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PUBLIC SERVICE
COMMISSION

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OVERNIGHT DELIVERY

August 20, 2018

Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602

RE: Atmos Energy Corporation – Application for Order Authorizing
Implementation of \$3,000,000,000 Universal Shelf Registration

Dear Sir:

I enclose herewith an original, plus eleven (11) copies, of Atmos' Application in connection with the above.

Very truly yours,

Mark R. Hutchinson

Mark R. Hutchinson

(BK)

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AUG 21 2018

PUBLIC SERVICE
COMMISSION

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF THE APPLICATION)
OF ATMOS ENERGY CORPORATION)
FOR AN ORDER AUTHORIZING THE)
IMPLEMENTATION OF A \$3,000,000,000)
UNIVERSAL SHELF REGISTRATION)
)

CASE NO. 2018-00280

APPLICATION

1. Pursuant to KRS 278.300, and all other applicable law, Atmos Energy Corporation (“Applicant” or “Atmos Energy”), files its Application herein for an Order authorizing the implementation of a \$3,000,000,000 universal shelf registration (the “Shelf”). The Shelf will allow Atmos Energy to offer, from time to time, senior debt securities and/or shares of its common stock, without par value, at prices and terms to be determined at the time of sale. The senior debt securities and/or common stock may be issued in one or more series of issuances. Atmos Energy may sell the securities to or through underwriters, dealers or agents, or directly to one or more purchasers. The Shelf will provide Atmos Energy with greater flexibility in its financing options.

2. Atmos Energy will file a registration statement with the Securities and Exchange Commission for the three billion dollar (\$3,000,000,000) Shelf. The aforesaid Shelf will not include any remaining unused authority at the time of the filing of the Shelf under the universal shelf registration approved by this Commission in Case No. 2015-00346. A period of three years for issuances under such a registration statement is currently the term of an SEC shelf filing.

3. Atmos Energy cannot currently state how the \$3,000,000,000 will be divided between senior debt and equity securities. Although the Company’s goal is to generally maintain its historic debt to equity capitalization ratio, in order to allow the Company the flexibility necessary to utilize the most favorable financing options

available at a particular time, the historic capitalization ratio will necessarily vary from time to time.

4. Approval of this application is in the public interest because it will allow Atmos Energy to obtain financing to continue the general corporate purposes of Applicant and to provide safe and adequate service to its customers. The Shelf will allow Atmos Energy the flexibility to expeditiously respond to favorable market conditions and to act quickly and decisively in financing capital each time a favorable market opportunity arises. The net proceeds may be used for one or more of the following purposes: for the refunding of debt as market conditions permit; for the purchase, acquisition and/or construction of additional properties and facilities, as well as improvements to the Company's existing utility plant; and for general corporate purposes. All of the foregoing are lawful purposes and are appropriate or consistent with the proper performance by Atmos Energy of its service to the public and will not impair its ability to perform that service and is reasonable, necessary and appropriate for such purposes.

5. Applicant requests that upon the registration of the Shelf that is the subject of this application, the remaining universal shelf authority granted to Petitioner in Case No. 2015-00346 be terminated.

6. Applicant, a Virginia and Texas corporation, is duly qualified under the laws of Kentucky to carry on its business in the Commonwealth of Kentucky. Atmos Energy operates as a public utility in the business of purchasing, transmitting and distributing natural gas to residential, commercial and industrial users in western and south central Kentucky. No transfer of ownership or control, or right to control, Applicant, by sale of assets, transfer of stock or otherwise, will occur as a result of this transaction.

7. Applicant's principal operating office and place of business in Kentucky is 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. The post office address of Applicant is P.O. Box 650205, Dallas, Texas 75265-0205.

8. A certified copy of Applicant's Restated Articles of Incorporation as Amended, together with all amendments thereto, is on file in the records of the Commission and the same are incorporated herein by reference. See Case No. 2017-00349.

9. Correspondence and communications with respect to this Application should be directed to:

Mark Martin
Vice President, Rates and Regulatory Affairs
Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, Kentucky 42303
Mark.Martin@atmosenergy.com

Erikka L. Hise
Attorney
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205
Erikka.Hise@atmosenergy.com

Mark R. Hutchinson
Attorney at Law
611 Frederica St.
Owensboro, Kentucky 42301
randy@whplawfirm.com

10. Pursuant to KRS 278.300, Applicant respectfully requests expedited consideration of this Application so that the Shelf may be implemented. The Shelf will allow Atmos Energy the flexibility to respond expeditiously to favorable market conditions.


11. To comply with the requirements of 807 KAR 5:001, Sections 12 and 18 of the Commission's Administrative Regulations, there is attached hereto and incorporated herein by reference, Exhibit A, which contains all of the financial information therein required. A copy of Applicant's Board of Directors resolutions authorizing the Shelf and issuances thereunder is attached as Exhibit B.

12. Pursuant to 807 KAR 5:001, Section 12(2)(d), Applicant has no outstanding deeds of trust or mortgages.

WHEREFORE, Atmos Energy respectfully requests that the Commission authorize by appropriate order or certificate the implementation of the \$3,000,000,000 Shelf effective as of its registration date, as described herein, terminating the remaining universal shelf authority granted to Petitioner in Docket No. 2015-00346 on the registration date of the Shelf, and granting to Atmos such other, further and different relief in the premises as the Commission may deem appropriate.

Respectfully submitted on this 20 day of August, 2018.

Mark R. Hutchinson
Attorney at Law
611 Federica St.
Owensboro, Kentucky 42301
randy@whplawfirm.com
COUNSEL FOR ATMOS ENERGY CORPORATION

By:  _____

VERIFICATION

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

The undersigned, being under oath, says that he is the Vice President and Treasurer of Atmos Energy Corporation, the Applicant named in the above and foregoing Application, that he has read said Application, knows the contents thereof and that the same is true to the best of his personal knowledge, information and belief.

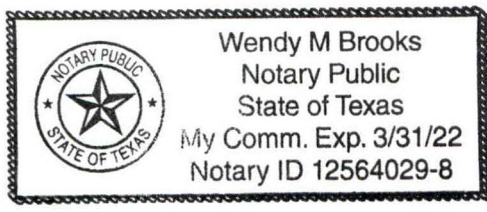


Daniel M. Meziere
Vice President and Treasurer
Atmos Energy Corporation

Subscribed and sworn to before me this 14 day of August, 2018, by Daniel M. Meziere, as Vice President and Treasurer of Atmos Energy Corporation, on behalf of the said corporation.



Notary Public, State of Texas



**ATMOS ENERGY CORPORATION
ASSISTANT SECRETARY'S CERTIFICATE**

The undersigned, being the Assistant Corporate Secretary of ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the "Company"), does hereby certify that the following resolutions were duly adopted by the Board of Directors of the Company at a meeting of the Board held on August 7-8, 2018:

WHEREAS, due to the need to preserve maximum financial flexibility and provide continued access to capital markets to fund planned and potential refinancing of existing long-term debt, and issue additional equity, if deemed necessary, during the next three fiscal years, as well as provide additional funds necessary for other general corporate purposes, including the financing of increasing capital expenditures, all as discussed with and presented to the Board of Directors this day, the Board now considers it desirable and in the best interests of the Company and its shareholders that the Company be authorized and empowered to register up to \$3.0 billion in debt and/or equity securities under a shelf registration statement, which is to be filed with the Securities and Exchange Commission (the "Commission") no later than March 28, 2019, under which the form of securities to be issued will be designated by the Board of Directors at the time of sale.

NOW, THEREFORE BE IT RESOLVED, that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, with respect to the registration of the \$3.0 billion in debt and/or equity securities discussed this day, to negotiate the terms of and enter into any underwriting agreements as deemed necessary, any form of indenture with a third party financial institution as trustee and paying agent and any other agreement with a third party as may be necessary, appropriate, or desirable to cause the issuance and sale, from time to time over a three-year period, beginning with the date the registration statement on Form S-3 (the "1933 Act Registration Statement") is filed with the Commission, which will be effective automatically, of up to a total of \$3.0 billion in debt and/or equity securities of the Company, including without limitation, common stock, warrants, secured debt, unsecured debt, senior debt, senior subordinated debt, convertible debt and/or subordinated debt, hybrid securities or related types of securities (the "Securities"), the form of which Securities is to be designated by the Board of Directors at the time of sale; and

FURTHER RESOLVED, that when any of such required agreements are executed and delivered, it shall be a valid and binding agreement of the Company; and

FURTHER RESOLVED, that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any

other Vice President and the directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare, or cause to be prepared, and to execute, verify, and file, or cause to be filed, with the Commission, the 1933 Act Registration Statement, including a base prospectus (the "Prospectus"), pursuant to the Securities Act of 1933, as amended, together with any and all exhibits and documents or supplemental information relating thereto, including a prospectus supplement (the "Prospectus Supplement"), in connection with the proposed issuance and sale from time to time by the Company of any portion of the Securities in the form of security to be designated by the Board of Directors and that the form of such 1933 Act Registration Statement shall be as approved by the officers and directors of the Company executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof, and that any actions heretofore taken in connection therewith be, and they hereby are, ratified, approved, and confirmed in all respects; and

FURTHER RESOLVED, that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare, or cause to be filed, with the Commission such amendments (including, without limitation, post-effective amendments) and supplements to the 1933 Act Registration Statement and Prospectus Supplements and such other papers or documents in connection therewith as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that each of the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company who may execute the 1933 Act Registration Statement or any amendment or supplement thereto, be and hereby is, authorized to execute a power of attorney appointing Kim R. Cocklin as his true and lawful attorney for him and in his name and stead and in his capacity as an officer or director to sign such 1933 Act Registration Statement, any and all amendments and supplements thereto, and all instruments, papers, or documents in connection therewith, and to file the same with the Commission, with full power and authority granted to said attorney to do and perform in the name and on behalf of each of said officers or directors each and every act whatsoever necessary or appropriate in connection with the registration of the debt and/or equity securities to the same extent that such officer or director might or could do in person; and

FURTHER RESOLVED, that the net proceeds to the Company from the issuance and sale of the Securities that are to be issued and sold from time to time shall be used by the Company in the manner set forth in the Prospectus and Prospectus Supplement forming a part of the 1933 Act Registration Statement; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with all applicable state regulatory commissions, applications for approval of the issuance of the Securities that are to be issued from time to time, and other such documents in connection therewith, as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that the Board of Directors of the Company further considers it desirable and in the best interests of the Company that the debt and /or equity securities be qualified or registered for sale in various states; that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer or any Vice President and the Corporate Secretary or any Assistant Corporate Secretary, or any of them, be, and they hereby are authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the debt and/or equity securities as said officers may deem advisable; that said officers be, and hereby are, authorized to perform on behalf of the Company or cause to be performed any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states and in connection therewith to execute and file, or cause to be filed, all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents, and appointments of attorney for service of process, and to take any and all further action that they may deem necessary or advisable in order to maintain any such registration or qualification for so long as they deem necessary or as required by law; and that the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the papers and documents as executed in the action so taken; and

FURTHER RESOLVED, the form and substance of any specific resolutions required in connection with the registration or qualification of the debt and/or equity securities in any state, territory, or other jurisdiction be, and they hereby are, adopted, provided that the officers of the Company, or any of them, consider the adoption of such resolutions necessary or appropriate or desirable, in which case the Corporate Secretary or any Assistant Corporate Secretary of the Company is hereby directed to insert as an appendix to these Minutes a copy of such resolutions, which shall thereupon be deemed to have been adopted by the Board of Directors with the same force and effect as the other resolutions herein set forth; and

FURTHER RESOLVED, that Karen E. Hartsfield, as Senior Vice President, General Counsel and Corporate Secretary of the Company, be, and hereby is, designated as the Company's agent to receive any letters of comment to the 1933 Act Registration Statement; and

FURTHER RESOLVED, that the Chief Executive Officer and President,

Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to notify the New York Stock Exchange (the "NYSE") of any offerings under the 1933 Act Registration Statement and to take or cause to be taken any and all such actions as may be necessary, appropriate, or desirable to comply with the requirements of such organization; and

FURTHER RESOLVED, that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company, or any of them be, and they hereby are, authorized and directed to take, or cause to be taken, all actions necessary or advisable to effect the listing and trading of the Securities on the NYSE, including the preparation, execution, and filing of all necessary applications, documents, forms, and agreements with the NYSE and the Commission, the payment by the Company of filing, listing, or application fees, the preparation of certificates for the Securities, and the appearance of any such officer before NYSE officials; and

FURTHER RESOLVED, that the Chief Executive Officer and President, Senior Vice President and Chief Financial Officer, Vice President and Treasurer, any other Vice President and the directors of the Company, or any of them, be, and they hereby are, authorized to do or cause to be done any and all acts and things and to execute and deliver any and all agreements, undertakings, consents, documents, instruments, and certificates as, in their opinion, may be necessary or appropriate or desirable in order to carry out the purposes and intent of the foregoing resolutions and to perform, or cause to be performed, the 1933 Act Registration Statement, or any other agreement referred to herein and to cause the Securities to become listed and admitted to trading on the NYSE; and

FURTHER RESOLVED, that all actions taken and expenses incurred by any officer or director heretofore in furtherance of any of the actions authorized by the foregoing resolutions hereby are expressly ratified, confirmed, and approved.

I FURTHER CERTIFY that the above resolutions have not been altered, amended, rescinded, or repealed and are now in full force and effect.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of the Company this 13th day of August, 2018.


Suzanne Johnson
Assistant Corporate Secretary



KENTUCKY
EXHIBIT A

References preceding each subpart of this Exhibit pertain to subsections of Sections 12 and 18 of 807 KAR 5:001.

Atmos Energy Corporation operates in Kentucky through its Kentucky division. The following includes information for Atmos Energy Corporation (unless otherwise stated) since the Kentucky division does not have a separate capital structure or authorized stock. Section 12(2):

(a) **Amount and kinds of stock authorized**

As of June 30, 2018, Atmos Energy Corporation had 200,000,000 shares of common stock (no par value) authorized.

(b) **Amount and kinds of stock issued and outstanding**

As of June 30, 2018, Atmos Energy Corporation had 111,195,448 shares of common stock issued and outstanding.

(c) **Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.**

Atmos Energy Corporation has no preferred stock.

(d) **Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.**

Not applicable.

(e) **Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.**

Please refer to (d) above.

(f) **Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.**

Outstanding Notes of Applicant are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Amount Outstanding at 06/30/2018</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>	<u>In favor of</u>	<u>Interest Accrued for 12 months ended 06/30/2018</u>
Sr. Notes	03/26/09	450,000,000	03/15/19	8.50%	public	39,996,000
Sr. Notes	1/11/13	500,000,000	1/15/43	4.15%	public	21,778,000
Sr. Notes	6/8/17	750,000,000	10/15/44	4.125%	public	31,868,000
Note	12/15/95	10,000,000	12/15/25	6.67%	Cede & Co.	680,000
Debentures	07/27/98	150,000,000	07/15/28	6.75%	U.S. Bank as Trustee	10,420,000
Sr. Notes	10/22/04	200,000,000	10/15/34	5.95%	public	12,160,000
Sr. Notes	6/8/17	500,000,000	6/15/27	3.00%	public	16,205,000
Sr. Notes	6/10/11	400,000,000	6/15/41	5.50%	public	22,706,000
Floating rate Term loan	9/22/16	125,000,000	9/22/19	3.00%	BB&T	3,327,000
		<u>\$3,085,000,000</u>				<u>\$159,140,000</u>

(g) **Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.**

Other indebtedness of Atmos Energy Corporation is as follows:

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 06/30/2018</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 06/30/2018</u>
Committed Lines of Credit:				
One-year credit facility for up to \$25,000,000	Amarillo National Bank	\$ 0	Daily negotiated rate	\$ 31,248
5-year credit facility For up to \$1,500,000,000	Credit Agricole	\$ 0	LIBOR plus margin	\$ 2,747,050
TOTAL COMMITTED LINES		<u>\$ 0</u>		<u>\$ 2,778,298</u>

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 06/30/2018</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 06/30/2018</u>
Uncommitted Money Market Lines of Credit:				
\$1,500,000,000 Commercial Paper Program		\$ 244,777,193	LIBOR plus margin	\$ 3,981,920
Intercompany Borrowing from Atmos Energy Holdings		\$ 159,000,000	LIBOR plus margin	\$ 2,612,455
TOTAL UNCOMMITTED LINES		<u>\$ 403,777,193</u>		<u>\$ 6,594,375</u>
TOTAL LINES OF CREDIT		<u>\$ 403,777,193</u>		<u>\$ 9,372,673</u>

(h) Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.

The following is Atmos Energy Corporation's history of cash dividends paid for the past five fiscal years.

<u>Fiscal Year Ended Sept 30</u>	<u>Atmos Dividend Rate</u>	<u>Amount of Dividends Paid</u>	<u>Average Shares For Each Fiscal Year</u>
Fiscal 2013	\$1.40	\$128,859,121	91,711,000
Fiscal 2014	\$1.48	\$147,125,284	97,608,000
Fiscal 2015	\$1.56	\$160,017,543	101,892,000
Fiscal 2016	\$1.68	\$175,125,919	103,524,000
Fiscal 2017	\$1.80	\$191,930,414	106,100,000

(i) Detailed income statement and balance sheet.

The following is the separate company income statement and balance sheet for the regulated operations of Atmos Energy Corporation.

ATMOS ENERGY CORPORATION
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED
June 30, 2018
(Thousands of Dollars)
(Unaudited)

Operating revenues	\$ 3,054,663
Purchased gas cost	<u>1,142,077</u>
Gross profit	<u>1,912,586</u>
Operating expenses:	
Operation and maintenance	859,419
Depreciation and amortization	351,421
Income Taxes	<u>(5,884)</u>
Total operating expenses	<u>1,204,956</u>
Operating income	707,630
Other income	6,154
Interest charges and other expenses	132,541
Equity in earnings of unconsolidated non-regulated subsidiaries	18,927
Net income	<u>\$ 600,170</u>

BALANCE SHEET
June 30, 2018
(Thousands of Dollars)
(Unaudited)

ASSETS

Property, plant and equipment	\$ 12,197,531
Less accumulated depreciation and amortization	<u>2,161,389</u>
Net property, plant and equipment	10,036,142
Investments in and advances to Subsidiaries	286,471
Current assets	
Cash and cash equivalents	17,967
Accounts receivable, net	245,682
Inventories and other current assets	54,249
Gas stored underground	<u>124,586</u>
Total current assets	442,484
Goodwill	709,155
Deferred charges and other assets	<u>201,076</u>
	<u>\$ 11,675,328</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity	
Common stock	\$ 556
Additional paid-in capital	2,964,043
Retained earnings	1,871,334
Accumulated other comprehensive loss	(76,381)
Shareholders' equity	<u>4,759,552</u>
Long-term debt	<u>2,618,315</u>
Total capitalization	7,377,867
Current liabilities:	
Current maturities of long-term debt	450,000
Short-term debt	244,777
Intercompany loans	159,000
Accounts payable and accrued liabilities	192,517
Taxes Payable	93,832
Customers' deposits	27,097
Deferred gas costs	159,201
Other current liabilities	293,658
Intercompany accounts - liabilities	35,110
Total current liabilities	<u>1,655,192</u>
Deferred income taxes	1,124,072
Regulatory excess deferred taxes	733,509
Deferred credits and other liabilities	<u>784,688</u>
	<u>\$ 11,675,328</u>

- 18(b) The Applicant's property is comprised primarily of gas utility plant and related facilities of a local distribution company operating in Tennessee, Virginia, Colorado, Kansas, Kentucky, Texas, Mississippi and Louisiana and transmission plant of a regulated intra-state pipeline in Texas. At June 30, 2018, the cost to the Applicant was \$12,197,530,897.
- 18(c) Atmos Energy proposes to issue up to \$1,000,000,000 of Common Stock and \$2,000,000,000 in Long-term debt.
- 18(d) The shares are to be issued for Atmos Energy Corp's general corporate purposes.
- 18(e) Please refer to 18(d) above.
- 18(f) Please refer to 18(d) above.
- 18(2)(a) Please refer to 12(2)(a) through 12(2)(i) above.
- 18(2)(b) Not applicable.
- 18(2)(c) Not applicable.