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July 1, 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:

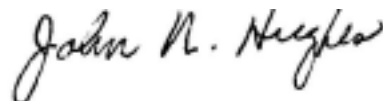
Atmos Energy Corporation submits its responses to the Staff's hearing data requests. I certify that the electronic documents are true and correct copies of the original documents.

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

Submitted by:

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ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
 TEST YEAR ENDING MAY 31, 2017
PROOF OF RATES - BY CLASS, WITH AVERAGE MONTHLY BILL AND CHANGE %

Line No.	Class of Customers	Bills	Volumes	Present Rates			Proposed Rates			Change in Average Monthly Bill	% Change in Average Monthly Bill
				Cust / Distr Rates	Annual Revenue	Average Monthly Bill	Cust / Distr Rates	Annual Revenue	Average Monthly Bill		
1	<u>RESIDENTIAL (Rate G-1)</u>										
2	FIRM BILLS	1,874,037		\$18.65	\$34,950,790		\$17.50	\$32,795,648			
3	Sales: 1-300		10,338,433	\$1.3180	\$13,626,055		\$1.5340	\$15,859,156			
4	Sales: 301-15000		0	\$0.8800	\$0		\$0.9500	\$0			
5	Sales: Over 15000		0	\$0.6200	\$0		\$0.7400	\$0			
6	<u>CLASS TOTAL (Mcf)</u>		<u>10,338,433</u>								
7	Gas Costs				\$47,250,746			\$47,250,746			
8	Total Revenue				\$95,827,591			\$95,905,550	\$51.18	0.1%	
9											
10	<u>FIRM COMMERCIAL (Rate G-1)</u>										
11	FIRM BILLS	207,856		\$48.44	\$10,068,545		\$44.50	\$9,249,592			
12	Sales: 1-300		4,436,347	\$1.3180	\$5,847,105		\$1.5340	\$6,805,356			
13	Sales: 301-15000		656,561	\$0.8800	\$577,774		\$0.9500	\$623,733			
14	Sales: Over 15000		0	\$0.6200	\$0		\$0.7400	\$0			
15	<u>CLASS TOTAL (Mcf)</u>		<u>5,092,908</u>								
16	Gas Costs				\$23,301,116			\$23,301,116			
17	Total Revenue				\$39,794,539			\$39,979,797	\$192.34	0.5%	
18											
19	<u>FIRM INDUSTRIAL (Rate G-1)</u>										
20	FIRM BILLS	2,366		\$48.44	\$114,609		\$44.50	\$105,287			
21	Sales: 1-300		275,016	\$1.3180	\$362,472		\$1.5340	\$421,875			
22	Sales: 301-15000		331,031	\$0.8800	\$291,307		\$0.9500	\$314,480			
23	Sales: Over 15000		0	\$0.6200	\$0		\$0.7400	\$0			
24	<u>CLASS TOTAL (Mcf)</u>		<u>606,048</u>								
25	Gas Costs				\$2,769,062			\$2,769,062			
26	Total Revenue				\$3,537,450			\$3,610,703	\$1,526.08	2.1%	
27											
28	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>										
29	FIRM BILLS	18,647		\$48.44	\$903,261		\$44.50	\$829,792			
30	Sales: 1-300		844,879	\$1.3180	\$1,113,550		\$1.5340	\$1,296,044			
31	Sales: 301-15000		240,068	\$0.8800	\$211,260		\$0.9500	\$228,065			
32	Sales: Over 15000		0	\$0.6200	\$0		\$0.7400	\$0			
33	<u>CLASS TOTAL (Mcf)</u>		<u>1,084,947</u>								
34	Gas Costs				\$4,962,235			\$4,962,235			
35	Total Revenue				\$7,190,306			\$7,316,135	\$392.35	1.8%	
36											
37	<u>INTERRUPTIBLE COMMERCIAL (G-2)</u>										
38	INT BILLS	31		\$395.56	\$12,262		375.00	\$11,625			
39	Sales: 1-15000		13,141	\$0.8077	\$10,614		\$0.8500	\$11,170			
40	Sales: Over 15000		1	\$0.5419	\$0		\$0.6405	\$0			
41	<u>CLASS TOTAL (Mcf)</u>		<u>13,142</u>								
42	Gas Costs				\$43,128			\$43,128			
43	Total Revenue				\$66,005			\$65,924	\$2,126.58	-0.1%	
44											
45	<u>INTERRUPTIBLE INDUSTRIAL (G-2)</u>										
46	INT BILLS	106		\$395.56	\$41,929		375.00	\$39,750			
47	Sales: 1-15000		292,018	\$0.8077	\$235,863		\$0.8500	\$248,216			
48	Sales: Over 15000		23,621	\$0.5419	\$12,800		\$0.6405	\$15,129			
49	<u>CLASS TOTAL (Mcf)</u>		<u>315,639</u>								
50	Gas Costs				\$1,051,174			\$1,051,174			
51	Total Revenue				\$1,341,767			\$1,354,269	\$117.94	0.9%	

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52	<u>TRANSPORTATION (T-4)</u>										
53	TRANSPORTATION BILLS	1,476		\$390.12	\$575,817		375.00	\$553,500			
55	Trans Admin Fee				\$72,600			\$72,600			
56	EFM Fee				\$73,000			\$73,000			
57	Parking Fee				\$913			\$913			
58	Firm Transport: 1-300		428,610	\$1.4401	\$617,241		\$1.5340	\$657,488			
59	Firm Transport: 301-15000		5,801,222	\$0.9615	\$5,577,875		\$0.9500	\$5,511,161			
60	Firm Transport: Over 15000		1,142,037	\$0.6774	\$773,616		\$0.7400	\$845,107			
61	CLASS TOTAL (Mcf)		7,371,869								
62	Total Revenue				\$7,691,062	\$5,210.75		\$7,713,769	\$5,226.13	\$15.38	
63										0.3%	
64	<u>ECONOMIC DEV RIDER (EDR)</u>										
65	Firm Transport: 1-300		0	\$0.9885	\$0		\$1.1505	\$0			
66	Firm Transport: 301-15000		13,254	\$0.6600	\$8,748		\$0.7125	\$9,443			
67	Firm Transport: Over 15000		190,514	\$0.4650	\$88,589		\$0.5550	\$105,735			
68	CLASS TOTAL (Mcf)		203,768								
69	Total Revenue				\$97,337			\$115,179			
70											
71	<u>TRANSPORTATION (T-3)</u>										
72	TRANSPORTATION BILLS	852		\$388.79	\$331,249		\$375.00	\$319,500			
73	Trans Admin Fee				\$42,600			\$42,600			
74	EFM Fee				\$40,800			\$40,800			
75	Parking Fee				\$3,684			\$3,684			
76	Interrupt Transport: 1-15000		5,382,092	\$0.8770	\$4,720,095		\$0.8500	\$4,574,778			
77	Interrupt Transport: Over 15000		2,662,779	\$0.5884	\$1,566,779		\$0.6405	\$1,705,510			
78	CLASS TOTAL (Mcf)		8,044,870								
79	Total Revenue				\$6,705,206	\$7,869.96		\$6,686,871	\$7,848.44	(\$21.52)	
80										-0.3%	
81	<u>SPECIAL CONTRACTS</u>										
82	TRANSPORTATION BILLS	180		\$350.00	\$63,000		\$350.00	\$63,000			
83	Trans Admin Fee				\$9,000			\$9,000			
84	EFM Fee				\$8,400			\$8,400			
85	Parking Fee				\$91,803			\$91,803			
86	Transported Volumes		14,381,056								
87	Charges for Transport Volumes [1]				\$2,446,525			\$2,446,525			
88	CLASS TOTAL (Mcf)		14,381,056								
89	Total Revenue				\$2,618,728	\$14,548.49		\$2,618,728	\$14,548.49	\$0.00	
90										0.0%	
91	<u>OTHER REVENUE</u>										
92	Service Charges				\$795,825			\$795,825			
93	Late Payment Fees [2]				\$1,140,818			\$1,143,930			
94											
95	TOTAL GROSS PROFIT				\$87,429,173			\$87,929,220			
96	Gas Costs				\$79,377,461			\$79,377,461			
97	TOTAL REVENUE				\$166,806,634			\$167,306,681			

[1] - Based on Confidential Information. Includes all transportation charges and contract reformations in both present and proposed rates.
 [2] - Increase due solely to higher total revenues.

QUESTION:

Why would the depreciation rates for Kentucky Direct, KYMD General Office and SSU be different for the same types of assets? For example, technology assets like “Network Servers.” Why would Network Servers be different for the different entities?

RESPONSE:

There are several components that are utilized in calculating a depreciation rate. These components are average service life, Iowa curve (retirement dispersion pattern), net salvage, and reserve position. When comparing a particular account between Kentucky Direct, KYMD General Office, and SSU, either one of these components may be different. A difference amongst just one of these components would result in a different depreciation rate for a particular account between these multiple entities. Finally, one other difference would be if an account falls under General Plant Amortization as in Kentucky Direct versus the continued utilization of remaining life depreciation rates in KYMD General Office and SSU.

For Network Servers, the average service life can be different between the entities depending on a number of things including the operating environment and operating paradigm that the server is under. For example, a server that is dedicated to a single application that is not “mission critical” might have a longer life than one that is running critical programs. Servers used in a virtual environment may have a different life than ones that are not. Also, some servers may be moved from a primary function to a secondary function where reliability is not as critical – extending the life of the server. The mix of types of servers in the account can also affect the overall life of the account.