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June 20, 2016

Aaron Greenwell
Acting Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2015-00343

Dear Mr. Greenwell:

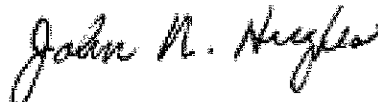
Atmos Energy Corporation submits the updated response to MFR No. 16(7)(o). I certify that the electronic documents are true and correct copies of the original documents.

If you have any questions about this filing, please contact me.

Submitted By:

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Case No. 2015-00343
Atmos Energy Corporation, Kentucky Division
Forecasted Test Period Filing Requirements
Question No. FR 16(7)(o) (Supplement 6)
Page 1 of 1

SUPPLEMENTAL RESPONSE (6/20/2016)

REQUEST:

Section 16. Applications for General Adjustments of Existing Rates.

- (7) Each application requesting a general adjustment in rates supported by a fully forecasted test period shall include the following or a statement explaining why the required information does not exist and is not applicable to the utility's application:
 - (o) Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available;

SUPPLEMENTAL RESPONSE:

Please see supplemental attachment FR_16(7)(o)_Att1 for the monthly report for May 2016. Beginning March 2015 the Company only provides narrative explanations for each quarter, although budget variance reports are still submitted monthly. The narrative comments are only required quarterly now as a result of management's discussion in reviewing the financial information published internally. The purpose is to provide the information in a more efficient and effective manner.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, FR_16(7)(o)_Att1_Suppl6 - Budget Variance Report May'16.pdf, 2 Pages.

Respondent: Greg Waller



Atmos Energy Corporation
Regulated Distribution Operations
Financial Results and Statistical Highlights
KY/Mid-States
For the Period Ended May 31, 2016

Financial Results in \$MM's	MTD					YTD				
	Actual	Budget	Fav/ Unfav	%		Actual	Budget	Fav/ Unfav	%	
Net Income	\$ 0.7	\$ 0.7		0.0%	○	\$ 27.8	\$ 28.9	\$ (1.1)	(3.8%)	●
Gross Profit	10.7	10.7	0.0	0.0%	○	121.5	124.0	(2.5)	(2.0%)	●
O&M - Direct BU	3.1	2.7	(0.4)	(14.8%)	●	22.2	21.4	(0.8)	(3.7%)	●
Cap Rate	58.0%	56.3%	1.7%		●	57.3%	56.3%	1.0%		●
Capital Spending Activities										
Capital Spending	\$ 8.8	\$ 11.0	\$ (2.2)	(20.0%)	●	\$ 66.4	\$ 69.2	\$ (2.8)	(4.0%)	●

Statistical Information and Indicators (in thousands except Headcount)	Act	Bud	Inc/Dec	%		FY2015	Inc/Dec	%	
	Customer Base Charge ⁽¹⁾	336	334	2	0.6%	●	334	2	0.6%
Employee Headcount ⁽²⁾	394	400	(6)	-1.5%	●	Sep-15 392	2	0.5%	●
Direct O&M ⁽³⁾ per Customer Base Charge	\$ 100.8	\$ 95.7	\$ 5.1	5.3%	●	\$ 91.2	\$ 9.6	10.5%	●
Direct O&M ⁽³⁾ per Headcount	\$ 86.0	\$ 79.9	\$ 6.0	7.5%	●	\$ 77.7	\$ 8.2	10.6%	●

(1) Customer Base Charge is rolling 12-month average.

(2) Employee headcount is as of period end.

(3) Direct O&M excludes direct and allocated Shared Services costs and the provision for bad debt expense. Metric calculated on a rolling 12-month average.

Rate Base Information in \$MM's (as of period indicated)	KY	TN	VA
March 31, 2016	\$ 288.1	\$ 247.9	\$ 41.3
September 30, 2014	252.7	201.4	37.5
September 30, 2013	221.3	201.4	36.9



Atmos Energy Corporation

Regulated Distribution Operations

Income Statement - Comparative

KY/Mid-States

For the Period Ended May 31, 2016

<i>in Thousands</i>	MTD				YTD			
	Actual	Budget	Fav/ Unfav	FY2015	Actual	Budget	Fav/ Unfav	FY2015
Gross profit:								
Delivered gas	\$ 8,309	\$ 8,155	\$ 154	\$ 7,204	\$ 99,472	\$ 100,848	\$ (1,376)	\$ 98,068
Transportation	2,176	2,305	(129)	2,013	19,750	20,485	(735)	19,561
Other revenue	198	232	(34)	236	2,283	2,690	(407)	3,030
Total gross profit	10,683	10,692	(9)	9,453	121,505	124,023	(2,518)	120,659
Operating expenses:								
Direct BU O&M	3,143	2,697	(446)	3,026	22,183	21,369	(814)	19,331
Direct SSU Charges	244	326	82	275	2,394	2,624	230	2,563
SSU Allocations	1,719	1,556	(163)	1,305	10,531	10,647	116	10,127
Provision for bad debts	41	40	(1)	36	486	492	6	644
Total O&M expense	5,147	4,619	(528)	4,642	35,594	35,132	(462)	32,665
Depreciation & amortization	2,781	2,847	66	2,647	21,909	22,463	554	20,800
Taxes, other than income	1,116	1,109	(7)	1,225	10,056	10,080	24	9,166
Total operating expenses	9,044	8,575	(469)	8,514	67,559	67,675	116	62,631
Operating income	1,639	2,117	(478)	939	53,946	56,348	(2,402)	58,028
Other income (expense):								
Interest, net	1,164	1,206	42	1,133	9,307	9,597	290	8,985
Miscellaneous income (expense), net	(696)	(243)	453	(421)	(1,329)	(1,312)	17	(1,029)
Total other income (expense)	468	963	495	712	7,978	8,285	307	7,956
Income (loss) before income taxes	1,171	1,154	17	227	45,968	48,063	(2,095)	50,072
Provision/(Benefit) for income taxes	466	460	(6)	90	18,189	19,148	959	20,320
Net income (loss)	\$ 705	\$ 694	\$ 11	\$ 137	\$ 27,779	\$ 28,915	\$ (1,136)	\$ 29,752

Volumes (Mmcf):								
Residential	617	663	(46)	610	14,656	17,816	(3,160)	19,046
Commercial	525	620	(95)	512	9,142	10,741	(1,599)	11,354
Industrial	171	233	(62)	120	1,941	2,557	(616)	1,944
Public Authorities	-	-	0	-	-	-	0	-
Irrigation	49	72	(23)	61	864	1,131	(267)	1,163
Unbilled	(78)	(494)	416	(461)	94	10	84	83
Total Gas Distribution volumes	1,284	1,094	190	842	26,697	32,255	(5,558)	33,590
Transportation volumes	3,353	3,466	(113)	3,266	29,270	31,075	(1,805)	30,081
Total Throughput	4,637	4,560	77	4,108	55,967	63,330	(7,363)	63,671