15,000	Mcf	@	0.6350 +	0.0000 =	0.6350 per Mcf	(-)	

¹ Excludes standby sales service.

DATE OF ISSUE June 29, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE August 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 2018-00000 DATED N/A

Line No.	Description	Case No.		Difference
		(a) 2017-00349 \$/Mcf	(b) 2018-00000 \$/Mcf	
1	<u>G - 1</u>			
2				
3	<u>Distribution Charge (per Case No. 2015-00343)</u>			
4	First 300 Mcf	1.7250	1.7250	0.0000
5	Next 14,700 Mcf	0.9600	0.9600	0.0000
6	Over 15,000 Mcf	0.7700	0.7700	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	3.0984	3.2519	0.1535
11	Demand	1.5293	1.5293	0.0000
12	Total EGC	4.6277	4.7812	0.1535
13	CF (Correction Factor)	0.4957	(0.3093)	(0.8050)
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1852	0.1852	0.0000
16	GCA (Gas Cost Adjustment)	5.3086	4.6571	(0.6515)
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	7.0336	6.3821	(0.6515)
20	Next 14,700 Mcf	6.2686	5.6171	(0.6515)
21	Over 15,000 Mcf	6.0786	5.4271	(0.6515)
22				
23				
24	<u>G - 2</u>			
25				
26	<u>Distribution Charge (per Case No. 2015-00343)</u>			
27	First 15,000 Mcf	0.8550	0.8550	0.0000
28	Over 15,000 Mcf	0.6350	0.6350	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	3.0984	3.2519	0.1535
33	Demand	0.2211	0.2211	0.0000
34	Total EGC	3.3195	3.4730	0.1535
35	CF (Correction Factor)	0.4957	(0.3093)	(0.8050)
36	RF (Refund Adjustment)	0.0000	0.0000	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1852	0.1852	0.0000
38	GCA (Gas Cost Adjustment)	4.0004	3.3489	(0.6515)
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	4.8554	4.2039	(0.6515)
42	Over 14,700 Mcf	4.6354	3.9839	(0.6515)
43				
44				
45	<u>Refund Factor (RF)</u>			
46				
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 -	2018-00000	8/1/2018	0.0000
54				
55	Total Refund Factor (RF)		\$0.0000	

Atmos Energy Corporation
 Comparison of Current and Previous Cases
 Transportation Service

Line No.	Description	Case No.		Difference
		(a) 2017-00349	(b) 2018-00000	
		\$/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	1.7250	1.7250	0.0000
5	Next 14,700 Mcf	0.9600	0.9600	0.0000
6	Over 15,000 Mcf	0.7700	0.7700	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	0.8550	0.8550	0.0000
13	Over 15,000 Mcf	0.6350	0.6350	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>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		<u>866,400</u>		<u>284,352</u>	<u>284,352</u>
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		<u>5,145,769</u>		<u>2,061,177</u>	<u>2,061,177</u>
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		<u>2,309,720</u>		<u>642,102</u>	<u>642,102</u>
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		<u>1,070,000</u>		<u>159,751</u>	<u>159,751</u>
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		<u>59,162,437</u>		<u>19,635,382</u>	<u>19,635,382</u>
60						
61						
62	Total Texas Gas Area Non-Commodity				<u>19,635,382</u>	<u>19,635,382</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		30,000			
12	Base Rate	14		10.5774	317,322	317,322
13						
14	Total Zone 1 to 2		<u>30,000</u>		<u>317,322</u>	<u>317,322</u>
15						
16	Gas Storage					
17	Production Area:					
18	Demand	61	34,968	2.0334	71,104	71,104
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	<u>10,846,308</u>	<u>0.0205</u>	<u>222,349</u>	<u>222,349</u>
23	Total Storage		<u>16,034,832</u>		<u>749,857</u>	<u>749,857</u>
24						
25	Total Tennessee Gas Area FT-G Non-Commodity				<u><u>5,568,615</u></u>	<u><u>5,568,615</u></u>

Line No.	(a) Description	(b) Tariff Sheet No.	(c) Purchases	(d) Purchases	(e) Rate	(f) Total
			Mcf	MMbtu	\$/MMbtu	\$
1	<u>No Notice Service</u>			2,710,440		
2	Indexed Gas Cost				2.9380	7,963,272
3	Commodity (Zone 3)	Section 4.4 - NNS			0.0490	132,812
4	Fuel and Loss Retention @	Section 4.18.1	0.99%		0.0294	79,687
5					3.0164	8,175,771
6						
7	<u>Firm Transportation</u>			2,217,632		
8	Indexed Gas Cost				2.9380	6,515,404
9	Base (Weighted on MDQs)				0.0443	98,241
10	ACA	Section 4.1 - FT			0.0013	2,883
11	Fuel and Loss Retention @	Section 4.18.1	0.99%		0.0294	65,198
12					3.0130	6,681,726
13	<u>No Notice Storage</u>					
14	Net (Injections)/Withdrawals					
15	Withdrawals			0	2.6710	0
16	Injections			(1,486,168)	2.9380	(4,366,362)
17	Commodity (Zone 3)	Section 4.4 - NNS			0.0490	(72,822)
18	Fuel and Loss Retention @	Section 4.18.1	0.99%		0.0294	(43,693)
19				(1,486,168)	3.0164	(4,482,877)
20						
21						
22	Total Purchases in Texas Area			3,441,904	3.0142	10,374,620

Used to allocate transportation non-commodity

		Annualized MDQs in MMbtu	Allocation	Commodity Charge \$/MMbtu	Weighted Average
29	<u>Texas Gas</u>				
30	SL to Zone 2	12,340,360	21.24%	\$0.0399	\$ 0.0085
31	SL to Zone 3	37,430,188	64.43%	0.0445	\$ 0.0287
32	1 to Zone 3	866,400	1.49%	0.0422	\$ 0.0006
33	SL to Zone 4	5,145,769	8.86%	0.0528	\$ 0.0047
34	2 to Zone 4	2,309,720	3.98%	0.0446	\$ 0.0018
35	Total	58,092,437	100.0%		\$ 0.0443
36					
37	<u>Tennessee Gas</u>				
38	0 to Zone 2	289,000	90.60%	\$0.0167	\$ 0.0151
39	1 to Zone 2	30,000	9.40%	0.0087	0.0008
40	Total	319,000	100.00%		\$ 0.0159

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

Line No.	Description	Tariff Sheet No.	(a)	(b)	(c)	(d)	(e)	(f)
			Purchases	Rate	Total	Mcf	MMbtu	\$/MMbtu
1	<u>FT-A and FT-G</u>					781,443		
2	Indexed Gas Cost						2.9380	2,295,880
3	Base Commodity (Weighted on MDQs)						0.0159	12,462
4	ACA	24					0.0013	1,016
5	Fuel and Loss Retention	32	1.80%				0.0539	42,120
6							3.0091	2,351,478
7								
8	<u>FT-GS</u>					0		
9	Indexed Gas Cost						2.9380	0
10	Base Rate	26					0.8697	0
11	ACA	24					0.0013	0
12	Fuel and Loss Retention	32	1.80%				0.0539	0
13							3.8629	0
14								
15	<u>Gas Storage</u>							
16	FT-A & FT-G Market Area Withdrawals					0	2.6710	-
17	FT-A & FT-G Market Area Injections					(509,956)	2.9380	(1,498,251)
18	Withdrawal Rate	61					0.0087	0
19	Injection Rate	61					0.0087	(4,437)
20	Fuel and Loss Retention	61	2.18%				0.0002	(102)
21	Total					(509,956)	2.9469	(1,502,790)
22								
23								
24								
25	Total Tennessee Gas Zones					271,487	3.1261	848,688

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Trunkline Gas Company

Commodity						
	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Tariff Sheet No.	Purchases		Rate	Total
			Mcf	MMbtu	\$/MMbtu	\$
1	<u>Firm Transportation</u>					
2	Expected Volumes			92,000		
3	Indexed Gas Cost				2.9380	270,296
4	Base Commodity	13			0.0051	469
5	ACA	13			0.0013	120
6	Fuel and Loss Retention	13	0.53%		0.0127	1,168
7					<u>2.9571</u>	<u>272,053</u>
8						
9						

Non-Commodity

Non-Commodity						
	(a)	(b)	(c)	(d)	(e)	
Line No.	Description	Tariff Sheet No.	Annual Units	Rate	Total	Demand
			MMbtu	\$/MMbtu	\$	\$
	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	\$19,635,382			
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					
9	<u>Demand Cost Allocation:</u>				
		Allocated	Related	<u>Monthly Demand Charge</u>	
	Factors	Demand	Volumes	Firm	Interruptible
10	All	\$3,751,976	16,971,263	0.2211	0.2211
11	Firm	21,633,515	16,537,040	1.3082	
12	Total	<u>\$25,385,491</u>		<u>1.5293</u>	<u>0.2211</u>
13					
14					
15		Volumetric Basis for			
16	Annualized	Monthly Demand Charge			
17	Mcf @14.65	All	Firm		
18	<u>Firm Service</u>				
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					

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

Line No. Description	(a)	(b)	(c)	(d)
	Purchases		Rate	Total
	Mcf	MMbtu	\$/Mcf	\$
1 <u>Texas Gas Area</u>				
2 No Notice Service	2,608,760	2,710,440	3.1340	8,175,771
3 Firm Transportation	2,134,440	2,217,632	3.1304	6,681,726
4 No Notice Storage	(1,430,416)	(1,486,168)	3.1340	(4,482,877)
5 Total Texas Gas Area	3,312,784	3,441,904	3.1317	10,374,620
6				
7 <u>Tennessee Gas Area</u>				
8 FT-A and FT-G	738,313	781,443	3.1849	2,351,478
9 FT-GS	0	0	0.0000	0
10 Gas Storage	0			
11 Injections	(481,810)	(509,956)	3.1188	(1,502,688)
12 Withdrawals	0	0	0.0000	(102)
13	256,503	271,487	3.3087	848,688
14 <u>Trunkline Gas Area</u>				
15 Firm Transportation	90,285	92,000	3.0133	272,053
16				
17 <u>Company Owned Storage</u>				
18 Withdrawals	(1,173,270)	(1,219,000)	3.0164	(3,539,051)
19 Injections	0		3.0164	0
20 Net WKG Storage	(1,173,270)	(1,219,000)	3.0164	(3,539,051)
21				
22				
23 Local Production	4,647	4,918	2.9380	13,653
24				
25				
26				
27 Total Commodity Purchases	2,490,949	2,591,309	3.1996	7,969,964
28				
29 Lost & Unaccounted for @	40,104	41,720	1.61%	
30				
31 Total Deliveries	2,450,845	2,549,589	3.2519	7,969,964
32				
33				
34				
35 Total Expected Commodity Cost	2,450,845	2,549,589	3.2519	7,969,964
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	16,971,263
2	Transportation	0
3	Total Mcf Billed Demand Charges	<u>16,971,263</u>
4	Divided by: Days/Year	<u>365</u>
5	Average Daily Sales and Transport Volumes	<u><u>46,497</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>314,559</u></u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	0.1478
13		

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter ending October - 2018

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 August 2018 through October 2018 during the period June 13 through June 26, 2018.

		Aug-18 (\$/MMBTU)	Sep-18 (\$/MMBTU)	Oct-18 (\$/MMBTU)
Wednesday	06/13/18	2.948	2.920	2.936
Thursday	06/14/18	2.958	2.935	2.949
Friday	06/15/18	3.015	2.990	2.999
Monday	06/18/18	2.951	2.932	2.944
Tuesday	06/19/18	2.904	2.884	2.895
Wednesday	06/20/18	2.965	2.944	2.951
Thursday	06/21/18	2.972	2.947	2.954
Friday	06/22/18	2.945	2.920	2.926
Monday	06/25/18	2.921	2.898	2.906
Tuesday	06/26/18	2.931	2.907	2.913
Average		<u>\$2.951</u>	<u>\$2.928</u>	<u>\$2.937</u>

- B. The Company believes prices are decreasing and prices for the quarter ending October 31, 2018 will settle at \$2.938 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 October - 2018

	August-18			September-18			October-18			Total		
	<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

Line No.	(a) Month	(b) Actual Purchased Volume (Mcf)	(c) Recoverable Gas Cost	(d) Actual GCA Recovered Gas Cost	(e) Under (Over) Recovery Amount	(f) Adjustments	(g) Total
1	February-18	2,510,221	\$9,380,793.19	\$15,389,996.12	(\$6,009,202.93)	\$0.00	(\$6,009,202.93)
2							
3	March-18	2,314,433	\$8,938,833.03	\$9,602,081.54	(\$663,248.51)	\$0.00	(\$663,248.51)
4							
5	April-18	1,588,885	\$5,948,837.09	\$9,055,748.90	(\$3,106,911.81)	\$0.00	(\$3,106,911.81)
6							
7	Total Gas Cost						
8	Under/(Over) Recovery		<u>\$24,268,463.31</u>	<u>\$34,047,826.56</u>	<u>(\$9,779,363.25)</u>	<u>\$0.00</u>	<u>(\$9,779,363.25)</u>
9							
10	PBR Savings reflected in Gas Costs		<u>\$655,128.36</u>				
11							
12	<u>Correction Factor - Part 1</u>						
13	(Over)/Under Recovered Gas Cost through January 2018 (February 2018 GL)					7,885,380.30	
14	Total Gas Cost Under/(Over) Recovery for the three months ended April 2018					(9,779,363.25)	
15	Recovery from outstanding Correction Factor (CF)					(3,883,571.17)	
16	Over-Refunded Amount of Pipeline Refunds					0.00	
17	Prior Net Uncollectable Gas Cost as of November, 2016					0.00	
18	(Over)/Under Recovered Gas Cost through April 2018 (May 2018 GL) (a)					<u>(\$5,777,554.12)</u>	
19	Divided By: Total Expected Customer Sales (b)					16,971,263	Mcf
20							
21	Correction Factor - Part 1					<u>(\$0.3404)</u>	/ Mcf
22							
23	<u>Correction Factor - Part 2</u>						
24	Net Uncollectible Gas Cost through November 2017 (c)					528,382.51	
25	Divided By: Total Expected Customer Sales (b)					16,971,263	
26							
27	Correction Factor - Part 2					<u>\$0.0311</u>	/ Mcf
28							
29	<u>Correction Factor - Total (CF)</u>						
30	Total Deferred Balance through April 2018 (May 2018 GL) incl. Net Uncol Gas Cost					<u>(\$5,249,171.61)</u>	
31	Divided By: Total Expected Customer Sales (b)					16,971,263	
32							
33	Correction Factor - Total (CF)					<u>(\$0.3093)</u>	/ Mcf
34							

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended April 2018
2018-00000

Exhibit D
Page 2 of 6

Line No.	Description	GL Unit	March-18	April-18	May-18
			(a)	(b)	(c)
			Month		
			February-18	March-18	April-18
1	Supply Volume				
2	Pipelines:				
3	Texas Gas Transmission ¹	Mcf	0	0	0
4	Tennessee Gas Pipeline ¹	Mcf	0	0	0
5	Trunkline Gas Company ¹	Mcf	0	0	0
6	Midwestern Pipeline ¹	Mcf	0	0	0
7	Total Pipeline Supply	Mcf	0	0	0
8	Total Other Suppliers	Mcf	691,174	408,863	2,074,154
9	Off System Storage				
10	Texas Gas Transmission	Mcf	0	0	0
11	Tennessee Gas Pipeline	Mcf	0	0	0
12	System Storage				
13	Withdrawals	Mcf	1,086,659	1,490,436	33,073
14	Injections	Mcf	(25,533)	(25,436)	(496,193)
15	Producers	Mcf	1,607	1,619	1,692
16	Third Party Reimbursements	Mcf	(38)	(2)	(1)
17	Pipeline Imbalances cashed out	Mcf			
18	System Imbalances ²	Mcf	742,098	427,787	(382,093)
19	Total Supply	Mcf	2,495,967	2,303,267	1,230,632
20					
21	Change in Unbilled	Mcf			
22	Company Use	Mcf	0	0	0
23	Unaccounted For	Mcf	0	0	0
24	Total Purchases	Mcf	2,495,967	2,303,267	1,230,632

¹ Includes settlement of historical imbalances and prepaid items.

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended April 2018
2018-00000

Line No.	Description	GL Unit	March-18	April-18	May-18
			(a)	(b)	(c)
			Month		
			February-18	March-18	April-18
1	Supply Cost				
2	Pipelines:				
3	Texas Gas Transmission ¹	\$	1,680,955	1,820,164	1,520,702
4	Tennessee Gas Pipeline ¹	\$	441,137	429,327	399,959
5	Trunkline Gas Company ¹	\$	29,770	32,995	6,627
6	Twin Eagle Resource Management	\$	0	0	-
7	Midwestern Pipeline ¹	\$	0	0	0
8	Total Pipeline Supply	\$	2,151,862	2,282,486	1,927,288
9	Total Other Suppliers	\$	2,315,401	1,034,969	6,100,598
10	Hedging Settlements	\$	0	0	0
11	Off System Storage				
12	Texas Gas Transmission	\$			
13	Tennessee Gas Pipeline	\$			
14	WKG Storage	\$	161,659	161,659	161,659
15	System Storage				
16	Withdrawals	\$	3,028,402	4,186,573	93,597
17	Injections	\$	(93,915)	(68,391)	(1,292,344)
18	Producers	\$	5,053	4,211	4,530
19	Third Party Reimbursements	\$	(310)	(1,326)	(63)
20	Pipeline Imbalances cashed out	\$			
21	System Imbalances ²	\$	1,812,640	1,338,652	(1,046,427)
22	Sub-Total	\$	9,380,793	8,938,833	5,948,837
23	Pipeline Refund + Interest				
24	Change in Unbilled	\$			
25	Company Use	\$			
26	Recovered thru Transportation	\$			
27	Total Recoverable Gas Cost	\$	9,380,793.19	8,938,833.03	5,948,837.09

¹ Includes demand charges, cost of settlement of historical imbalances and prepaid items.

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

Atmos Energy Corporation
Recovery from Correction Factors (CF)
For the Three Months Ended April 2018
2018-00000

Exhibit D
Page 4 of 6

Line No.	Month	Type of Sales	(a) Mcf Sold	(b) CF Rate	(c) CF Amounts	(d) RF Rate	(e) RF Amounts	(f) PBR Rate	(g) PBRRF Amounts	(h) EGC Rate	(i) EGC Recovery Amounts	(j) Total Recoveries	
1	February-18	G-1 Sales	3,254,267.136	\$0.5360	\$1,744,287.18	\$0.0000	\$0.00	\$0.1852	\$602,690.27	\$4.5402	\$14,775,023.65	\$17,122,001.10	
2		G-2 Sales	<u>9,107.680</u>	\$0.5360	<u>4,881.72</u>	\$0.0000	<u>0.00</u>	\$0.1852	<u>1,686.74</u>	\$3.2320	<u>29,436.02</u>	<u>\$36,004.48</u>	
6		Sub Total	3,263,374.816		\$1,749,168.90		\$0.00		\$604,377.01		\$14,804,459.67	\$17,158,005.58	
7		Timing: Cycle Billing and PPA's	<u>0.000</u>		<u>(4,573.02)</u>		<u>0.01</u>		<u>27,677.83</u>		<u>585,536.45</u>	<u>\$608,641.27</u>	
8		Total	3,263,374.816		\$1,744,595.88		\$0.01		\$632,054.84		\$15,389,996.12	\$17,766,646.85	\$17,134,592.00
11	March-18	G-1 Sales	2,021,853.760	\$0.5360	\$1,083,713.62	\$0.0000	\$0.00	\$0.1852	\$374,447.32	\$4.5402	\$9,179,620.44	\$10,637,781.38	
12		G-2 Sales	<u>10,050.112</u>	\$0.5360	<u>5,386.86</u>	\$0.0000	<u>0.00</u>	\$0.1852	<u>1,861.28</u>	\$3.2320	<u>32,481.96</u>	<u>\$39,730.10</u>	
16		Sub Total	2,031,903.872		\$1,089,100.48		\$0.00		\$376,308.60		\$9,212,102.40	\$10,677,511.48	
17		Timing: Cycle Billing and PPA's	<u>0.000</u>		<u>333.77</u>		<u>0.08</u>		<u>18,637.36</u>		<u>389,979.14</u>	<u>\$408,950.35</u>	
18		Total	2,031,903.872		\$1,089,434.25		\$0.08		\$394,945.96		\$9,602,081.54	\$11,086,461.83	\$10,691,515.79
21	April-18	G-1 Sales	1,948,985.263	\$0.5360	\$1,044,656.10	\$0.0000	\$0.00	\$0.1852	\$360,952.07	\$4.5402	\$8,848,782.89	\$10,254,391.06	
22		G-2 Sales	<u>7,209.228</u>	\$0.5360	<u>3,864.15</u>	\$0.0000	<u>0.00</u>	\$0.1852	<u>1,335.15</u>	\$3.2320	<u>23,300.22</u>	<u>\$28,499.52</u>	
26		Sub Total	1,956,194.491		\$1,048,520.25		\$0.00		\$362,287.22		\$8,872,083.11	\$10,282,890.58	
27		Timing: Cycle Billing and PPA's	<u>0.000</u>		<u>1,020.79</u>		<u>0.00</u>		<u>8,496.56</u>		<u>183,665.79</u>	<u>\$193,183.14</u>	
28		Total	1,956,194.491		\$1,049,541.04		\$0.00		\$370,783.78		\$9,055,748.90	\$10,476,073.72	\$10,105,289.94
31	Total Recovery from Correction Factor (CF)				<u>\$3,883,571.17</u>								
32	Total Amount Refunded through the Refund Factor (RF)						<u>\$0.09</u>						
33	Total Recovery from Performance Based Rate Recovery Factor (PBRRF)							<u>\$1,397,784.58</u>					
34	Total Recoveries from Expected Gas Cost (EGC) Factor									<u>\$34,047,826.56</u>			
35	Total Recoveries from Gas Cost Adjustment Factor (GCA)										<u>\$39,329,182.40</u>		
36													
37													
38	NOTE: The cycle billing is a result of customers being billed by the meter read date.												
39	The prior period adjustments (PPA's) consist of billing revisions/adjustments.												<u>\$37,931,397.73</u>

Traditional and Other Pipelines

Description	February, 2018		March, 2018		April, 2018	
	MCF	Cost	MCF	Cost	MCF	Cost
1 Texas Gas Pipeline Area						
2 LG&E Natural						
3 Texaco Gas Marketing						
4 CMS						
5 WESCO						
6 Southern Energy Company						
7 Union Pacific Fuels						
8 Atmos Energy Marketing, LLC						
9 Engage						
10 ERI						
11 Prepaid						
12 Reservation						
13 Hedging Costs - All Zones						
14						
15 Total	513,330	\$1,650,993.22	241,148	\$590,003.42	2,059,938	\$5,123,121.37
16						
17						
18 Tennessee Gas Pipeline Area						
19 Chevron Natural Gas, Inc.						
20 Atmos Energy Marketing, LLC						
21 WESCO						
22 Prepaid						
23 Reservation						
24 Fuel Adjustment						
25						
26 Total	71,339	\$241,272.28	88,853	\$213,335.39	372,323	\$977,230.44
27						
28						
29 Trunkline Gas Company						
30 Atmos Energy Marketing, LLC						
31 Engage						
32 Prepaid						
33 Reservation						
34 Fuel Adjustment						
35						
36 Total	(23)	(\$56.04)	28	\$73.27	48	\$129.44
37						
38						
39 Midwestern Pipeline						
40 Atmos Energy Marketing, LLC						
41 Midwestern Gas Transmission						
42 Anadarko						
43 Prepaid						
44 Reservation						
45 Fuel Adjustment						
46						
47 Total	120,782	\$423,372.30	90,000	\$231,698.83	98	\$263.08
48						
49						
50 ANR Pipeline						
51 Atmos Energy Marketing, LLC						
52 LG&E Natural						
53 Anadarko						
54 Prepaid						
55 Reservation						
56 Fuel Adjustment						
57						
58 Total	0	(\$180.32)	0	(\$142.28)	0	(\$146.81)
59						
60						
61 All Zones						
62 Total	705,428	\$2,315,401.44	420,029	\$1,034,968.63	2,432,407	\$6,100,597.52
63						
64						
65						

**** Detail of Volumes and Prices Has Been Filed Under Petition for Confidentiality ****

Atmos Energy Corporation

Net Uncollectible Gas Cost

Twelve Months Ended November, 2017

Exhibit D

Page 6 of 6

Line No.	Month	Gas Cost Written Off	Margin Written Off	Taxes & Other Written Off	Total Written Off	Gas Cost Collected	Margin Collected	Net Uncollectible Gas Cost	Cumulative Net Uncollectible Gas Cost
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Dec-16	(\$71,461.94)	(\$113,714.62)	(\$6,441.17)	(\$191,617.73)	\$16,337.34	\$18,571.40	\$55,124.60	\$55,124.60
2	Jan-17	(\$24,612.80)	(\$73,726.83)	(\$3,217.64)	(\$101,557.27)	\$8,481.09	\$8,366.24	\$16,131.71	\$71,256.31
3	Feb-17	\$4,735.63	(\$22,578.05)	(\$2,361.71)	(\$20,204.13)	\$9,807.69	\$11,019.78	(\$14,543.32)	\$56,712.99
4	Mar-17	(\$6,174.88)	(\$42,912.97)	(\$1,383.25)	(\$50,471.10)	\$10,989.12	\$10,716.24	(\$4,814.24)	\$51,898.75
5	Apr-17	(\$8,954.38)	(\$38,313.33)	(\$1,481.31)	(\$48,749.02)	\$5,209.20	\$4,225.92	\$3,745.18	\$55,643.93
6	May-17	(\$19,083.71)	(\$43,180.44)	(\$290.74)	(\$62,554.89)	\$3,042.36	\$5,403.56	\$16,041.35	\$71,685.28
7	Jun-17	(\$31,134.24)	(\$55,295.62)	(\$3,003.38)	(\$89,433.24)	\$5,910.18	\$7,065.71	\$25,224.06	\$96,909.34
8	Jul-17	(\$41,563.47)	(\$90,787.54)	(\$3,830.25)	(\$136,181.26)	\$4,094.15	\$4,603.11	\$37,469.32	\$134,378.66
9	Aug-17	(\$73,895.47)	(\$115,109.13)	(\$7,040.66)	(\$196,045.26)	\$6,380.26	\$5,782.72	\$67,515.21	\$201,893.87
10	Sep-17	(\$298,777.81)	(\$514,370.29)	(\$30,131.42)	(\$843,279.52)	\$7,501.23	\$14,285.51	\$291,276.58	\$493,170.45
11	Oct-17	(\$60,014.97)	(\$94,528.62)	(\$5,868.38)	(\$160,411.97)	\$21,745.54	\$34,499.74	\$38,269.43	\$531,439.88
12	Nov-17	(\$20,993.08)	(\$65,859.17)	(\$2,872.85)	(\$89,725.10)	\$24,050.45	\$30,959.37	(\$3,057.37)	\$528,382.51