



**ATMOS ENERGY CORPORATION**  
**KENTUCKY MID-STATES GENERAL OFFICE**  
**PROPERTY**  
**DEPRECIATION RATE STUDY**  
**As of September 30, 2014**



**ATMOS ENERGY CORPORATION**  
**KENTUCKY MID-STATES GENERAL OFFICE PROPERTY**  
**DEPRECIATION RATE STUDY**  
**EXECUTIVE SUMMARY**

Atmos Energy Corporation (“Atmos” or “Company”) engaged Alliance Consulting Group to conduct a depreciation study of the Company’s Kentucky Mid-States General Office (“KY Mid-States”) depreciable assets as of fiscal year end September 30, 2014. KY Mid-States General Office provides support to Atmos Energy Corporation’s regulated utility divisions which at the year ended September 30, 2014 were:

- Kentucky;
- Tennessee; and
- Virginia

The depreciation rates are based on the straight-line method, equal life group (“ELG”) procedure, and remaining-life technique. This study results in an annual depreciation expense accrual of \$101 thousand when applied to depreciable plant balances as of September 30, 2014.

The depreciation study conducted analyzed and developed depreciation recommendations at an account level. The resulting annual depreciation accrual amounts and depreciation rates contained in this study are at the account level. The Company will accrue depreciation expense based on the account level depreciation rates developed in this study. Appendix A demonstrates the annual depreciation expense.

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**KENTUCKY MID-STATES GENERAL OFFICE PROPERTY**  
**DEPRECIATION RATE STUDY**  
**As of September 30, 2014**  
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## **PURPOSE**

The purpose of this study is to develop depreciation rates for the depreciable property as recorded on KY Mid-States' books at September 30, 2014. The account based depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of KY Mid-States' property on a straight-line basis. Non-depreciable property and property which is amortized, such as intangibles were excluded from this study.

KY Mid-States is a division of Atmos Corporation dedicated to providing various support services to its operating companies in the Mid States Region. As of the study date, KY Mid-States supported regulated gas utility divisions operating in 4 different states, Kentucky, Tennessee, and Virginia. KY Mid-States serves over 300,000 customers across these states, with approximately 174,000 in the Kentucky jurisdiction.

## **STUDY RESULTS**

The existing and current study annual depreciation expense results from the use of Iowa Curve dispersion patterns with average service life, the equal life group ("ELG") procedure and remaining-life technique, and consideration of net salvage in the development of the study recommended depreciation rates. Detailed information for each of these factors will follow in this report.

Overall depreciation rates for KY Mid-States depreciable property are shown in Appendix A. These rates translate into an annual depreciation accrual of \$101 thousand based on KY Mid-States' depreciable investment at September 30, 2014.

Appendix A presents the recommended study annual accrual rates and amounts. Appendix B presents the development of the depreciation rates and annual accruals. Appendix C presents the recommended study mortality and net salvage parameters by account. Appendix D shows net salvage history by plant account.

## GENERAL DISCUSSION

### Definition

The term "depreciation" as used in this study is considered in the accounting sense, that is, a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. On retirement the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

### Basis of Depreciation Estimates

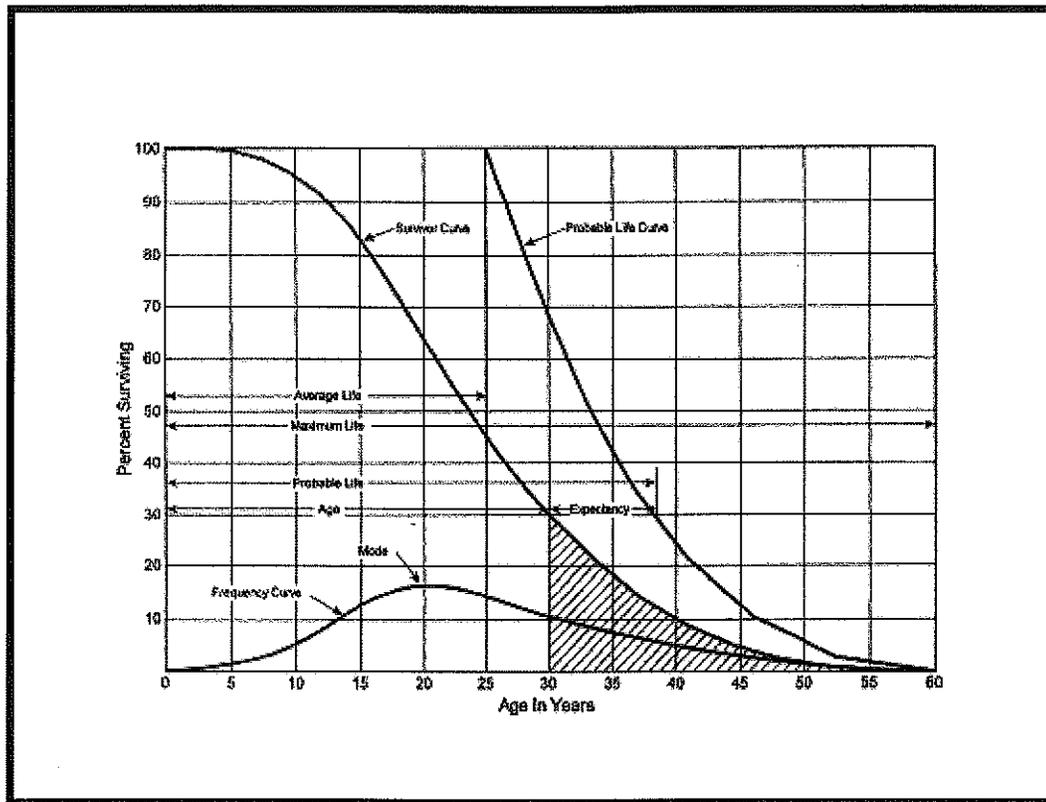
The straight-line, equal life group ("ELG"), remaining-life depreciation system was employed to calculate annual and accrued depreciation in this study. In this system, the annual depreciation expense for each group is computed by dividing the original cost of the asset less allocated depreciation reserve less estimated net salvage by its respective equal life group remaining life. The resulting annual accrual amounts of all depreciable property within a function were accumulated, and the total was divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group. The computations of the annual depreciation rates are shown in Appendix B and remaining life calculations are provided in the workpapers.

Actuarial analysis was used with each account within a function where

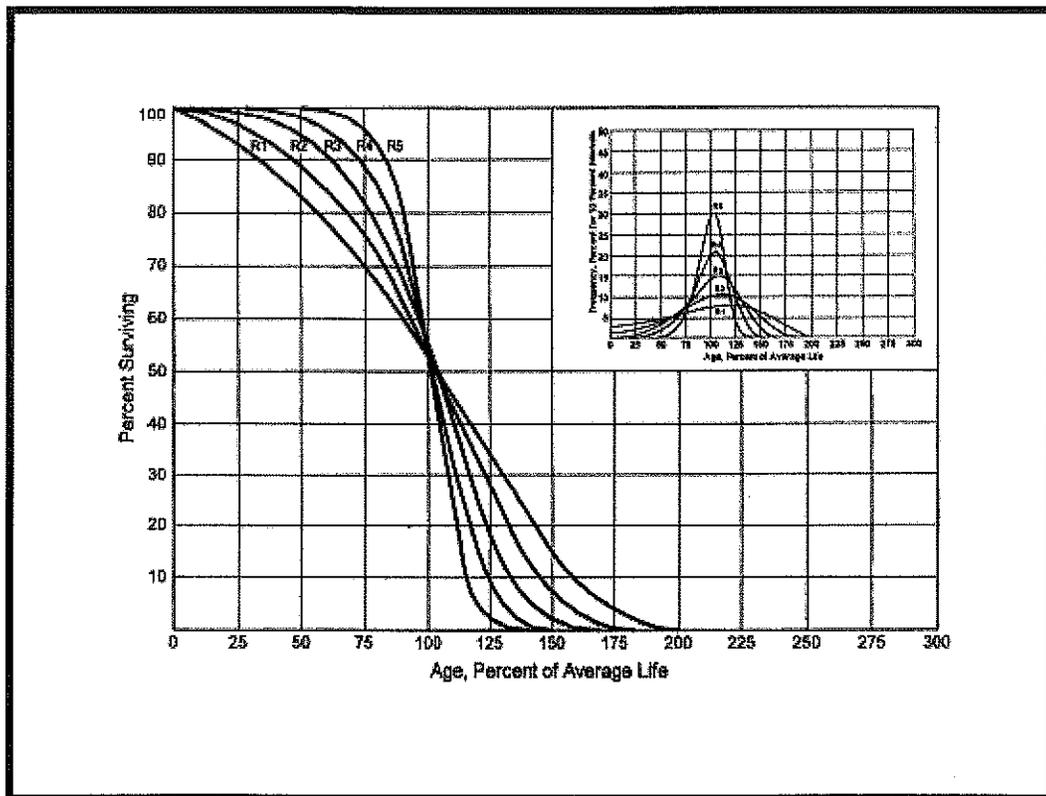
sufficient data was available, and judgment was used to some degree on all accounts.

### **Survivor Curves**

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual property units within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by first constructing a survivor curve which is plotted as a percentage of the units surviving at each age. A survivor curve represents the percentage of property remaining in service at various age intervals. The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the prior century. Through common usage, revalidation and regulatory acceptance, these curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves that are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. For distributions with the mode age greater than the average life, an "R" designation (i.e., Right modal) is used. The family of "R" moded curves is shown below.



Similarly, an "S" designation (i.e., Symmetric modal) is used for the family whose mode age is symmetric about the average life. An "L" designation (i.e., Left modal) is used for the family whose mode age is less than the average life. A special case of left modal dispersion is the "O" or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A "6" indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency) while a "1" indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an "L3" dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

Most property groups can be closely fitted to one Iowa Curve with a unique

average service life. The blending of judgment concerning current conditions and future trends along with the matching of historical data permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern.

### **Actuarial Analysis**

Actuarial analysis (retirement rate method) was used in evaluating historical asset retirement experience where vintage data were available and sufficient retirement activity was present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals were chained by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves such as the Iowa Curves. Where data was available, accounts were analyzed using this method. Placement bands were used to illustrate the composite history over a specific era, and experience bands were used to focus on retirement history for all vintages during a set period. The results from these analyses for those accounts which had data sufficient to be analyzed using this method are shown in the Life Analysis section of this report.

## **Judgment**

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding depreciation theory are needed to apply this informed judgment. Judgment was used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and actuarial analysis.

Judgment is not defined as being used in cases where there are specific, significant pieces of information that influence the choice of a life or curve. Those cases would simply be a reflection of specific facts into the analysis. Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, implications of applying certain curves, property mix in accounts or a multitude of other considerations that impact the analysis (potentially in various directions), judgment is used to take all of these factors and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one factor in these cases may have a substantial impact on the analysis, but overall, may shed light on the utilization and characteristics of assets. Judgment may also be defined as deduction, inference, wisdom, common sense, or the ability to make sensible decisions. There is no single correct result from statistical analysis; hence, there is no answer absent judgment. At the very least for example, any analysis requires choosing which bands to place more emphasis.

The establishment of appropriate average service lives and retirement dispersions for KY Mid-States' accounts requires judgment to incorporate the understanding of the operation of the system with the available accounting information analyzed using the Retirement Rate actuarial methods. The appropriateness of lives and curves depends not only on statistical analyses, but also on how well future retirement patterns will match past retirements.

Current applications and trends in use of the equipment also need to be factored into life and survivor curve choices in order for appropriate mortality characteristics to be chosen.

### **Equal Life Group Depreciation**

Atmos agreed that the continued use of the ELG depreciation procedure was appropriate. This study uses the ELG depreciation procedure to group the assets within each account. After an average service life and dispersion were selected for each account, those parameters were used to estimate what portion of the surviving investment of each vintage was expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ELG groups are defined by their respective account dispersion, life, and net salvage estimates. A straight-line rate for each ELG group is computed and accumulated across each vintage. The resulting rate for each ELG group is designed to recover all retirements less net salvage as each vintage retires. The ELG procedure recovers net book cost over the life of each ELG group rather than averaging many components. It also closely matches the concept of component or item accounting found in all accounting textbooks.

### **Theoretical Depreciation Reserve**

The Company's book depreciation reserves were used for each account. This study used a reserve model that relied on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current forecasts were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The equal life

group method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property within the vintage is retired. Estimated average service lives and dispersion determine the amount within each equal life group. The equal life group-remaining-life theoretical reserve ratio (RRELG) is calculated as:

$$RRELG = 1 - \frac{(ELG \text{ Remaining Life})}{(ELG \text{ Life})} * (1 - \text{Net Salvage Ratio})$$

## DETAILED DISCUSSION

### Depreciation Study Process

This depreciation study encompassed four distinct phases. The first phase involved data collection and field interviews. The second phase was where the initial data analysis occurred. The third phase was where the information and analysis was evaluated. Once the first three stages were complete, the fourth phase began. This phase involved the calculation of depreciation rates and documenting the corresponding recommendations.

During the Phase I data collection process, historical data was compiled from continuing property records and general ledger systems. Data was validated for accuracy by extracting and comparing to multiple financial system sources. Audit of this data was validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data was reviewed extensively to put in the proper format for a depreciation study. Further discussion on data review and adjustment is found in the Salvage Considerations Section of this study. Also as part of the Phase I data collection process, numerous discussions were conducted with engineers and field operations personnel to obtain information that would assist in formulating life and salvage recommendations in this study. One of the most important elements of performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is beneficial when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information that was gleaned in these discussions is found both in the Detailed Discussion of this study in the life analysis and salvage analysis sections and also in workpapers.

Phase 2 is where the actuarial analysis is performed. Phase 2 and 3 overlap to a significant degree. The detailed property records information is used in phase 2 to develop observed life tables for life analysis. These tables are visually compared to industry standard tables to determine historical life characteristics. It is possible that the analyst would cycle back to this phase based on the evaluation process performed in phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group to determine values and trends in gross salvage and removal cost. This information was then carried forward into phase 3 for the evaluation process.

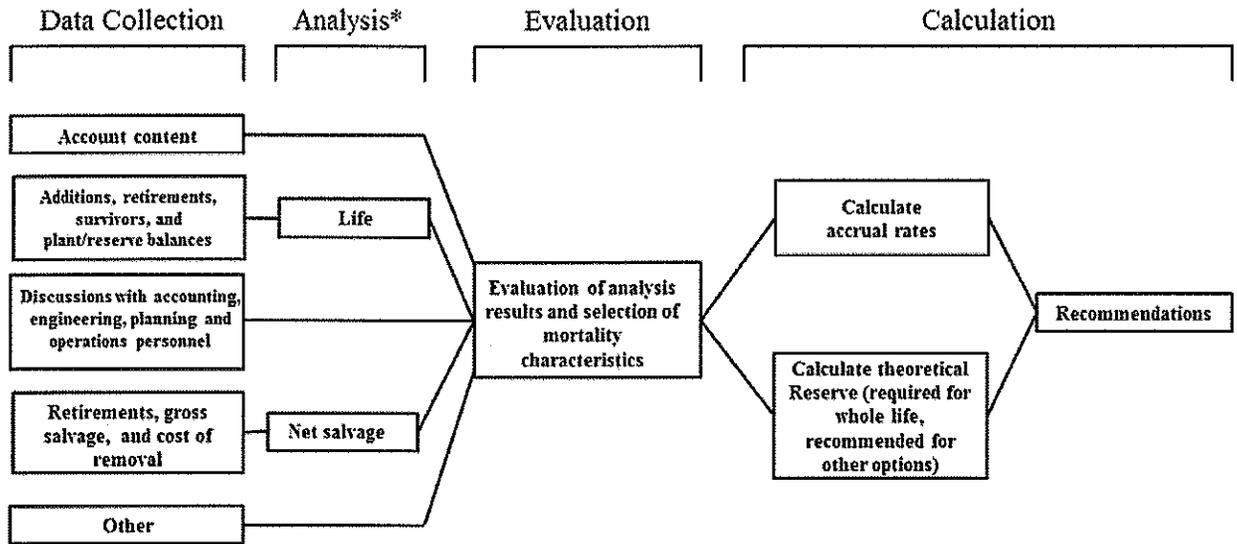
Phase 3 is the evaluation process which synthesizes analysis, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in phase 1. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual Company operational experience.

Finally, Phase 4 involved the calculation of accrual rates, making recommendations and documenting the conclusions in a final report. The calculation of accrual rates is found in Appendix B. Recommendations for the various accounts are contained within the Detailed Discussion of this report. The depreciation study flow diagram shown as Figure 1<sup>1</sup> documents the steps used in conducting this study. Depreciation Systems, page 289 documents the same basic processes in performing a depreciation study which are: Statistical analyses, evaluation of statistical analysis, discussions with management, forecast assumptions, write logic supporting forecasts and estimation, and write final report.

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<sup>1</sup> Public Utility Finance & Accounting, A Reader

### Book Depreciation Study Flow Diagram



Source: Introduction to Depreciation for Public Utilities and Other Industries, AGA EEI, 2013.

\*Although not specifically noted, the mathematical analysis may need some level of input from other sources (for example, to determine analysis bands for life and adjustments to data used in all analysis).

Figure 1

## **ATMOS KENTUCKY MID-STATES DEPRECIATION STUDY PROCESS**

### **Depreciation Rate Calculation**

Annual depreciation expense amounts for the depreciable property accounts of KY Mid-States were calculated by the straight line, equal life group, and remaining-life system. With this approach, remaining lives were calculated according to standard ELG group expectancy techniques, using the Iowa Survivor Curves noted in the calculation. For each plant account, the difference between the surviving investment, adjusted for estimated net salvage and the allocated book depreciation reserve, was divided by the average remaining life to yield the annual depreciation expense. These calculations are shown in Appendix B.

### **Remaining Life Calculation**

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group was based on engineering judgment that incorporated available accounting information analyzed using the actuarial methods. After establishment of appropriate average service lives and retirement dispersions, remaining lives were computed for each account. The theoretical depreciation reserve with zero net salvage (used in calculating remaining life) was calculated using theoretical reserve ratios as defined in the theoretical reserve portion of the general discussion section. The difference between plant balance and theoretical reserve was then spread over the ELG depreciation accruals. After accumulating the ELG accruals across each vintage, the annual accrual was divided into the net balance to compute remaining life. Details of the theoretical reserve computations, ELG accruals, and remaining life are found by account within each division in the study workpapers.

### **Calculation Process**

Annual depreciation expense amounts for all accounts were calculated by the straight line, remaining life procedure.

In a whole life representation, the annual accrual rate is computed by the

following equation,

$$\text{Annual Accrual Rate} = \frac{(100\% - \text{Net Salvage Percent})}{\text{Average Service Life}}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight line, remaining life, average life group system using Iowa Curves, composite remaining lives were calculated according to standard broad group expectancy techniques, noted in the formula below:

$$\text{Composite Remaining Life} = \frac{\sum \text{Original Cost} - \text{Theoretical Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

For each plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the book depreciation reserve, was divided by the composite remaining life to yield the annual depreciation expense as noted in this equation where the net salvage percent represents future net salvage.

$$\text{Annual Depreciation Expense} = \frac{\text{Original Cost} - \text{Book Reserve} - (\text{Original Cost}) * (1 - \text{Net Salvage \%})}{\text{Composite Remaining Life}}$$

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$\text{Annual Depreciation Rate} = \frac{\sum \text{Annual Depreciation Expense}}{\sum \text{Original Cost}}$$

These calculations are shown in Appendix B. The calculations of the theoretical depreciation reserve values and the corresponding remaining life calculations are shown in workpapers. Book depreciation reserves of individual accounts and the theoretical reserve computation was used to compute a composite remaining life for each account.

## LIFE AND NET SALVAGE

The retirement rate actuarial analysis method was applied to all accounts for KY Mid-States. For each account, an actuarial retirement rate analysis was made with placement and experience bands of varying width. The historical observed life table was plotted and compared with various Iowa Survivor Curves to obtain the most appropriate match. A selected curve for each account is shown in the Life Analysis Section of this report. The observed life tables for all analyzed placement and experience bands are provided in workpapers.

For the overall band (i.e. placement from earliest vintage year which varied for each account through 2014) for each account, various dispersion curves were plotted. Frequently, visual matching would confirm one specific dispersion pattern (i.e. L, S, or R) as a better match than others. The next step would be to determine the most appropriate life using that dispersion pattern. Then, after looking at the overall experience band, different experience bands were plotted and analyzed, for instance 1998-2014, 2003-2014, etc. Next placement bands of varying width were plotted with each experience band discussed above. Repeated matching usually pointed to a focus on one dispersion family and small range of service lives. The goal of visual matching was to minimize the differential between the observed life table and Iowa curve in top and mid-range of the plots. These results are used in conjunction with all other factors that may influence asset lives.

## **NET SALVAGE CONSIDERATIONS**

When a capital asset is retired, physically removed from service and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

The net salvage analysis, for each account, is shown in Appendix D. Moving averages for intervals are also included in Appendix D. The assets of KY Mid-States generally do not incur cost of removal and salvage has declined in over the years. In this study a 0 percent net salvage is recommended for each account, with the exception of Accounts 390, 392, and 396.

### **Account Life and Net Salvage Analysis**

#### **390.01 – Structures - Frame**

This account includes the cost of buildings and improvements. The account balance is \$180 thousand. The existing life is 40 years with a R2 curve and a net salvage of negative 10 percent. The average age of the investment is approximately 10 years. Based on discussions with Company personnel, judgment and type of assets this study recommends retaining the 40 year life with the R2 dispersion pattern. No graph is provided. A negative 10 percent net salvage is recommended at this time.

### **390.04 – Air Conditioning Equipment**

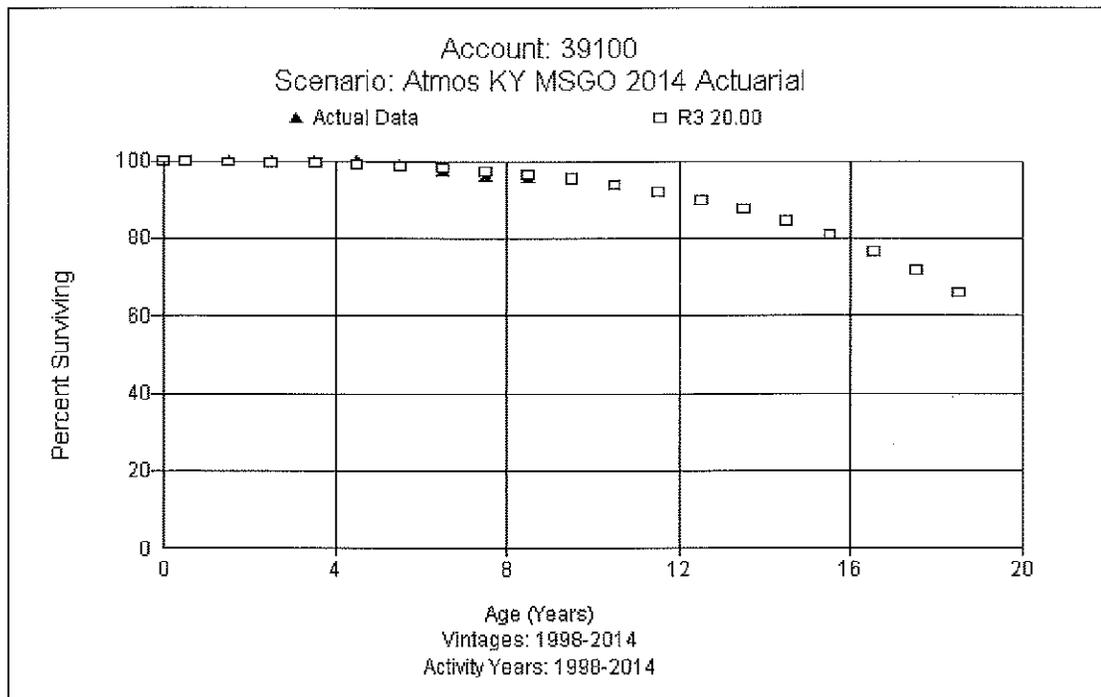
This account includes the cost of air conditioning equipment. The account balance is \$6 thousand. The existing life is 15 years with an R2 curve and a net salvage of negative 10 percent. A negative 10 percent net salvage is recommended as some cost of removal is expected at time of retirement. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

### **390.09 – Improvements to Leased Premises**

This account includes the cost of improvements to leased premises. The balance is \$39 thousand. The current life and curve is 20 R3. Assets in this account are tied to the lease term, which is about 20 years. The current average age of investment is nearing 16 years. The 20 R3 dispersion pattern is recommended. No graph is provided. No salvage or removal cost is currently expected for these improvements, therefore a 0 percent net salvage is recommending for this account. This account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

### 391.00 – Office Furniture and Equipment

This account consists of modular furniture, desks, chairs, bookcases, credenzas, file cabinets, office machines and other miscellaneous equipment. The balance is \$42 thousand. The current life and curve is 20 R3. An expected life range for the assets in this account is 20 to 25 years. This study recommends retention of the 20 R3 dispersion pattern. A graph of the observed life table and the recommended life and curve are shown below. There is no cost of removal and salvage has declined to a negligible level. A 0 percent net salvage rate is recommended for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

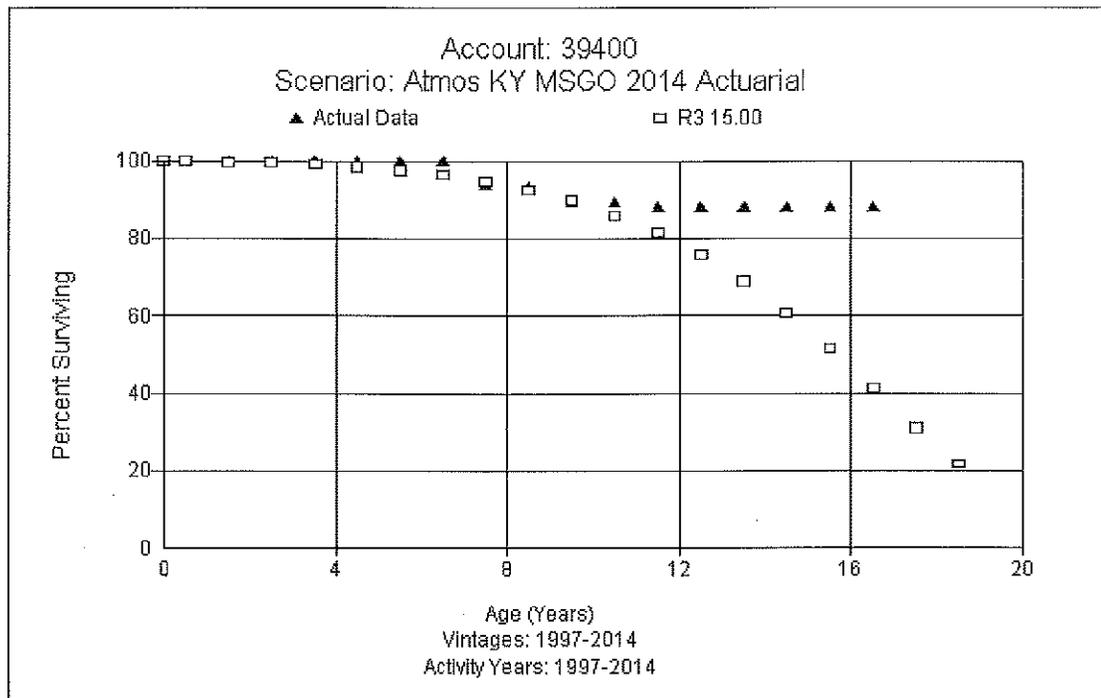


### **392.00 – Transportation Equipment**

This account consists of trailers. The balance is \$4 thousand. The current life and curve is 15 L3. This study recommends retention of this dispersion pattern. There has been no net salvage in recent experience. No cost of removal is anticipated but some salvage is expected at time of retirement. A positive 5 percent net salvage rate is recommended for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied. No graph is shown.

### 394.00 – Tools, Shop & Garage Equipment

This account consists of various small tools and equipment used in an office. The balance is \$148 thousand in this account. The existing dispersion is 15 R3. The average age of investment is 10.85 years. Due to the type and use of the assets and the analysis, this study recommends retention of the 15 year life and R3 dispersion pattern. A graph of the observed life table and the recommended life and curve are shown below. There is generally little or no salvage and no cost of removal related to the equipment in the account. This study recommends a 0 percent net salvage rate for this account.

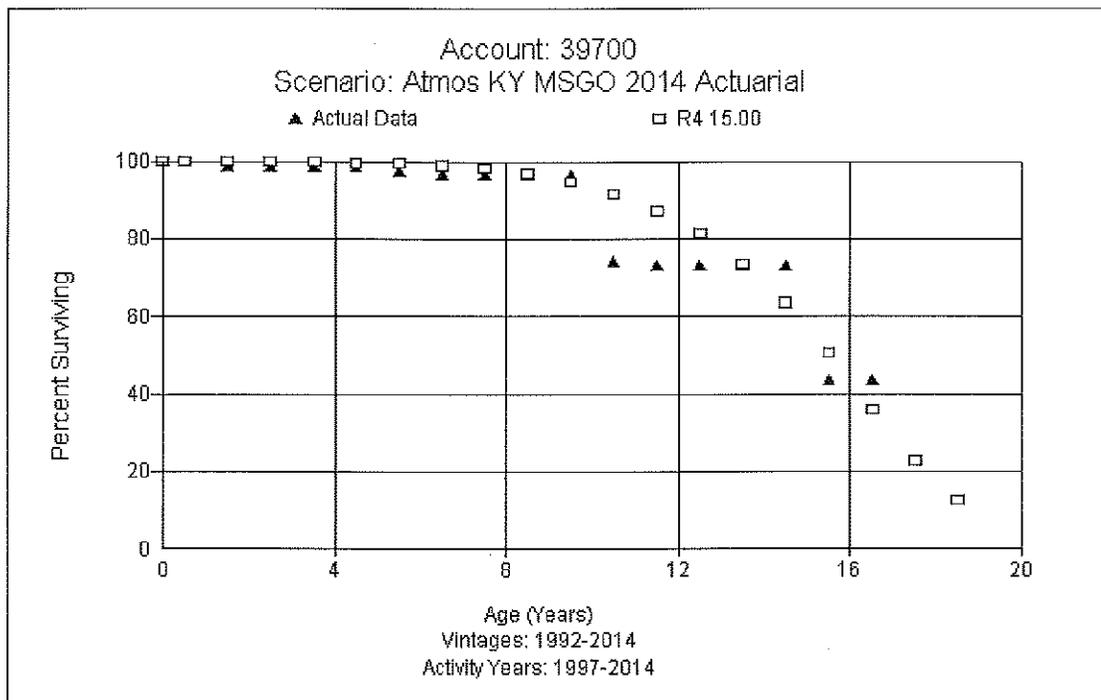


### **396.00 – Power Operated Equipment**

This account consists of various power operated equipment, such as forklifts used in an office. The balance is \$20 thousand in this account. The current life and curve is 15 L3. The average age of investment is 9.72 years. Due to the type and use of the assets and the analysis, this study recommends retention of the 15 year life and L3 dispersion pattern. No graph is provided. The current net salvage is positive 5 percent and this study recommends retention of the positive 5 percent net salvage rate for this account.

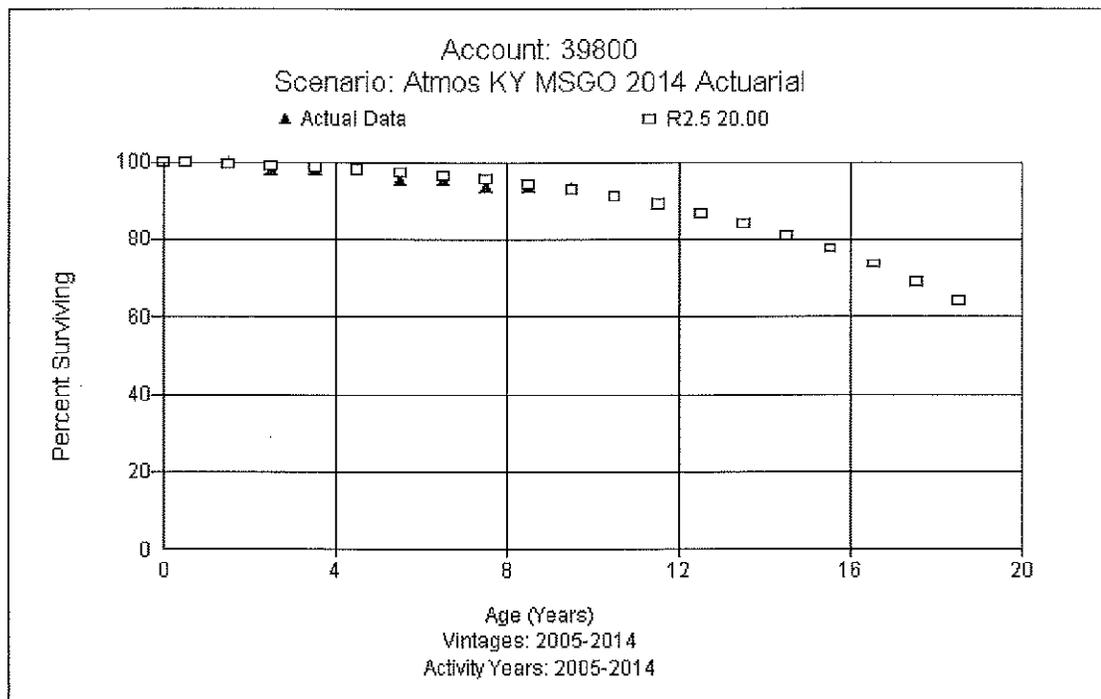
**397.00 – Communications Equipment**

The communications equipment account includes telephone, satellite dish, and radio equipment. The balance is \$226 thousand in this account. Assets in this account have a life range between 10 and 15 years. The current average age of investment is 11.67 years. The existing parameters are 15 R4. This study recommends retaining the current 15 year life and R4 dispersion. A graph of the observed life table and the recommended life and curve are shown below. There has been no recent salvage and removal cost experience. This study recommends a 0 percent net salvage rate for this account.



**Account 398.00 - Miscellaneous Equipment**

This account consists of various small office equipment items, such as kitchen appliances, televisions and audio/video equipment that are not homogeneous with other plant accounts. The balance is \$818 thousand. Currently the life is 20 years with the R2.5 dispersion. The current average age of investment is 12 years. Retirements of assets, as a group, in this account are demonstrating that a 20 year average service life with the R2.5 dispersion for assets in this account is appropriate. A graph of the observed life table and the recommended life and curve are shown below. This study recommends a 0 percent net salvage rate for this account.



### **Account 399.00 – Other Tangible Property**

The other tangible property account holds some computer hardware and communication equipment. The account balance is \$77 thousand. The current life and curve is 10 SQ. Since there is no retirement activity, we are recommending retention of the 10 year life and SQ dispersion for this account. No graph of the observed life table is provided. This study recommends a 0 percent net salvage rate for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

### **Account 399.01 – Servers Hardware**

This account consists of assets various server hardware and equipment. The balance is \$344 thousand. The current life and curve is 10 SQ. This study recommends retention of the 10 year average service life with the SQ dispersion pattern for this account. No graph is provided. No salvage or cost of removal is expected and a 0 percent net salvage rate is recommended for this account.

### **Account 399.02 – Servers Software**

This account consists of server software and licenses. The balance is \$8 thousand. There have been no retirements. The current life and curve is 7 SQ. This study recommends retention of the 7 year average service life with the SQ dispersion pattern for this account. No graph is provided. No salvage or cost of removal is expected and a 0 percent net salvage rate is recommended for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

### **Account 399.03 – Network Hardware**

This account consists of assets related to networking activities such as routers, switches and miscellaneous networking equipment. The balance is \$209 thousand. This study recommends a 10 year average service life with the SQ dispersion, which is similar to server hardware account. No graph is provided. No

salvage or cost of removal is expected and a 0 percent net salvage rate is recommended for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

#### **Account 399.06 – PC Hardware**

This account consists of costs for computer hardware, desktop and laptop computers, monitors and printers. The balance is \$722 thousand. The existing life is 5 years with the R2 dispersion. Company personnel indicated assets in this account are expected to be retired around 4 years of age supported by a 25% retire and replace budget projection for the PC and laptop assets. Based on the analysis; overall indications are for a much longer life. Current average age of survivors is 6.68 years. Because some assets may have a slightly longer life, using judgment, this study recommends a 7 year life with the R2 dispersion, no graph is provided. This study recommends a 0 percent net salvage rate for this account.

#### **Account 399.07 – PC Software**

The PC software account holds booked investment and retirement activity for software assets including operating system software such as Windows, Microsoft Office, and other related application software. The balance is \$40 thousand. The existing life is 7 years with the R1.5 dispersion. This study recommends a 9 year average service life with the R1.5 dispersion. This study recommends a 0 percent net salvage rate for this account. However, this account is fully accrued at this time and only when a depreciable balance exists will the calculated rate be applied.

#### **Account 399.08 – Application Software**

The applications software account holds booked investment and retirement activity for software assets including billing system software, electronic mapping and training software applications. The balance is \$877 thousand. The existing life is 15 years with the R2.5 dispersion. Past history had larger application software assets with longer life expectations, those have all been

retired. There may be some smaller application software used in a more local environment so this study recommends a 12 year average service life with the R2.5 dispersion for this account. No graph of the observed life table and the recommended life and curve is provided. This study recommends a 0 percent net salvage rate for this account.

**APPENDIX A**

**Comparison of Annual Rate and Accrual**

Appendix A

**Atmos Energy Corporation**  
**Kentucky Mid-States General Office Property**  
**Comparison of Depreciation Expense**  
**Existing vs Proposed Depreciation Accrual Rates**  
**As of September 30, 2014**

Account	Description	Plant Balance	Existing		Proposed		Change in Depreciation Expense
			Annual Accrual Rate	Annual Accrual	Annual Accrual Rate	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>GENERAL PLANT DEPRECIABLE</b>							
39001	Structures - Frame	\$ 179,338.52	3.13%	\$ 5,612.03	2.68%	\$ 4,806.27	\$ (805.76)
39400	Tools Shop And Garage	148,475.91	6.88%	10,220.66	3.40%	5,054.61	(5,166.05)
39600	Power Operated Equipmnt	19,534.24	6.45%	1,259.82	4.36%	851.56	(408.26)
39700	Communication Equipment	225,613.58	6.93%	15,633.89	3.13%	7,070.41	(8,563.48)
39800	Miscellaneous Equipment	817,796.10	5.23%	42,768.17	3.47%	28,372.14	(14,396.04)
39901	Servers Hardware	344,193.54	9.94%	34,229.81	6.30%	21,697.98	(12,531.83)
39906	Pc Hardware	722,502.99	20.00%	144,500.60	4.37%	31,587.97	(112,912.62)
39908	Application Software	877,020.90	6.67%	58,497.29	0.17%	1,474.81	(57,022.48)
	<b>Total Depreciable Plant</b>	<b>3,334,475.78</b>	<b>9.38%</b>	<b>312,722.27</b>	<b>3.03%</b>	<b>100,915.75</b>	<b>(211,806.52)</b>
<b>GENERAL PLANT FULLY DEPRECIATED</b>							
39004	Air Conditioning Equipment	5,771.00	6.67%		7.33%	*	
39009	Improvements - Leased	38,834.00	5.12%		5.00%	*	
39100	Office Furniture And Equipment	41,784.00	5.00%		5.00%	*	
39200	Transportation Equipment	4,109.69	6.67%		6.67%	*	
39900	Other Tangible Equipment	76,993.22	10.00%		10.00%	*	
39902	Servers Software	8,273.14	14.29%		14.29%	*	
39903	Network Hardware	209,357.66	10.00%		10.00%	*	
39907	Pc Software	39,816.30	14.29%		11.11%	*	
	<b>Total Fully Depreciated Plant</b>	<b>424,939.01</b>		<b>-</b>		<b>-</b>	
	<b>Total Mid States Depreciated</b>	<b>\$ 3,759,414.79</b>		<b>\$ 312,722.27</b>		<b>\$ 100,915.75</b>	<b>\$(211,806.52)</b>

\*Denotes: Accounts are fully depreciated. A whole life rate (1-net salvage/life), shown above, will be applied when a depreciable base exists until the next study.

**APPENDIX B**  
**Annual Accrual Rate Calculations**

**ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE  
COMPUTATION OF DEPRECIATION ACCRUAL RATE  
AT SEPTEMBER 30, 2014**

Using Equal Life Group		Plant In Service	Book Depreciation	Net	Net Salvage	Unaccrued	Remaining	Annual	Annual
Account	Description	09/30/2014	09/30/2014	Salvage %	Amount	Balance	Life	Accrual	Accrual
								Amount	Rate
<b><u>GENERAL PLANT DEPRECIATED</u></b>									
39001	Structures & Improvements	179,338.52	80,733.56	-10%	(17,933.85)	116,538.81	24.25	4,806.27	2.68%
39400	Tools Shop And Garage	148,475.91	122,366.50	0%	0.00	26,109.41	5.17	5,054.61	3.40%
39600	Power Operated Equipment	19,534.24	12,421.03	5%	976.71	6,136.50	7.21	851.56	4.36%
39700	Communication Equipment	225,613.58	194,714.25	0%	0.00	30,899.33	4.37	7,070.41	3.13%
39800	Miscellaneous Equipment	817,796.10	569,409.34	0%	0.00	248,386.76	8.75	26,372.14	3.47%
39901	Servers Hardware	344,193.54	261,470.13	0%	0.00	82,723.41	3.81	21,697.98	6.30%
39906	Pc Hardware	722,502.99	630,622.06	0%	0.00	91,880.93	2.91	31,587.97	4.37%
39908	Application Software	877,020.90	864,372.04	0%	0.00	12,648.86	8.58	1,474.81	0.17%
	<b>Total Depreciated Plant</b>	<b>3,334,475.78</b>	<b>2,736,108.91</b>		<b>(16,957.14)</b>	<b>615,324.01</b>		<b>100,915.75</b>	
<b><u>GENERAL PLANT FULLY DEPRECIATED</u></b>									
39004	Air Conditioning	5,771.00	6,348.10	-10%				0.00 *	7.33%
39009	Improvements - Leased	38,834.00	38,834.00	0%				0.00 *	5.00%
39100	Office Furniture And Equipment	41,784.00	41,784.00	0%				0.00 *	5.00%
39200	Transportation Equipment	4,109.69	3,904.21	5%				0.00 *	6.33%
39900	Other Tangible Equipment	76,993.22	76,993.22	0%				0.00 *	10.00%
39902	Servers Software	8,273.14	8,273.14	0%				0.00 *	14.29%
39903	Network Hardware	209,357.66	209,357.66	0%				0.00 *	10.00%
39907	Pc Software	39,816.30	39,816.30	0%				0.00 *	11.11%
	<b>Total Plant Depreciated</b>	<b>424,939.01</b>	<b>425,310.63</b>						

\*Denotes: Accounts are fully depreciated. A whole life rate (1-net salvage/life), shown above, will be applied when a depreciable base exists until the next study.

**APPENDIX C**  
**Comparison of Mortality Characteristics**



**APPENDIX D**  
**Net Salvage Analysis**





ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE DIVISION  
Depreciation Study as of September 30, 2014  
Net Salvage History

Account	TY	Retirements	Salvage	COR	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39200	2014	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39300	1998	29,077.00	0.00	0.00	-	0.0%									
39300	1999	0.00	0.00	0.00	-	NA	0.0%								
39300	2000	0.00	0.00	0.00	-	NA	NA	0.0%							
39300	2001	0.00	0.00	0.00	-	NA	NA	NA	0.0%						
39300	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	0.0%					
39300	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	0.00%				
39300	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	0.00%			
39300	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	0.00%		
39300	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	
39300	2007	6,537.00	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2008	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2009	0.00	0.00	0.00	-	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2010	0.00	0.00	0.00	-	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2013	4,161.06	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39300	2014	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39400	1998	0.00	0.00	0.00	-	NA									
39400	1999	0.00	0.00	0.00	-	NA	NA								
39400	2000	0.00	0.00	0.00	-	NA	NA	NA							
39400	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39400	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39400	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39400	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39400	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39400	2006	15,243.00	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	
39400	2007	1,249.00	48.41	0.00	48.41	3.9%	0.3%	0.3%	0.3%	0.3%	0.29%	0.29%	0.29%	0.29%	0.29%
39400	2008	0.00	0.00	0.00	-	NA	3.9%	0.3%	0.3%	0.3%	0.29%	0.29%	0.29%	0.29%	0.29%
39400	2009	1,641.15	0.00	0.00	-	0.0%	0.0%	1.7%	0.3%	0.3%	0.27%	0.27%	0.27%	0.27%	0.27%
39400	2010	0.00	0.00	0.00	-	NA	0.0%	0.0%	1.7%	0.3%	0.27%	0.27%	0.27%	0.27%	0.27%
39400	2011	0.00	0.00	0.00	-	NA	NA	0.0%	0.0%	1.7%	0.27%	0.27%	0.27%	0.27%	0.27%
39400	2012	0.00	0.00	0.00	-	NA	NA	NA	0.0%	0.0%	1.67%	0.27%	0.27%	0.27%	0.27%
39400	2013	(419.03)	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	1.96%	0.27%	0.27%	0.27%
39400	2014	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	1.96%	0.27%	0.27%
39500	1998	0.00	0.00	0.00	-	NA									
39500	1999	0.00	0.00	0.00	-	NA	NA								
39500	2000	0.00	0.00	0.00	-	NA	NA	NA							
39500	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39500	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					

ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE DIVISION  
Depreciation Study as of September 30, 2014  
Net Salvage History

Account	TY	Retirements	Salvage	COR	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39500	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39500	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39500	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39500	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39500	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2013	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39500	2014	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	1998	0.00	0.00	0.00	-	NA									
39600	1999	0.00	0.00	0.00	-	NA	NA								
39600	2000	0.00	0.00	0.00	-	NA	NA	NA							
39600	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39600	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39600	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39600	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39600	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39600	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39600	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2013	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39600	2014	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39700	1998	0.00	0.00	0.00	-	NA									
39700	1999	0.00	0.00	0.00	-	NA	NA								
39700	2000	3,194.00	0.00	0.00	-	0.0%	0.0%	0.0%							
39700	2001	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%						
39700	2002	0.00	0.00	0.00	-	NA	NA	0.0%	0.0%	0.0%					
39700	2003	0.00	0.00	0.00	-	NA	NA	NA	0.0%	0.0%	0.00%				
39700	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	0.0%	0.00%	0.00%			
39700	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%		
39700	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	
39700	2007	3,184.00	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39700	2008	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39700	2009	2,751.76	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39700	2010	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%





ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE DIVISION  
Depreciation Study as of September 30, 2014  
Net Salvage History

Account	TY	Retirements	Salvage	COR	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39901	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2013	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39901	2014	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	1998	0.00	0.00	0.00	-	NA									
39902	1999	0.00	0.00	0.00	-	NA	NA								
39902	2000	0.00	0.00	0.00	-	NA	NA	NA							
39902	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39902	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39902	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39902	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39902	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39902	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39902	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2013	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39902	2014	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	1998	0.00	0.00	0.00	-	NA									
39903	1999	0.00	0.00	0.00	-	NA	NA								
39903	2000	0.00	0.00	0.00	-	NA	NA	NA							
39903	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39903	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39903	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39903	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39903	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39903	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39903	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39903	2013	42,340.49	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39903	2014	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%

ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE DIVISION  
Depreciation Study as of September 30, 2014  
Net Salvage History

Account	TY	Retirements	Salvage	COR	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39906	1998	0.00	0.00	0.00	-	NA									
39906	1999	0.00	0.00	0.00	-	NA	NA								
39906	2000	0.00	0.00	0.00	-	NA	NA	NA							
39906	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39906	2002	1,693,996.00	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%					
39906	2003	3,923.00	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				
39906	2004	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39906	2005	0.00	0.00	0.00	-	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39906	2006	0.00	0.00	0.00	-	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	
39906	2007	41,174.00	0.00	147.66	(147.66)	-0.4%	-0.4%	-0.4%	-0.4%	-0.3%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
39906	2008	0.00	0.00	0.00	-	NA	-0.4%	-0.4%	-0.4%	-0.4%	-0.33%	-0.01%	-0.01%	-0.01%	-0.01%
39906	2009	24,631.70	0.00	0.00	-	0.0%	0.0%	-0.2%	-0.2%	-0.2%	-0.22%	-0.21%	-0.01%	-0.01%	-0.01%
39906	2010	48,092.94	0.00	0.00	-	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.13%	-0.13%	-0.13%	-0.01%	-0.01%
39906	2011	1,431.13	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.13%	-0.13%	-0.13%	-0.12%	-0.01%
39906	2012	3,062.70	0.00	90.89	(90.89)	-3.0%	-2.0%	-0.2%	-0.1%	-0.1%	-0.20%	-0.20%	-0.20%	-0.20%	-0.20%
39906	2013	643,291.29	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	-0.01%	-0.03%	-0.03%	-0.03%	-0.03%
39906	2014	1,326.41	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	-0.01%	-0.01%	-0.03%	-0.03%	-0.03%
39907	1998	0.00	0.00	0.00	-	NA									
39907	1999	0.00	0.00	0.00	-	NA	NA								
39907	2000	0.00	0.00	0.00	-	NA	NA	NA							
39907	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39907	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39907	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39907	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			
39907	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39907	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39907	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39907	2013	88,815.18	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2014	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	1998	0.00	0.00	0.00	-	NA									
39908	1999	0.00	0.00	0.00	-	NA	NA								
39908	2000	0.00	0.00	0.00	-	NA	NA	NA							
39908	2001	0.00	0.00	0.00	-	NA	NA	NA	NA						
39908	2002	0.00	0.00	0.00	-	NA	NA	NA	NA	NA					
39908	2003	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA				
39908	2004	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA			

ATMOS ENERGY - KENTUCKY MID-STATES GENERAL OFFICE DIVISION  
Depreciation Study as of September 30, 2014  
Net Salvage History

Account	TY	Retirements	Salvage	COR	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39908	2005	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA		
39908	2006	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
39908	2007	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2008	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2009	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2010	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2011	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2012	0.00	0.00	0.00	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39908	2013	707,722.30	0.00	0.00	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2014	0.00	0.00	0.00	-	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%

**ATMOS ENERGY CORPORATION**  
**SHARED SERVICES UNIT**

**DEPRECIATION RATE STUDY**

**As of September 30, 2014**



<http://www.utilityalliance.com>

**ATMOS ENERGY CORPORATION - SHARED SERVICES UNIT  
DEPRECIATION RATE STUDY  
EXECUTIVE SUMMARY**

Atmos Energy Corporation ("Atmos" or "Company") engaged Alliance Consulting Group to conduct a depreciation study of the Company's Shared Services Unit ("SSU" or "Shared Services") operations depreciable assets as of fiscal year end September 30, 2014. SSU provides support to Atmos Energy Corporation's regulated utility divisions.

The regulated natural gas utility divisions during the year ended September 30, 2014 were:

- Atmos Colorado-Kansas Division
- Atmos Louisiana Division
- Atmos Kentucky Mid-States (Kentucky, Tennessee, and Virginia) Division
- Atmos Mississippi Division
- Atmos Mid-Tex Division
- Atmos West Texas Division
- Atmos Pipeline Texas Division

The depreciation rates are based on the straight-line method, equal life group ("ELG") procedure, and remaining-life technique. This study results in an annual depreciation expense accrual of \$21.7 million when applied to depreciable plant balances as of September 30, 2014.

The depreciation study we conducted analyzed and developed depreciation recommendations at an account level. The resulting annual depreciation accrual amounts and depreciation rates contained in this study are at the account level. The Company will accrue depreciation expense based on the account level depreciation rates developed in this study. Appendix A demonstrates the annual depreciation expense.

**ATMOS ENERGY CORPORATION  
ATMOS SHARED SERVICES UNIT  
DEPRECIATION RATE STUDY**

**As of September 30, 2014**

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## **PURPOSE**

The purpose of this study is to develop depreciation rates for the depreciable property as recorded on Shared Services' books at September 30, 2014. The account based depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of Shared Services' property on a straight-line basis. Non-depreciable property and property which is amortized, such as intangibles were excluded from this study.

Shared Services is a division of Atmos Corporation dedicated to providing various support services to its operating companies. As of the study date, Shared Services supported regulated gas utility divisions operating in eight different states.

## STUDY RESULTS

The existing and current study annual depreciation expense results from the use of lowa Curve dispersion patterns with average service life, the equal life group ("ELG") procedure and remaining-life technique, and consideration of net salvage in the development of the study recommended depreciation rates. Detailed information for each of these factors will follow in this report.

Overall depreciation rates for Shared Services depreciable property are shown in Appendix A. These rates translate into an annual depreciation accrual of \$21.7 million based on Shared Services' depreciable investment at September 30, 2014.

Appendix A presents the recommended study annual accrual rates and amounts. Appendix B presents the development of the depreciation rates and annual accruals. Appendix C presents the recommended study mortality and net salvage parameters by account. Appendix D shows net salvage history by plant account.

## GENERAL DISCUSSION

### Definition

The term "depreciation" as used in this study is considered in the accounting sense, that is, a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. On retirement the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

### Basis of Depreciation Estimates

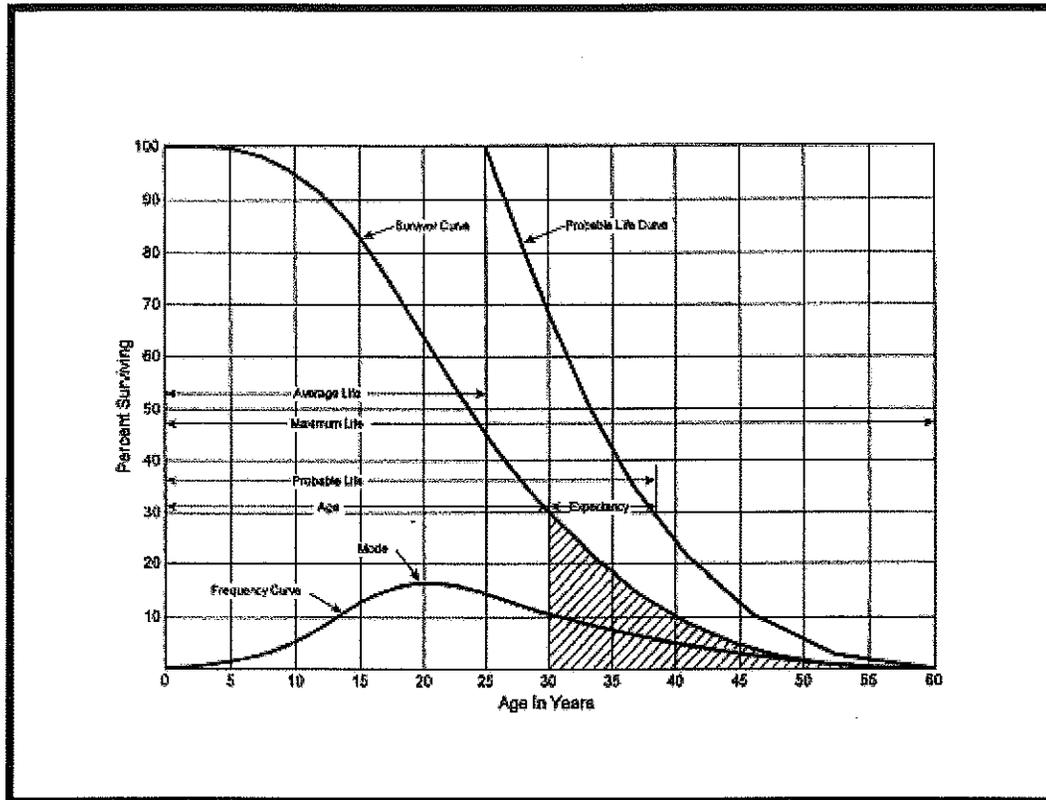
The straight-line, equal life group ("ELG"), remaining-life depreciation system was employed to calculate annual and accrued depreciation in this study. In this system, the annual depreciation expense for each group is computed by dividing the original cost of the asset less allocated depreciation reserve less estimated net salvage by its respective equal life group remaining life. The resulting annual accrual amounts of all depreciable property within a function were accumulated, and the total was divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group. The computations of the annual depreciation rates are shown in Appendix B and remaining life calculations are provided in the workpapers.

Actuarial analysis was used with each account within a function where

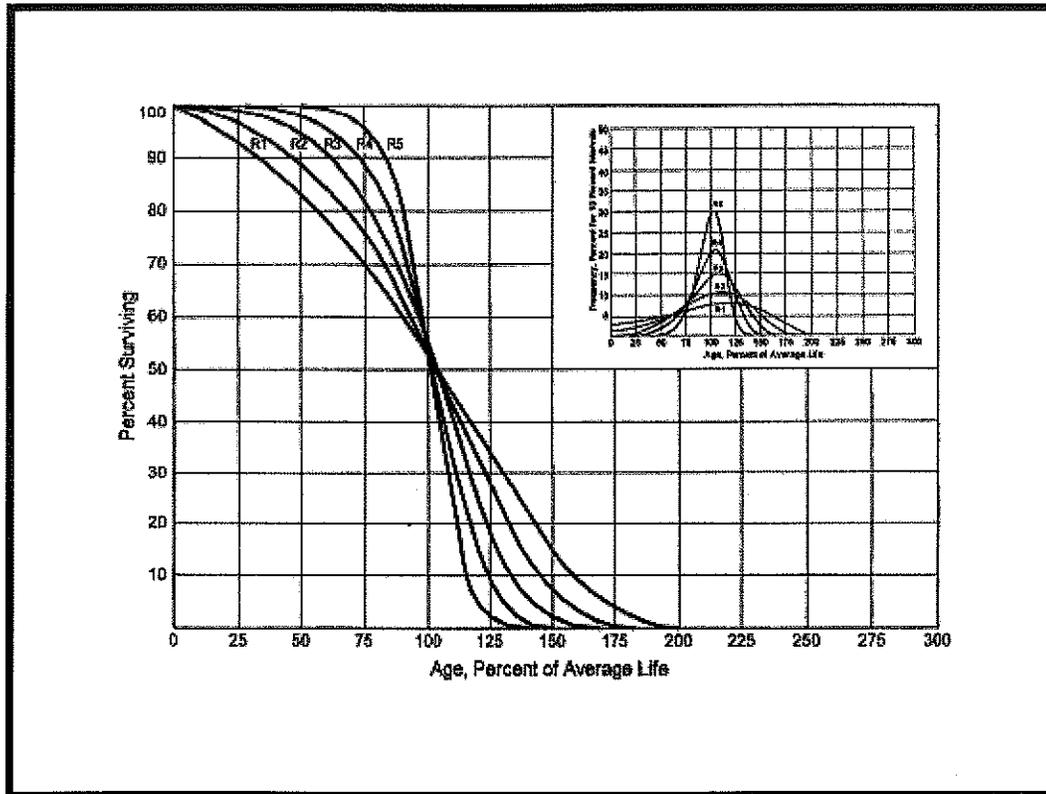
sufficient data was available, and judgment was used to some degree on all accounts.

### **Survivor Curves**

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual property units within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by first constructing a survivor curve which is plotted as a percentage of the units surviving at each age. A survivor curve represents the percentage of property remaining in service at various age intervals. The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the prior century. Through common usage, revalidation and regulatory acceptance, these curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves that are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. For distributions with the mode age greater than the average life, an "R" designation (i.e., Right modal) is used. The family of "R" moded curves is shown below.



Similarly, an "S" designation (i.e., Symmetric modal) is used for the family whose mode age is symmetric about the average life. An "L" designation (i.e., Left modal) is used for the family whose mode age is less than the average life. A special case of left modal dispersion is the "O" or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A "6" indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency) while a "1" indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an "L3" dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

Most property groups can be closely fitted to one Iowa Curve with a unique average service life. The blending of judgment concerning current conditions and

future trends along with the matching of historical data permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern.

### **Actuarial Analysis**

Actuarial analysis (retirement rate method) was used in evaluating historical asset retirement experience where vintage data were available and sufficient retirement activity was present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals were chained by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves such as the Iowa Curves. Where data was available, accounts were analyzed using this method. Placement bands were used to illustrate the composite history over a specific era, and experience bands were used to focus on retirement history for all vintages during a set period. The results from these analyses for those accounts which had data sufficient to be analyzed using this method are shown in the Life Analysis section of this report.

### **Judgment**

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding depreciation theory are needed to apply this informed judgment. Judgment was used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and actuarial analysis.

Judgment is not defined as being used in cases where there are specific, significant pieces of information that influence the choice of a life or curve. Those cases would simply be a reflection of specific facts into the analysis. Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, implications of applying certain curves, property mix in accounts or a multitude of other considerations that impact the analysis (potentially in various directions), judgment is used to take all of these factors and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one factor in these cases may have a substantial impact on the analysis, but overall, may shed light on the utilization and characteristics of assets. Judgment may also be defined as deduction, inference, wisdom, common sense, or the ability to make sensible decisions. There is no single correct result from statistical analysis; hence, there is no answer absent judgment. At the very least for example, any analysis requires choosing which bands to place more emphasis.

The establishment of appropriate average service lives and retirement dispersions for Shared Services' accounts requires judgment to incorporate the understanding of the operation of the system with the available accounting information analyzed using the Retirement Rate actuarial methods. The appropriateness of lives and curves depends not only on statistical analyses, but also on how well future retirement patterns will match past retirements.

Current applications and trends in use of the equipment also need to be factored into life and survivor curve choices in order for appropriate mortality characteristics to be chosen.

### **Equal Life Group Depreciation**

Atmos agreed that the continued use of the ELG depreciation procedure was appropriate. This study uses the ELG depreciation procedure to group the assets within each account. After an average service life and dispersion were selected for each account, those parameters were used to estimate what portion of the surviving investment of each vintage was expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ELG groups are defined by their respective account dispersion, life, and net salvage estimates. A straight-line rate for each ELG group is computed and accumulated across each vintage. The resulting rate for each ELG group is designed to recover all retirements less net salvage as each vintage retires. The ELG procedure recovers net book cost over the life of each ELG group rather than averaging many components. It also closely matches the concept of component or item accounting found in all accounting textbooks.

### **Theoretical Depreciation Reserve**

The Company's book depreciation reserves were reallocated based on the theoretical reserves for each account. This study used a reserve model that relied on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current forecasts were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each

vintage. The equal life group method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property within the vintage is retired. Estimated average service lives and dispersion determine the amount within each equal life group. The equal life group-remaining-life theoretical reserve ratio (RRELG) is calculated as:

$$RRELG = 1 - \frac{(ELG \text{ Remaining Life})}{(ELG \text{ Life})} * (1 - \text{Net Salvage Ratio})$$

## DETAILED DISCUSSION

### Depreciation Study Process

This depreciation study encompassed four distinct phases. The first phase involved data collection and field interviews. The second phase was where the initial data analysis occurred. The third phase was where the information and analysis was evaluated. Once the first three stages were complete, the fourth phase began. This phase involved the calculation of depreciation rates and documenting the corresponding recommendations.

During the Phase I data collection process, historical data was compiled from continuing property records and general ledger systems. Data was validated for accuracy by extracting and comparing to multiple financial system sources. Audit of this data was validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data was reviewed extensively to put in the proper format for a depreciation study. Further discussion on data review and adjustment is found in the Salvage Considerations Section of this study. Also as part of the Phase I data collection process, numerous discussions were conducted with engineers and field operations personnel to obtain information that would assist in formulating life and salvage recommendations in this study. One of the most important elements of performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is beneficial when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information that was gleaned in these discussions is found both in the Detailed Discussion of this study in the life analysis and salvage analysis sections and also in workpapers.

Phase 2 is where the actuarial analysis is performed. Phase 2 and 3 overlap to a significant degree. The detailed property records information is used in phase 2 to develop observed life tables for life analysis. These tables are visually compared to industry standard tables to determine historical life characteristics. It is possible that the analyst would cycle back to this phase based on the evaluation process performed in phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group to determine values and trends in gross salvage and removal cost. This information was then carried forward into phase 3 for the evaluation process.

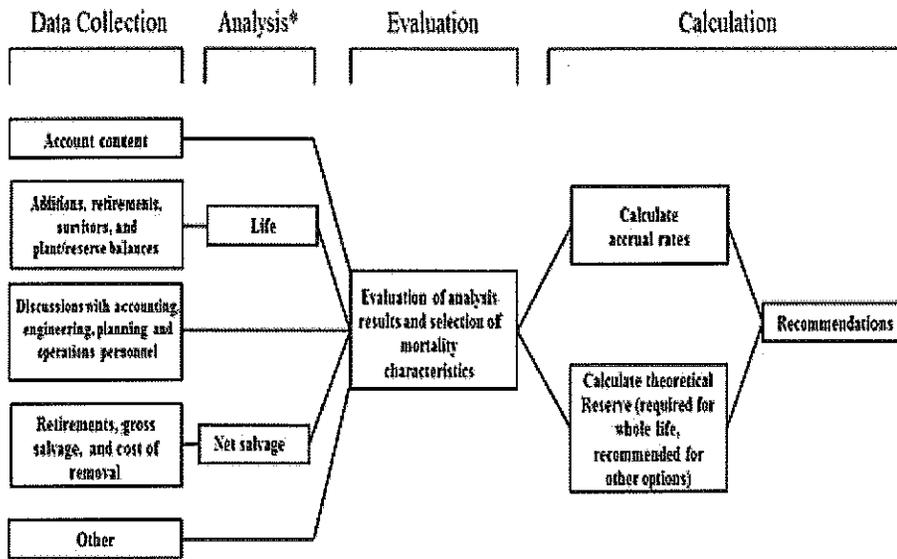
Phase 3 is the evaluation process which synthesizes analysis, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in phase 1. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual Company operational experience.

Finally, Phase 4 involved the calculation of accrual rates, making recommendations and documenting the conclusions in a final report. The calculation of accrual rates is found in Appendix B. Recommendations for the various accounts are contained within the Detailed Discussion of this report. The depreciation study flow diagram shown as Figure 1<sup>1</sup> documents the steps used in conducting this study. Depreciation Systems, page 289 documents the same basic processes in performing a depreciation study which are: Statistical analyses, evaluation of statistical analysis, discussions with management, forecast assumptions, write logic supporting forecasts and estimation, and write final report.

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<sup>1</sup> Public Utility Finance & Accounting, A Reader

### Book Depreciation Study Flow Diagram



Source: Introduction to Depreciation for Public Utilities and Other Industries, AGA EEI, 2013.

\* Although not specifically noted, the mathematical analysis may need some level of input from other sources (for example, to determine analysis bands for life and adjustments to data used in all analysis).

Figure 1

## SHARED SERVICES DEPRECIATION STUDY PROCESS

### **Depreciation Rate Calculation**

Annual depreciation expense amounts for the depreciable property accounts of Shared Services were calculated by the straight line, equal life group, and remaining-life system. With this approach, remaining lives were calculated according to standard ELG group expectancy techniques, using the Iowa Survivor Curves noted in the calculation. For each plant account, the difference between the surviving investment, adjusted for estimated net salvage and the allocated book depreciation reserve, was divided by the average remaining life to yield the annual depreciation expense. These calculations are shown in Appendix B.

### **Remaining Life Calculation**

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group was based on engineering judgment that incorporated available accounting information analyzed using the actuarial methods. After establishment of appropriate average service lives and retirement dispersions, remaining lives were computed for each account. The theoretical depreciation reserve with zero net salvage (used in calculating remaining life) was calculated using theoretical reserve ratios as defined in the theoretical reserve portion of the general discussion section. The difference between plant balance and theoretical reserve was then spread over the ELG depreciation accruals. After accumulating the ELG accruals across each vintage, the annual accrual was divided into the net balance to compute remaining life. Details of the theoretical reserve computations, ELG accruals, and remaining life are found by account within each division in the study workpapers.

### **Calculation Process**

Annual depreciation expense amounts for all accounts were calculated by the straight line, remaining life procedure.

In a whole life representation, the annual accrual rate is computed by the

following equation,

$$\text{Annual Accrual Rate} = \frac{(100\% - \text{Net Salvage Percent})}{\text{Average Service Life}}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight line, remaining life, average life group system using Iowa Curves, composite remaining lives were calculated according to standard broad group expectancy techniques, noted in the formula below:

$$\text{Composite Remaining Life} = \frac{\sum \text{Original Cost} - \text{Theoretical Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

For each plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated book depreciation reserve, was divided by the composite remaining life to yield the annual depreciation expense as noted in this equation where the net salvage percent represents future net salvage.

$$\text{Annual Depreciation Expense} = \frac{\text{Original Cost} - \text{Book Reserve} - (\text{Original Cost}) * (1 - \text{Net Salvage \%})}{\text{Composite Remaining Life}}$$

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$\text{Annual Depreciation Rate} = \frac{\sum \text{Annual Depreciation Expense}}{\sum \text{Original Cost}}$$

These calculations are shown in Appendix B. The calculations of the theoretical depreciation reserve values and the corresponding remaining life calculations are shown in workpapers. Book depreciation reserves were allocated to individual accounts and the theoretical reserve computation was used to compute a composite remaining life for each account.

## LIFE ANALYSIS

The retirement rate actuarial analysis method was applied to all accounts for Shared Services. For each account, an actuarial retirement rate analysis was made with placement and experience bands of varying width. The historical observed life table was plotted and compared with various Iowa Survivor Curves to obtain the most appropriate match. A selected curve for each account is shown in the Life Analysis Section of this report. The observed life tables for all analyzed placement and experience bands are provided in workpapers.

For the overall band (i.e. placement from earliest vintage year which varied for each account through 2014) for each account, various dispersion curves were plotted. Frequently, visual matching would confirm one specific dispersion pattern (i.e. L, S, or R) as a better match than others. The next step would be to determine the most appropriate life using that dispersion pattern. Then, after looking at the overall experience band, different experience bands were plotted and analyzed, for instance 1950-2014, 1985-2014, etc. Next placement bands of varying width were plotted with each experience band discussed above. Repeated matching usually pointed to a focus on one dispersion family and small range of service lives. The goal of visual matching was to minimize the differential between the observed life table and Iowa curve in top and mid range of the plots. These results are used in conjunction with all other factors that may influence asset lives.

## **NET SALVAGE CONSIDERATIONS**

When a capital asset is retired, physically removed from service and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

### **Net Salvage Characteristics**

The net salvage analysis, for each account, is shown in Appendix D. Moving averages for intervals are also included in Appendix D. The assets of Shared Services generally do not incur cost of removal and salvage has declined in recent years. In this study a zero percent net salvage is recommended for each account, with the exception of Account 392, Transportation Equipment.

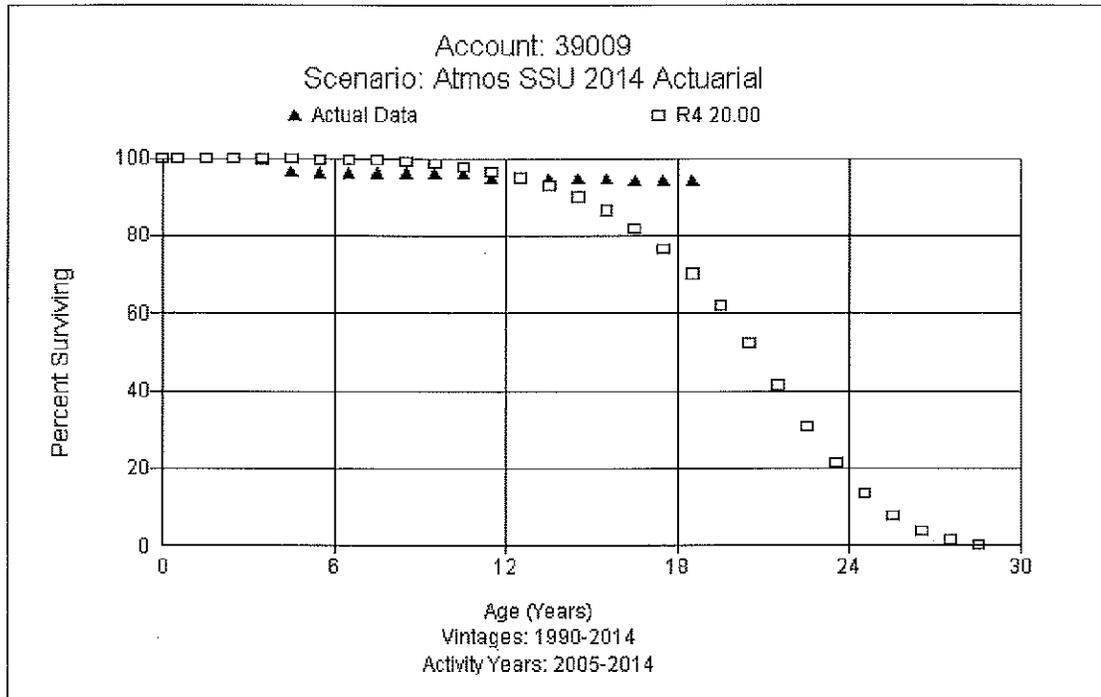
### **Account Life and Net Salvage Analysis**

#### **39000 – Structures & Improvements**

This account includes the cost of buildings and improvements including the Greenville operations center and the Charles K. Vaughn training center. The account balance is \$33.5 million. The average age of investment is 4.47 years. Due to the young age of the surviving investment, no curve fits were possible. Based on judgment and type of assets this study recommends a 40 year life with the R2 dispersion pattern. No graph is provided. Little to no salvage is expected. However, some cost of removal at end of life is expected for some of the assets but none has been recorded. Therefore, a zero percent net salvage is recommended at this time.

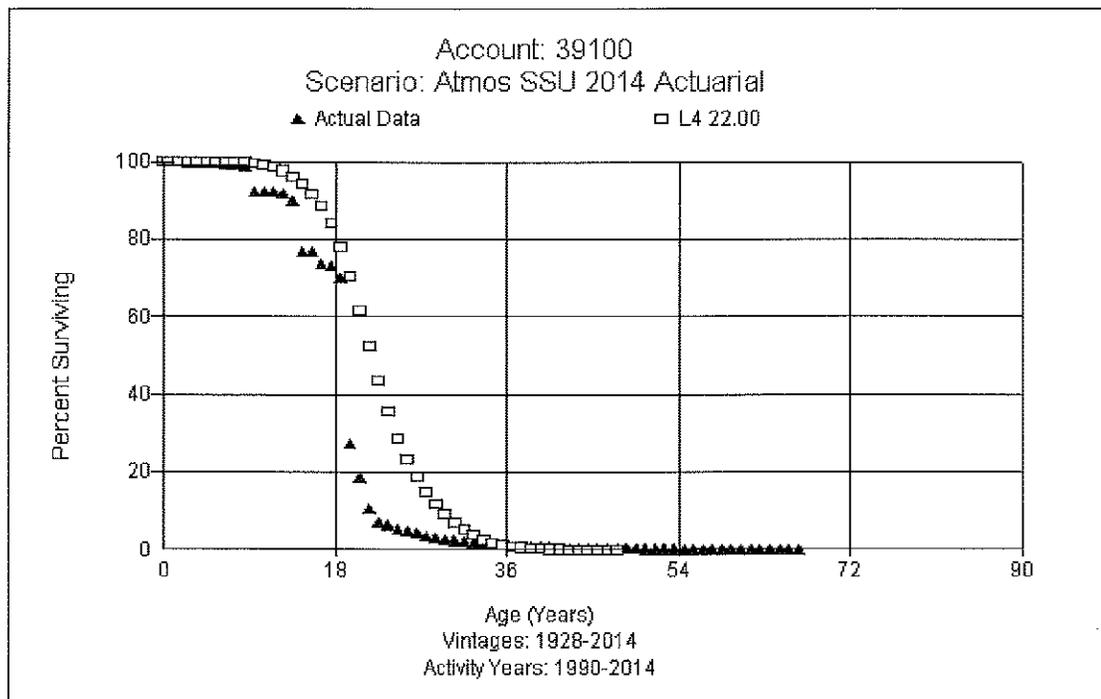
### 39009 – Improvements to Leased Premises

This account includes the cost of improvements to leased premises such as the Dallas office and call centers. The balance is \$13.1 million. Assets in this account are tied to the lease term, which is about 20 years. This study recommends retaining the 20 R4 at this time. A graph of the observed life table and the recommended life and curve are shown below. No salvage or removal cost is currently expected for these improvements, therefore a zero percent net salvage is recommending for this account.



### 39100 – Office Furniture and Equipment

This account consists of modular furniture, desks, chairs, bookcases, credenzas, file cabinets, office machines and other miscellaneous equipment. The balance is \$12.8 million. The currently approved dispersion pattern is 22 L4. An expected life range for the assets in this account is 20 to 25 years. However, the current study analysis indicates a shorter life. Discussions with Company personnel indicated some offices had been renovated and more retirements were made than would typically occur. Based on the Company input, the analysis, and future expectations, this study recommends retaining the existing 22 L4 dispersion pattern. A graph of the observed life table and the recommended life and curve are shown below. There is no cost of removal and salvage has declined to a negligible level. A zero percent net salvage rate is recommended for this account.



### **39200 – Transportation Equipment**

This account consists of all transportation equipment. The balance is \$103 thousand. The currently approved dispersion pattern is unknown. Depending on the type and mix of assets, this account can range from 5-15 years. No curve fits were possible. The current average age of investment is 4.33 years. Only one retirement has been recorded. The Company leases most of its vehicles and surviving assets are golf carts, a trailer, and other miscellaneous equipment. Based on the surviving assets, this study recommends a 10 L2. No graph is provided. There is no cost of removal and salvage has declined to a negligible level. However, some salvage is expected and a 10 percent net salvage rate is recommended for this account.

### **39400 – Tools, Shop & Garage Equipment**

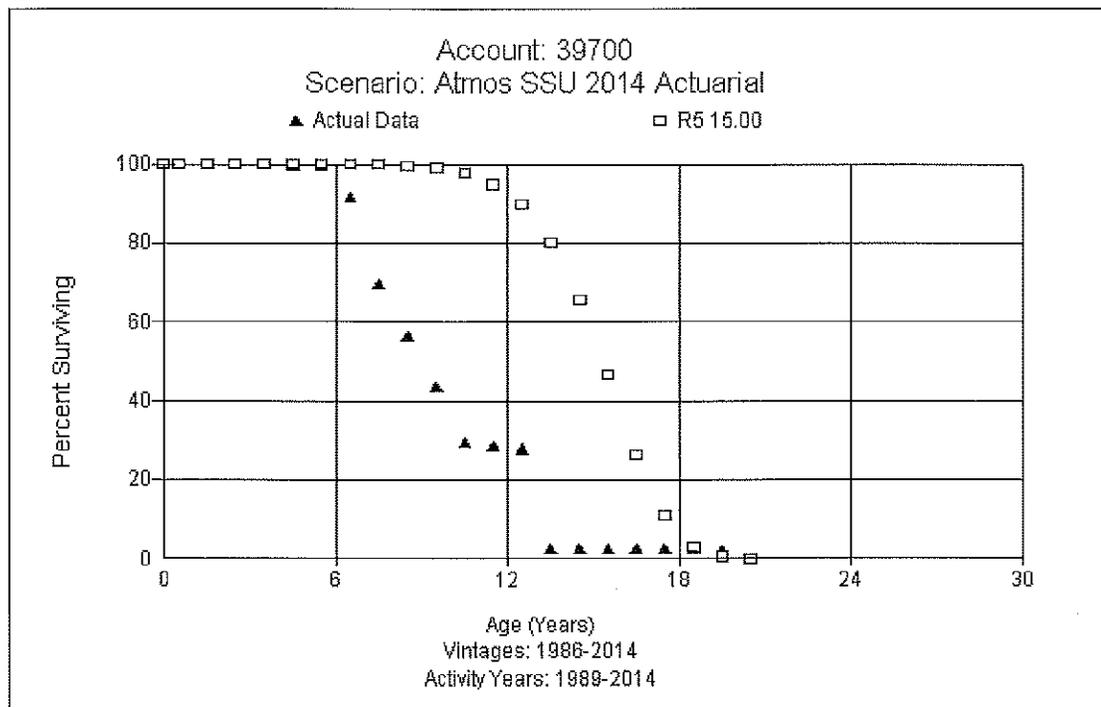
This account consists of various small tools and equipment used in an office. The balance is \$264 thousand in this account. The average age of investment is 3.59 years. Due to the type and use of the assets and the analysis, this study recommends retention of the 11 S6 life and dispersion pattern. A graph of the observed life table and the recommended life and curve are shown below. There is generally little or no salvage and no cost of removal related to the equipment in the account. This study recommends a zero percent net salvage rate for this account.

### **39500 – Laboratory Equipment**

This account consists of laboratory equipment. The balance is \$24 thousand in this account. The average age of investment is 3.01 years. Assets are young, 3.01 years and no retirement activity has been recorded so no curve fits were made. Based on the type and use of the assets, this study recommends a 10 R2. No graph is provided. There is generally little or no salvage and no cost of removal related to the equipment in the account. This study recommends a zero percent net salvage rate for this account.

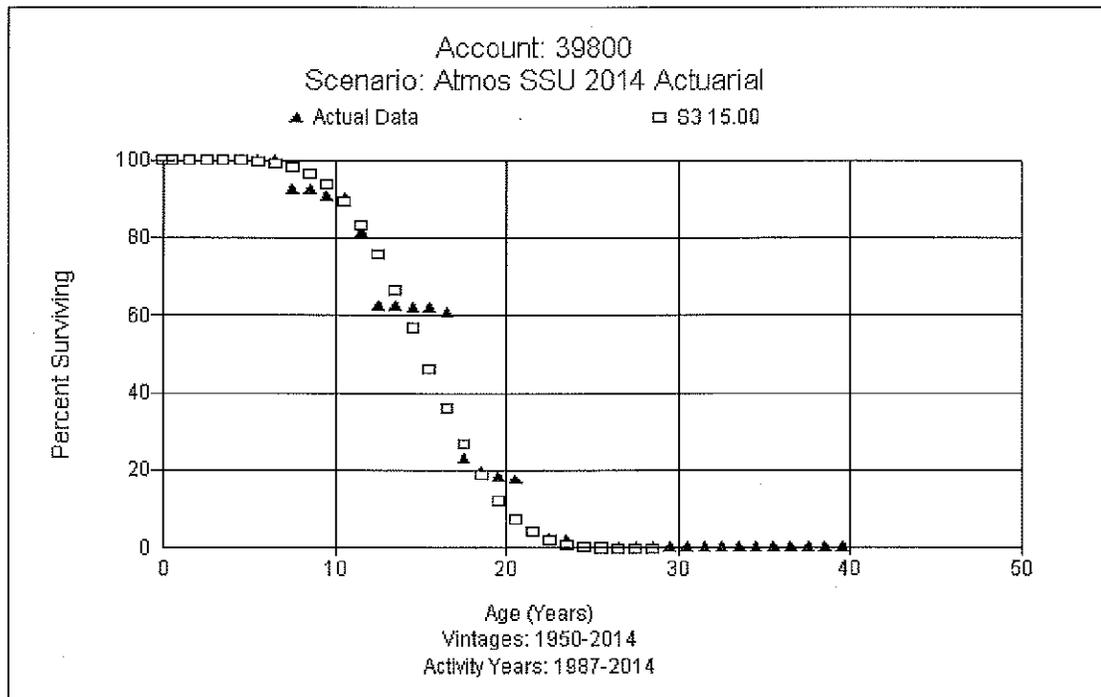
### 39700 – Communications Equipment

The communications equipment account includes communication, computer hardware, telephone, and radio equipment. The balance is \$4.7 million in this account. The current average age of assets is 6.46 years. Within 6-9 months, all switches for call center will be split between Greenville Data center (primary) and Lincoln (backup). All were replaced within last 3 years (as well as Lincoln telephone switch). Call center switches were 10-15 years old at retirement. A 15 year life is reasonable and the Company will replace pieces under O&M in the interim. Based on the analysis, the best fits were indicating a life between 7-9 years, which is due to large level of retirements in last few years. Based on all the information and judgment, a 15 year life with the R5 dispersion is recommended. A graph of the observed life table and the recommended life and curve are shown below. There has been no recent salvage and removal cost experience. This study recommends a zero percent net salvage rate for this account.



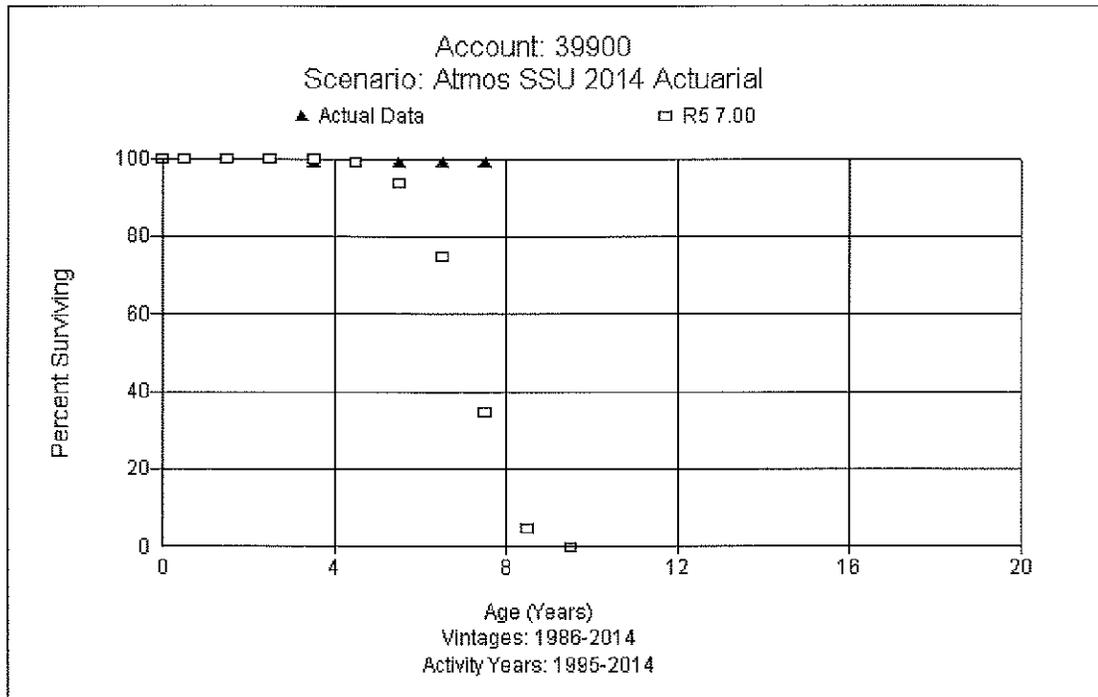
### Account 39800 - Miscellaneous Equipment

This account consists of various small office equipment items, such as kitchen appliances, televisions and audio/video equipment that are not homogeneous with other plant accounts. The balance is \$510 thousand. The majority of the fits, except the most recent bands, indicated a life around 15 years. The 15 year average service life with the S3 dispersion for assets in this account is a good fit and is recommended. A graph of the observed life table and the recommended life and curve are shown below. This study recommends a zero percent net salvage rate for this account.



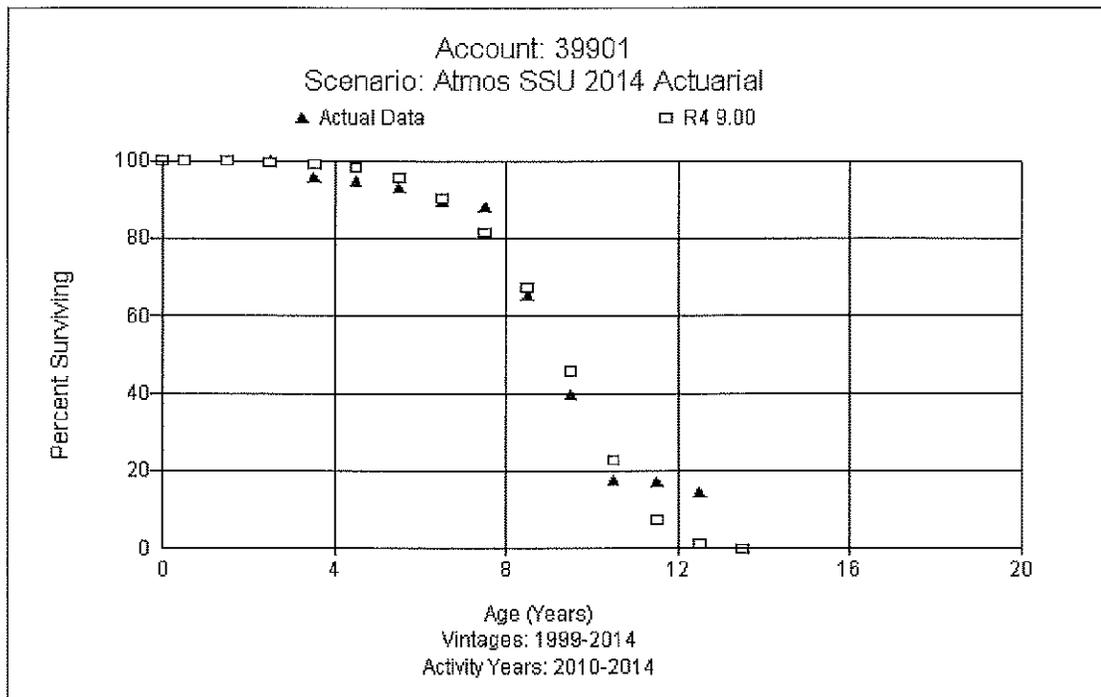
**Account 39900 – Other Tangible Property**

The other tangible property account holds some computer hardware and communication equipment. The account balance is \$889 thousand. The average age of the investment is 2.31 years and average age of retirements is 7.34 years. Best fits indicate a 7 year life, which is consistent with the expectations for this type of asset. The study recommends a 7 year life with the R5 dispersion for this account. A graph of the observed life table and the recommended life and curve are shown below. This study recommends a zero percent net salvage rate for this account.



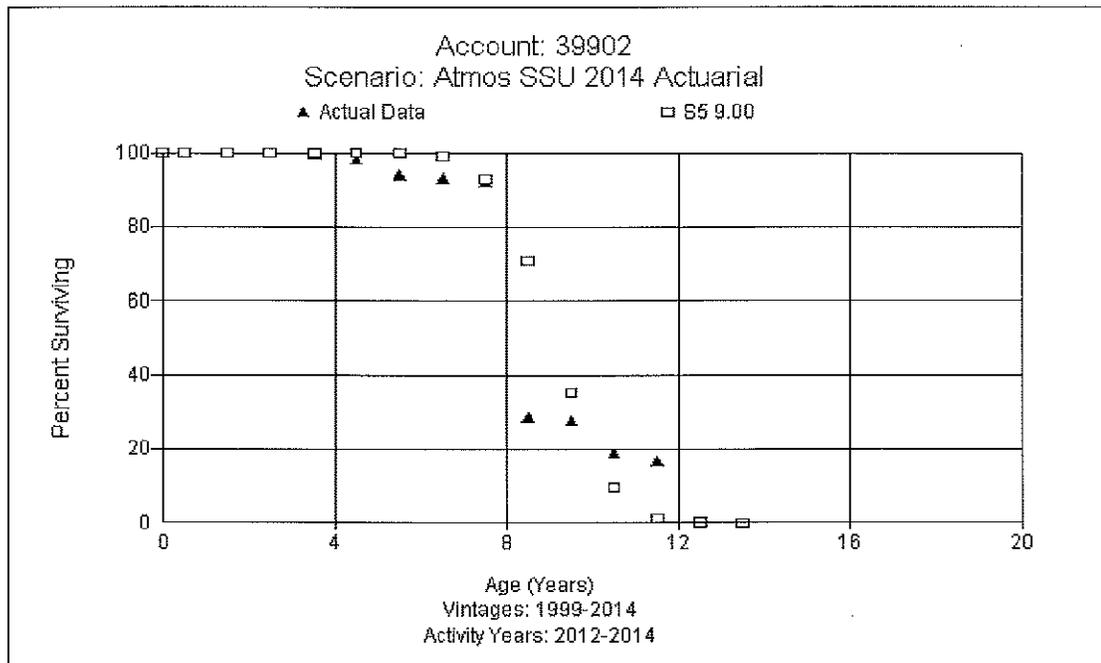
**Account 39901 – Servers Hardware**

This account consists of assets such as the HP 9000 RP 8420 servers, Oracle server, EMC DMX 3 disk array, Banner server, Markview servers and other server hardware and equipment. The balance is \$38 million. Discussions with Company personnel indicated some older equipment may stay for an extended time – but newer assets are replaced closer to a 7 years cycle. Based on the analysis and Company input, this study recommends the R4 9 for this account. A graph of the observed life table and the recommended life and curve are shown below. No salvage or cost of removal is expected and a zero percent net salvage rate is recommended for this account.



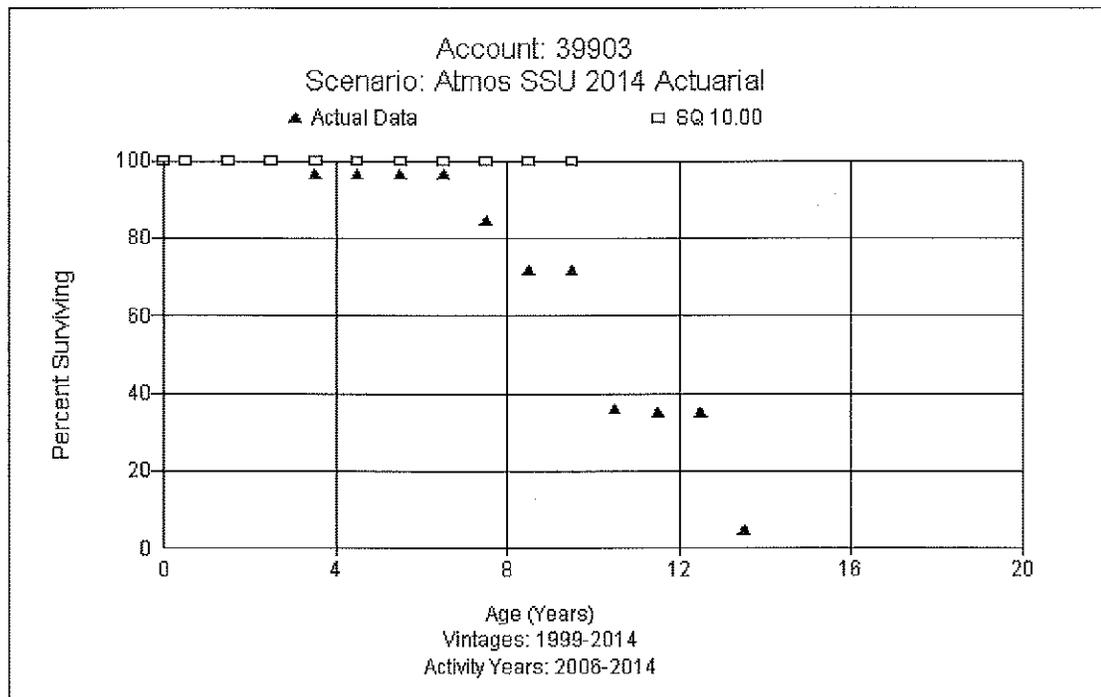
**Account 39902 – Servers Software**

This account consists of assets such as the Banner, Oracle, VMWare, Appwork scheduling, Witness, Networker, and other server attendant software for billing and software licenses. The balance is \$18.1 million. The average age of investment is 4.84 years. The average age of retirements is 11.75 years. The Company lengthened the lives of some assets due to the CSS project but now is in “catch-up” mode. Based on discussions with Company personnel software is not necessarily tied to servers. They purchase data center licenses but when a server is replaced, they don’t necessarily have to replace software. In 2014 purchased Windows server 2012 to replace the 2003 version. Technology changes are a driver for retirement and replacement. Although the Company believes a 7 year life is reasonable, based on all the information, this study recommends a 9 year average service life with and S5 dispersion pattern for this account. A graph of the observed life table and the recommended life and curve are shown below. No salvage or cost of removal is expected and a zero percent net salvage rate is recommended for this account.



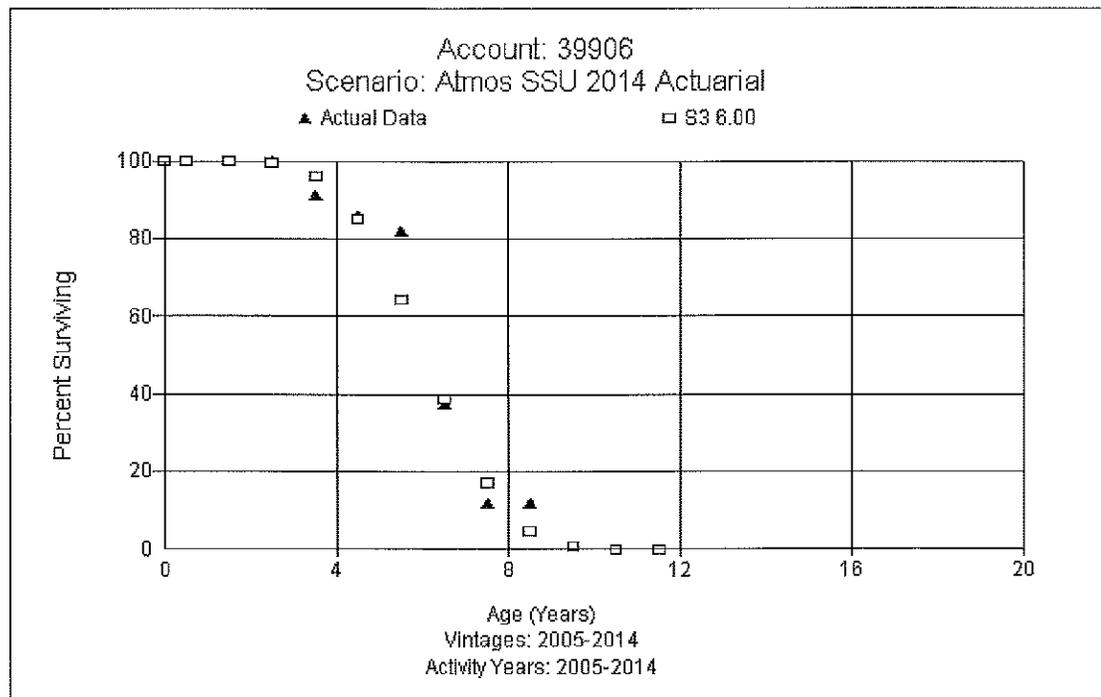
**Account 39903 – Network Hardware**

This account consists of assets related to networking activities such as routers, switches and miscellaneous networking equipment. The balance is \$4 million. The average age of retirements is 8.78 years and the average age of investment is 6.33 years. Based on discussions with Company personnel 10 years is reasonable. Currently, there is a major effort to replace all network hardware. The Company may upgrade firmware more frequently as part of expense or no charge due to maintenance contract. The analysis indicates best fits between 10-13 years. Based on all the information, this study recommends the 10 SQ, which is slightly longer than server hardware. A graph of the observed life table and the recommended life and curve are shown below. No salvage or cost of removal is expected and a zero percent net salvage rate is recommended for this account.



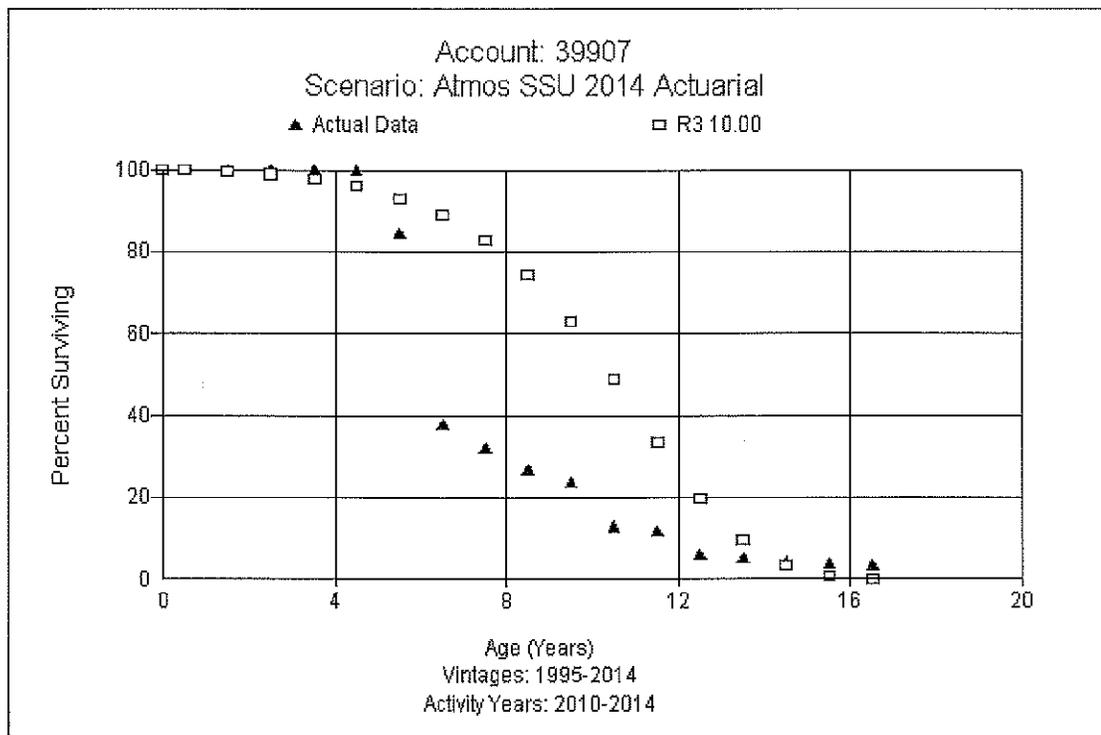
**Account 39906 – PC Hardware**

This account consists of costs for computer hardware, desktop and laptop computers, PC's for the call center, servers, and some costs associated with software licenses for PC's and servers. The balance is \$3.8 million. The average age of investment is 4.45 years and average age of retirements is 7.35 years. The life indications in the actuarial analysis suggest a life between 6-7 years. Based on discussions with Company personnel, they are holding closer to a refresh cycle. There may be some delays in retiring off the books but the analysis should see a shorter life than in the past. The average pcs/person has decreased from 1.5 to 1.2 per person. Therefore, using the most recent bands, Company input, and judgment, this study recommends a 6 year life with the S3 dispersion. A graph of the observed life table and the recommended life and curve are shown below. Generally, the Company will pay a third party to pick up old PCs but at a nominal cost. This study recommends a zero percent net salvage rate for this account.



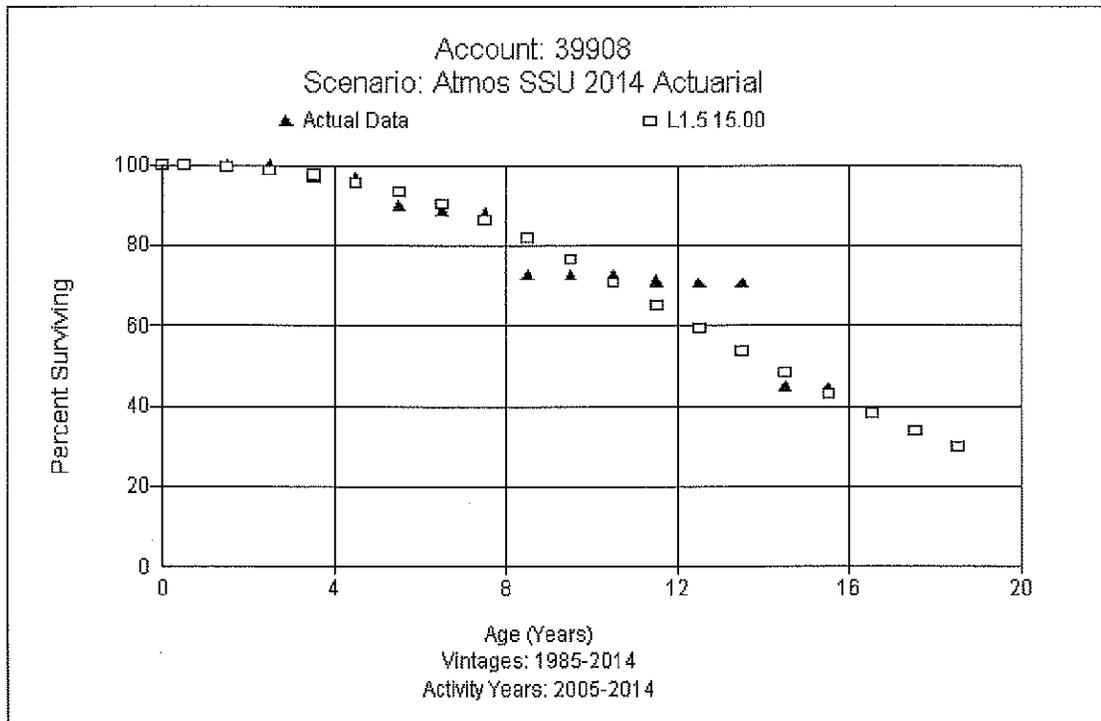
**Account 39907 – PC Software**

The PC software account holds booked investment and retirement activity for software assets including operating system software such as Windows 2000 or Windows XP, Microsoft Office, call center, Verizon dialer software, Genesys upgrade, MS Project and other related application software. The balance is \$1.6 million. The average age of investment is 7.46 years and average age of retirements is 9.12 years. Based on discussions with Company personnel the PC Software should be tied to the PC Hardware although a few software assets may have longer life e.g., Office. The Company indicated 10 years is probably at the top of the live range. There has been retirement activity in this account and the majority of the life indications in the actuarial analysis are between 9-10 years. Based on the analysis, Company input, type of assets, and judgment, this study recommends using a 10 year average service life with the R3 dispersion. A graph of the observed life table and the recommended life and curve are shown below. This study recommends a zero percent net salvage rate for this account.



**Account 39908 – Application Software**

The applications software account holds booked investment and retirement activity for software assets including billing system software, electronic mapping and training software applications, Oracle upgrade, Banner, Data Mart System, PowerPlant System, Advantage System application and the Waco Call Center IT build. The balance is \$205 million. The average age of investment is 6.55 years and average age of retirements is 10.14 years. Based on discussions with Company personnel, a new CSS application is in service. A 15-20 year life for the large enterprise systems is reasonable. Smaller systems would have a shorter life. Oracle Financial 2012 was put in last year. When upgraded, the Company will capitalize upgrades but not retire original platform. Based on the analysis, numerous fits are around 12 years. Based on all the information and judgment, this study recommends a 15 year average service life with the L1.5 dispersion for this account. A graph of the observed life table and the recommended life and curve are shown below. This study recommends a zero percent net salvage rate for this account.



**Account 39909 – Main Frame Software**

This account consists of costs related to Oracle, assembler language, security control package, natural VSAM and other related software. The balance is \$1.0 million and is fully depreciated. The assets will be retired and not replaced due to the use of server technology in place.

**APPENDIX A**  
**Annual Rate and Accrual**

Appendix A

Atmos Energy - Shared Services  
At September 30, 2014  
Depreciation Study Annual Depreciation Rates and Accruals

Account	Description	Plant Balance 09/30/2014	Annual	
			Accrual Rate	Accrual Amount
(a)	(b)	(c)	(d)	(e)
<b><u>DIVISION 002 - SSU GENERAL OFFICE</u></b>				
39000	Structure & Improvements	\$ 1,309,245.93	3.01%	\$ 39,432.12
39005	Structure & Improvements	9,199,400.51	3.01%	277,069.34
39009	Improvements - Leased	8,856,029.45	3.25%	287,646.34
39100	Office Furniture & Equipment	10,496,896.14	3.96%	416,169.19
39104	Office Furniture & Equipment	63,740.85	3.96%	2,527.13
39200	Transportation Equipment	103,415.63	8.34%	8,621.95
39400	Tools, Shop, & Garage Equipment	264,475.83	8.37%	22,130.70
39500	Laboratory Equipment	23,632.07	10.05%	2,374.04
39700	Communication Equipment	2,448,692.24	5.85%	143,284.81
39800	Miscellaneous Equipment	481,520.80	5.29%	25,465.39
39900	Other Tangible Equipment	168,103.30	13.06%	21,957.94
39901	Servers-Hardware	29,891,192.11	9.48%	2,835,048.87
39902	Servers-Software	16,346,607.65	8.93%	1,460,379.34
39903	Network Hardware	3,560,450.29	6.99%	248,985.80
39906	Pc Hardware	2,696,309.27	10.49%	282,780.48
39907	Pc Software	1,029,795.48	6.63%	68,226.99
39908	Application Software	95,314,476.75	6.52%	6,210,612.92
<b>Total SSU General Office</b>		<b>182,253,984.30</b>	<b>6.78%</b>	<b>12,352,713.36</b>
<b><u>DIVISION 012 - SSU CUSTOMER SUPPORT</u></b>				
39000	Structure & Improvements	12,583,274.85	3.01%	378,985.53
39009	Improvements - Leased	4,298,434.33	3.25%	139,614.36
39010	CKV-Structures & Improvements	10,419,806.71	3.01%	313,825.77
39100	Office Furniture & Equipment	2,303,598.12	3.96%	91,330.48
39103	Office Machines	4,057.89	3.96%	160.88
39700	Communication Equipment	1,962,784.81	5.85%	114,852.02
39710	CKV-Communication Equipment	271,621.22	5.85%	15,893.87
39800	Miscellaneous Equipment	28,617.03	5.29%	1,513.42
39900	Other Tangible Equipment	629,166.46	13.06%	82,182.80
39901	Servers-Hardware	7,924,716.14	9.48%	751,624.67
39902	Servers-Software	1,786,301.86	8.93%	159,585.30
39903	Network Hardware	494,406.42	6.99%	34,574.33
39906	Pc Hardware	872,782.54	10.49%	91,534.70
39907	Pc Software	499,710.36	6.63%	33,107.28
39908	Application Software	109,873,866.14	6.52%	7,159,290.76
39910	CKV-Other Tangible Equipment	91,992.46	13.06%	12,016.21
39916	CKV-Pc Hardware	194,015.41	10.49%	20,347.73
39917	CKV-Pc Software	90,540.56	6.63%	5,998.58
<b>Total Customer Support</b>		<b>154,329,693.31</b>	<b>6.10%</b>	<b>9,406,438.72</b>
<b>Total Plant in Study</b>		<b>\$ 336,583,677.61</b>	<b>6.46%</b>	<b>\$ 21,759,152.08</b>

Notes:

1. Accounts 39101, 39102, and 39103 are combined with Account 39100.
2. Account 39809 is combined with Account 39800.

**APPENDIX B**  
**Remaining Life Calculations**

Appendix B

Atmos Energy - Shared Services  
At September 30, 2014  
Calculation of Depreciation Accrual Remaining Life  
With Reserve Reallocation

Account	Description	Plant Balance	Allocated Book Reserve	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual	
								Accrual Amount	Accrual Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
39000	Structures & Improvements	\$ 33,511,728.00	\$ 5,387,689.67	0%	\$ -	\$ 28,124,038.33	27.86	\$ 1,009,312.76	3.01%
39009	Improvements - Leased	13,154,463.78	10,101,312.09	0%	-	3,053,151.69	7.15	427,260.70	3.25%
39100	Office Furniture & Equipment	12,868,293.00	6,988,475.63	0%	-	5,879,817.37	11.52	510,187.68	3.96%
39200	Transportation Equipment	103,415.63	51,767.92	10%	10,341.56	41,306.14	4.79	8,621.95	8.34%
39400	Tools Shop And Garage	264,475.83	102,156.77	0%	-	162,319.06	7.33	22,130.70	8.37%
39500	Laboratory Equipment	23,632.07	9,147.89	0%	-	14,484.18	6.10	2,374.04	10.05%
39700	Communication Equipment	4,683,098.27	2,379,742.87	0%	-	2,303,355.40	8.41	274,030.70	5.85%
39800	Miscellaneous Equipmeent	510,137.83	287,538.91	0%	-	222,598.92	8.25	26,978.82	5.29%
39900	Other Tangible Equipment	889,262.22	380,313.34	0%	-	508,948.88	4.38	116,156.96	13.06%
39901	Servers-Hardware	37,815,908.25	21,091,805.13	0%	-	16,724,103.12	4.66	3,586,673.55	9.48%
39902	Servers-Software	18,132,909.51	11,337,185.90	0%	-	6,795,723.61	4.19	1,619,964.65	8.93%
39903	Network Hardware	4,054,856.71	3,012,739.55	0%	-	1,042,117.16	3.68	283,560.13	6.99%
39906	PC Hardware	3,763,107.22	2,877,983.27	0%	-	885,123.95	2.24	394,662.92	10.49%
39907	PC Software	1,620,046.40	1,182,030.73	0%	-	438,015.67	4.08	107,332.85	6.63%
39908	Application Software	205,188,342.89	94,601,556.77	0%	-	110,586,786.12	8.27	13,369,903.68	6.52%
	<b>Total Depreciable Plant</b>	<b>\$ 336,583,677.61</b>	<b>\$ 159,791,446.44</b>		<b>\$ 10,341.56</b>	<b>\$ 176,781,889.61</b>		<b>\$ 21,759,152.08</b>	<b>6.46%</b>

**APPENDIX C**  
**Mortality Characteristics**

Appendix C

Atmos Energy - Shared Services Unit  
Depreciation Study as of September 30, 2014  
Proposed Depreciation Mortality Characteristics

Account	Description	ASL	Curve	Gross Salvage	Cost of Removal	Net Salvage
<b><u>DIVISION 002 - SSU GENERAL OFFICE</u></b>						
39000	Structure & Improvements	40	R2	0%	0%	0%
39005	Structure & Improvements	40	R2	0%	0%	0%
39009	Improvements - Leased	20	R4	0%	0%	0%
39100	Office Furniture & Equipment	22	L4	0%	0%	0%
39101	Office Furniture & Equipment	22	L4	0%	0%	0%
39102	Remittance Processing	22	L4	0%	0%	0%
39103	Office Machines	22	L4	0%	0%	0%
39104	Office Furniture & Equipment	22	L4	0%	0%	0%
39200	Transportation Equipment	10	L2	10%	0%	10%
39400	Tools, Shop, & Garage Equipment	11	S6	0%	0%	0%
39500	Laboratory Equipment	10	R2	0%	0%	0%
39700	Communication Equipment	15	R5	0%	0%	0%
39800	Miscellaneous Equipment	15	S3	0%	0%	0%
39809	Insertor	15	S3	0%	0%	0%
39900	Other Tangible Equipment	7	R5	0%	0%	0%
39901	Servers-Hardware	9	R4	0%	0%	0%
39902	Servers-Software	9	S5	0%	0%	0%
39903	Network Hardware	10	SQ	0%	0%	0%
39906	Pc Hardware	6	S3	0%	0%	0%
39907	Pc Software	10	R3	0%	0%	0%
39908	Application Software	15	L1.5	0%	0%	0%
<b>Total SSU General Office</b>						
<b><u>DIVISION 012 - SSU CUSTOMER SUPPORT</u></b>						
39000	Structure & Improvements	40	R2	0%	0%	0%
39009	Improvements - Leased	20	R4	0%	0%	0%
39010	CKV-Structures & Improvements	40	R2	0%	0%	0%
39100	Office Furniture & Equipment	22	L4	0%	0%	0%
39101	Office Furniture & Equipment	22	L4	0%	0%	0%
39102	Remittance Processing	22	L4	0%	0%	0%
39103	Office Machines	22	L4	0%	0%	0%
39700	Communication Equipment	15	R5	0%	0%	0%
39710	CKV-Communication Equipment	15	R5	0%	0%	0%
39800	Miscellaneous Equipment	15	S3	0%	0%	0%
39900	Other Tangible Equipment	7	R5	0%	0%	0%
39901	Servers-Hardware	9	R4	0%	0%	0%
39902	Servers-Software	9	S5	0%	0%	0%
39903	Network Hardware	10	SQ	0%	0%	0%
39906	Pc Hardware	6	S3	0%	0%	0%
39907	Pc Software	10	R3	0%	0%	0%
39908	Application Software	15	L1.5	0%	0%	0%
39910	CKV-Other Tangible Equipment	7	R5	0%	0%	0%
39916	CKV-Pc Hardware	6	S3	0%	0%	0%
39917	CKV-Pc Software	10	R3	0%	0%	0%
<b>Total Customer Support</b>						

**APPENDIX D**  
**Net Salvage Analysis**



**ATMOS ENERGY - SHARED SERVICES UNIT**  
**Depreciation Study as of September 30, 2014**  
**Net Salvage Analysis**

Acct	Activity Year	Retirement	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39100	1995	852	-	-	0	0.0%	0.0%	0.2%							
39100	1996	92,361	-	-	0	0.0%	0.0%	0.0%	0.1%						
39100	1997	0	-	(5,108)	5,108	NA	5.5%	5.5%	5.1%	2.9%					
39100	1998	6,852	-	-	0	0.0%	74.5%	5.1%	5.1%	4.7%	2.77%				
39100	1999	0	-	-	0	NA	0.0%	74.5%	5.1%	5.1%	4.73%	2.77%			
39100	2000	0	-	-	0	NA	NA	0.0%	74.5%	5.1%	5.10%	4.73%	2.77%		
39100	2001	0	-	-	0	NA	NA	NA	0.0%	74.5%	5.15%	5.10%	4.73%	2.77%	
39100	2002	0	-	-	0	NA	NA	NA	NA	0.0%	74.55%	5.15%	5.10%	4.73%	2.77%
39100	2003	0	-	-	0	NA	NA	NA	NA	NA	0.00%	74.55%	5.15%	5.10%	4.73%
39100	2004	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%	74.55%	5.15%	5.10%
39100	2005	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%	74.55%	5.15%
39100	2006	1,420,965	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.36%
39100	2007	75,094	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2008	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2009	225,893	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2010	95,413	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2011	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2012	788,808	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2013	1,602,991	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39100	2014	1,163	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39101	2007	0	-	-	0	NA									
39101	2008	0	-	-	0	NA	NA								
39101	2009	0	-	-	0	NA	NA	NA							
39101	2010	0	-	-	0	NA	NA	NA	NA						
39101	2011	0	-	-	0	NA	NA	NA	NA	NA					
39101	2012	0	-	-	0	NA	NA	NA	NA	NA	NA				
39101	2013	0	-	-	0	NA	NA	NA	NA	NA	NA	NA			
39101	2014	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	NA		
39102	2007	0	-	-	0	NA									
39102	2008	0	-	-	0	NA	NA								
39102	2009	0	-	-	0	NA	NA	NA							
39102	2010	25,380	-	-	0	0.0%	0.0%	0.0%	0.0%						
39102	2011	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%					
39102	2012	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%				
39102	2013	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%			



**ATMOS ENERGY - SHARED SERVICES UNIT**  
**Depreciation Study as of September 30, 2014**  
**Net Salvage Analysis**

Acct	Activity Year	Retirement	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
39400	2007	7,683	-	-	0	0.0%									
39400	2008	0	-	-	0	NA	0.0%								
39400	2009	0	-	-	0	NA	NA	0.0%							
39400	2010	0	-	-	0	NA	NA	NA	0.0%						
39400	2011	0	-	-	0	NA	NA	NA	NA	0.0%					
39400	2012	0	-	-	0	NA	NA	NA	NA	NA	0.00%				
39400	2013	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%			
39400	2014	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%		
39500	2007	0	-	-	0	NA									
39500	2008	0	-	-	0	NA	NA								
39500	2009	0	-	-	0	NA	NA	NA							
39500	2010	0	-	-	0	NA	NA	NA	NA						
39500	2011	0	-	-	0	NA	NA	NA	NA	NA					
39500	2012	0	-	-	0	NA	NA	NA	NA	NA	NA				
39500	2013	0	-	-	0	NA	NA	NA	NA	NA	NA	NA			
39500	2014	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	NA		
39700	1993	8,091	-	-	0	0.0%									
39700	1994	0	-	-	0	NA	0.0%								
39700	1995	0	-	-	0	NA	NA	0.0%							
39700	1996	0	-	-	0	NA	NA	NA	0.0%						
39700	1997	0	-	-	0	NA	NA	NA	NA	0.0%					
39700	1998	0	-	-	0	NA	NA	NA	NA	NA	0.00%				
39700	1999	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%			
39700	2000	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%		
39700	2001	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	
39700	2002	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
39700	2003	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
39700	2004	34,015	26,609	3,107	23,502	69.1%	69.1%	69.1%	69.1%	69.1%	69.09%	69.09%	69.09%	69.09%	69.09%
39700	2005	0	-	-	0	NA	69.1%	69.1%	69.1%	69.1%	69.09%	69.09%	69.09%	69.09%	69.09%
39700	2006	792,568	-	-	0	0.0%	0.0%	2.8%	2.8%	2.8%	2.84%	2.84%	2.84%	2.84%	2.84%
39700	2007	0	-	-	0	NA	0.0%	0.0%	2.8%	2.8%	2.84%	2.84%	2.84%	2.84%	2.84%
39700	2008	16,530	-	-	0	0.0%	0.0%	0.0%	0.0%	2.8%	2.79%	2.79%	2.79%	2.79%	2.79%
39700	2009	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	2.79%	2.79%	2.79%	2.79%	2.79%



**ATMOS ENERGY - SHARED SERVICES UNIT**  
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39900	1995	0	-	-	0	NA	0.0%								
39900	1996	0	-	-	0	NA	NA	0.0%							
39900	1997	0	-	-	0	NA	NA	NA	0.0%						
39900	1998	0	-	-	0	NA	NA	NA	NA	0.0%					
39900	1999	0	-	-	0	NA	NA	NA	NA	NA	0.00%				
39900	2000	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%			
39900	2001	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%		
39900	2002	8,143	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	
39900	2003	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2004	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2005	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2006	0	-	-	0	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2007	0	-	-	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2008	224,866	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2009	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2010	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2011	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2011	0	-	-	0	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2012	0	-	-	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39900	2013	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
39900	2014	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
39901	2007	0	-	-	0	NA									
39901	2008	0	-	-	0	NA	NA								
39901	2009	0	-	-	0	NA	NA	NA							
39901	2010	0	-	-	0	NA	NA	NA	NA						
39901	2011	0	-	-	0	NA	NA	NA	NA	NA					
39901	2012	10,873,205	-	(129)	129	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				
39901	2013	3,585,984	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39901	2014	452,050	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39902	2007	0	-	-	0	NA									
39902	2008	0	-	-	0	NA	NA								
39902	2009	0	-	-	0	NA	NA	NA							
39902	2010	0	-	-	0	NA	NA	NA	NA						
39902	2011	0	-	-	0	NA	NA	NA	NA	NA					
39902	2012	6,624,796	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				

**ATMOS ENERGY - SHARED SERVICES UNIT**  
**Depreciation Study as of September 30, 2014**  
**Net Salvage Analysis**

Acct	Activity Year	Retirement	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
39902	2013	1,467,368	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39902	2014	497,701	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39903	2006	11,472	-	-	0	0.0%									
39903	2007	0	-	-	0	NA	0.0%								
39903	2008	0	-	-	0	NA	NA	0.0%							
39903	2009	0	-	-	0	NA	NA	NA	0.0%						
39903	2010	0	-	-	0	NA	NA	NA	NA	0.0%					
39903	2011	0	-	-	0	NA	NA	NA	NA	NA					
39903	2012	886,044	-	1,278	(1,278)	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.14%				
39903	2013	110,059	-	-	0	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.13%	-0.13%			
39903	2014	237,149	-	-	0	0.0%	0.0%	-0.1%	-0.1%	-0.1%	-0.10%	-0.10%	-0.10%		
39904	2007	0	-	-	0	NA									
39904	2008	0	-	-	0	NA	NA								
39904	2009	0	-	-	0	NA	NA	NA							
39904	2010	0	-	-	0	NA	NA	NA	NA						
39904	2011	0	-	-	0	NA	NA	NA	NA	NA					
39904	2012	1,095,465	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				
39904	2013	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39904	2014	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39905	2007	0	-	-	0	NA									
39905000	2008	0	-	-	0	NA	NA								
39905000	2009	0	-	-	0	NA	NA	NA							
39905000	2010	0	-	-	0	NA	NA	NA	NA						
39905000	2011	0	-	-	0	NA	NA	NA	NA	NA					
39905000	2012	1,159,964	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				
39905000	2013	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39905000	2014	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39906	1994	97,832	-	-	0	0.0%									
39906	1995	0	-	-	0	NA	0.0%								
39906	1996	116,913	-	-	0	0.0%	0.0%	0.0%							
39906	1997	0	-	-	0	NA	0.0%	0.0%	0.0%						

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39906	1998	0	-	-	0	NA	NA	0.0%	0.0%	0.0%					
39906	1999	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%				
39906	2000	2,832	3,000	45	2,955	104.3%	104.3%	104.3%	104.3%	2.5%	2.47%	1.36%			
39906	2001	0	-	-	0	NA	104.3%	104.3%	104.3%	104.3%	2.47%	2.47%	1.36%		
39906	2002	6,189,732	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.05%	0.05%	0.05%	0.05%	
39906	2003	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.05%	0.05%	0.05%	0.05%	0.05%
39906	2004	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.05%	0.05%	0.05%	0.05%	0.05%
39906	2005	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.05%	0.05%	0.05%	0.05%	0.05%
39906	2006	2,632,955	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.03%	0.03%	0.03%	0.03%
39906	2007	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.03%	0.03%	0.03%
39906	2008	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.03%	0.03%
39906	2009	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.03%
39906	2010	0	-	-	0	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39906	2011	0	-	-	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39906	2011	2,825,516	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39906	2012	4,649,967	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39906	2013	217,744	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39906	2014	162,562	250	-	250	0.2%	0.1%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	1994	38,759	-	-	0	0.0%									
39907	1995	0	-	-	0	NA	0.0%								
39907	1996	0	-	-	0	NA	NA	0.0%							
39907	1997	0	-	-	0	NA	NA	NA	0.0%						
39907	1998	0	-	-	0	NA	NA	NA	NA	0.0%					
39907	1999	0	-	-	0	NA	NA	NA	NA	NA	0.00%				
39907	2000	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%			
39907	2001	0	-	-	0	NA	NA	NA	NA	NA	NA	NA	0.00%		
39907	2002	861,539	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	
39907	2003	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2004	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2005	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2006	16,495	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2007	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2008	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2009	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2010	0	-	-	0	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2011	0	-	-	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2011	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%

**ATMOS ENERGY - SHARED SERVICES UNIT**  
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39907	2012	2,918,743	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2013	366,151	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39907	2014	599,561	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	1995	5,256	-	-	0	0.0%									
39908	1996	0	-	-	0	NA	0.0%								
39908	1997	0	-	-	0	NA	NA	0.0%							
39908	1998	0	-	-	0	NA	NA	NA	0.0%						
39908	1999	0	-	-	0	NA	NA	NA	NA	0.0%					
39908	2000	8,032,596	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%				
39908	2001	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%			
39908	2002	9,573,067	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%		
39908	2003	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	
39908	2004	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2005	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2006	731,136	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2007	0	-	-	0	NA	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2008	0	-	-	0	NA	NA	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2009	0	-	-	0	NA	NA	NA	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2010	0	-	-	0	NA	NA	NA	NA	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2011	0	-	-	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2011	0	-	-	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
39908	2012	2,603,072	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2013	60,097,599	-	206	(206)	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39908	2014	-68,545	-	-	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
39909	2007	0	-	-	0	NA									
39909	2008	0	-	-	0	NA	NA								
39909	2009	0	-	-	0	NA	NA	NA							
39909	2010	0	-	-	0	NA	NA	NA	NA						



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(7)(t)**  
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**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:
- (t) A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application. This list shall include:
1. Each software, program, or model;
  2. What the software, program, or model was used for;
  3. The supplier of each software, program, or model;
  4. A brief description of the software, program, or model; and
  5. The specifications for the computer hardware and the operating system required to run the program;

**RESPONSE:**

Atmos Energy prepared testimony, documents, schedules, slides and work papers presented in this filing using Microsoft Office 2013 products. Computers on which Microsoft Office is installed are running Windows 10. The computers used were manufactured by Dell and are IBM compatible. The computers used have processing speeds of at least 2GHz with 2GB of RAM. The Class Cost of Service Study was prepared by using Microsoft Office 2013.

Respondent: Greg Waller



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(7)(u)**  
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**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:
- (u) If the utility had amounts charged or allocated to it by an affiliate or a general or home office or paid monies to an affiliate or a general or home office during the base period or during the previous three (3) calendar years, the utility shall file:
1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each allocation or payment;
  2. The method and amounts allocated during the base period and the method and estimated amounts to be allocated during the forecasted test period;
  3. An explanation of how the allocator for both the base period and the forecasted test period were determined; and
  4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated, or paid during the base period is reasonable;

**RESPONSE:**

- 1) The allocation of costs are fully described in the Company's Cost Allocation Manual as filed with this Commission, the latest of which is attached as Exhibit GKL-1 to the Direct Testimony of Laura Gillham. Please see Exhibit GKW-1 to the Direct Testimony of Greg Waller, which provides the composite factors used to allocate costs and rate base items in this rate proceeding.
- 2) Please see Schedules C.2.1 of FR 16(8)(c), account 922.
- 3) Please see the response to subpart (1).
- 4) Please see the response to subpart (1).

Respondent: Laura Gillham



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(7)(v)**  
**Page 1 of 1**

**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:
- (v) If the utility provides gas, electric, sewage, or water utility service and has annual gross revenues greater than \$5,000,000 in the division for which a rate adjustment is sought, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period; and

**RESPONSE:**

Please see the Direct Testimony of Paul Raab.

Respondent: Paul Raab



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(7)(w)**  
**Page 1 of 1**

**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:
- (w) Incumbent local exchange carriers with fewer than 50,000 access lines shall not be required to file cost of service studies, except as specifically directed by the commission. Local exchange carriers with more than 50,000 access lines shall file:
1. A jurisdictional separations study consistent with 47 C.F.R. Part 36; and
  2. Service specific cost studies to support the pricing of all services that generate annual revenue greater than \$1,000,000 except local exchange access:
    - a. Based on current and reliable data from a single time period; and
    - b. Using generally recognized fully allocated, embedded, or incremental cost principles.

**RESPONSE:**

Not applicable.



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(a)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (a) A jurisdictional financial summary for both the base period and the forecasted period that details how the utility derived the amount of the requested revenue increase;

**RESPONSE:**

Please see attachment FR\_16(8)(a)\_Att1, Schedule A.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(a)\_Att1 - Schedule A.xlsx, 4 Pages.

Respondent: Greg Waller

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

<u>Schedule</u>	<u>Description</u>	<u>Filing Requirement</u>
A	<u>Summary</u>	FR 16(8)(a)
B	<u>Rate Base</u>	FR 16(8)(b)
C	<u>Operating Income (Revenues &amp; Expenses)</u>	FR 16(8)(c)
D	<u>Adjustments to Operating Income by Account</u>	FR 16(8)(d)
E	<u>Income Tax Calculation</u>	FR 16(8)(e)
F	<u>Rule F Compliance Adjustments</u>	FR 16(8)(f)
G	<u>Payroll Analysis</u>	FR 16(8)(g)
H	<u>Gross Revenue Conversion Factor</u>	FR 16(8)(h)
I	<u>Comparative Income Statements</u>	FR 16(8)(i)
J	<u>Cost of Capital</u>	FR 16(8)(j)
K	<u>Comparative Financial Data</u>	FR 16(8)(k)

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

**Allocation Factors**

Line No.	Description	Forecast Period			Base Period		
		KY/ Md-Sts Division	Kentucky Jurisdiction	Kentucky Composite	KY/ Md-Sts Division	Kentucky Jurisdiction	Kentucky Composite
	<b>Rate Base, Dep. Exp., &amp; Taxes Other</b>						
1	<b>Shared Services</b>						
2	General Office (Div 002)	10.35%	50.25%	5.20%	10.35%	50.25%	5.20%
3	Customer Support (Div 012)	10.93%	51.88%	5.67%	10.93%	51.88%	5.67%
4	<b>Kentucky/Mid-States</b>						
5	Mid-States General Office (Div 091)	100%	50.25%	50.25%	100%	50.25%	50.25%
6							
7							
8	<b>Greenville Avenue Data Center</b>			1.55%			1.55%
9	<b>Charles K. Vaughan Center</b>			2.33%			2.33%
10	<b>AEAM</b>			6.44%			6.44%
11	<b>ALGN</b>			0.00%			
12							
13	<b>Kentucky Composite Tax</b>			38.90%			
14							
15	<b>Rate of Return on Equity</b>			10.30%			
16							
17	<b>STDRATE</b>			1.99%			
18							
19	<b>LTD RATE</b>			5.11%			

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

<b>Schedule</b>	<b>Pages</b>	<b>Description</b>
A	1	Overall Financial Summary

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Overall Financial Summary  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period FR 16(8)(a)  
Type of Filing:  Original  Updated  Revised Schedule A  
Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller

Line No.	Description (a)	Supporting Schedule Reference (b)	Base Jurisdictional Revenue Requirement (c)	Forecasted Jurisdictional Revenue Requirement (d)
1	Rate Base	B-1	\$ 369,386,897	\$ 430,095,330
2	Adjusted Operating Income	C-1	\$ 27,961,663	\$ 26,926,486
3	Earned Rate of Return (line 2 divided by line 1)	J-1.1	7.57%	6.26%
4	Required Rate of Return	J-1	7.82%	7.73%
5	Required Operating Income (line 1 times line 4)	C-1	\$ 28,886,055	\$ 33,246,369
6	Operating Income Deficiency (line 5 minus line 2)	C-1	\$ 924,392	\$ 6,319,883
7	Gross Revenue Conversion Factor	H	1.64819	1.64819
8	<b>Revenue Deficiency (line 6 times line 7)</b>		<b>\$ 1,523,574</b>	<b>\$ 10,416,375</b>
9	Revenue Increase Requested	C-1		\$ 10,416,375
10	Adjusted Operating Revenues	C-1		\$ 170,729,276
11	Revenue Requirements (line 9 plus line 10)	C-1		\$ 181,145,651



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(b)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (b) A jurisdictional rate base summary for both the base period and the forecasted period with supporting schedules, which include detailed analyses of each component of the rate base;

**RESPONSE:**

Please see attachment FR\_16(8)(b)\_Att1, Schedules B-1 - B-6 and workpapers.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(b)\_Att1 - Schedules B-1 - B-6 and WPs.xlsx, 53 Pages.

Respondents: Greg Waller and Laura Gillham

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

FR 16(8)(b) SCHEDULE B

**Rate Base**

<b>Schedule</b>	<b>Pages</b>	<b>Description</b>
B-1	2	Rate Base Summary
B-2	14	Plant in Service by Account and Sub Account
B-3	14	Accumulated Depreciation & Amortization
B-3.1	5	Depreciation Expense
B-4	2	Allowance for Working Capital
B-4.1	2	Working Capital Components - 13 Month Averages
B-4.2	2	Cash Working Capital - 1/8 O&M Expenses
B-5	2	Deferred Credits & Accumulated Deferred Income Taxes
B-6	2	Customer Advances For Construction

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Rate Base Summary  
as of December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised  
Workpaper Reference No(s).

FR 16(8)(b)1  
Schedule B-1  
Witness: Waller

Line No.	Rate Base Component	Supporting Schedule Reference	Base Period Ending Balance	Base Period 13 Month Average
1	Plant in Service	B-2 B	\$ 609,603,942	\$ 580,489,691
2	Construction Work in Progress	B-2 B	27,493,203	22,166,217
3	Accumulated Depreciation and Amortization	B-3 B	<u>(191,190,491)</u>	<u>(185,290,734)</u>
4	Property Plant and Equipment, Net (Sum line 1 Thru 3)		\$ 445,906,654	\$ 417,365,173
5	Cash Working Capital Allowance	B-4.2 B	\$ 3,370,236	\$ 3,370,236
6	Other Working Capital Allowances (Inventory & Prepaids)	B-4.1 B	14,276,317	10,581,761
7	Customer Advances For Construction	B-6 B	(1,437,537)	(1,455,773)
8	Regulatory Assets	F.6	-	-
9	Deferred Inc. Taxes and Investment Tax Credits	B-5 B	<u>(65,525,547)</u>	<u>(60,474,501)</u>
10	Rate Base (Sum line 4 Thru 8)		<u>\$ 396,590,124</u>	<u>\$ 369,386,897</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Rate Base Summary  
as of March 31, 2019

Data:        Base Period   X   Forecasted Period  
Type of Filing:   X   Original        Updated        Revised  
Workpaper Reference No(s).

FR 16(8)(b)1  
Schedule B-1  
Witness: Waller

Line No.	Rate Base Component	Supporting Schedule Reference	Forecasted Test Period Ending Balance	Forecasted Test Period 13 Month Average
1	Plant in Service	B-2 F	\$ 679,131,593	\$ 657,447,129
2	Construction Work in Progress	B-2 F	27,493,203	27,493,203
3	Accumulated Depreciation and Amortization	B-3 F	<u>(199,948,564)</u>	<u>(191,846,139)</u>
4	Property Plant and Equipment, Net (Sum Line 1 Thru 3)		\$ 506,676,232	\$ 493,094,193
5	Cash Working Capital Allowance	B-4.2 F	\$ 3,270,504	\$ 3,270,504
6	Other Working Capital Allowances (Inventory & Prepays)	B-4.1 F	(1,776,684)	10,232,568
7	Customer Advances For Construction	B-6 F	(1,437,537)	(1,437,537)
8	Regulatory Assets	F.6	156,942	235,413
9	Deferred Inc. Taxes and Investment Tax Credits	B-5 F	<u>(78,504,836) *</u>	<u>(75,299,812)</u>
10	Rate Base (Sum Line 4 Thru 8)		<u>\$ 428,384,620</u>	<u>\$ 430,095,330</u>

*\*Test Period ending ADIT balance does not include forecasted change in NOLC.  
Forecasted change in NOLC is calculated on B.5F on a 13 month average basis only  
and included in rate base and revenue requirement.*

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Plant in Service by Accounts and SubAccounts  
 as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised  
 Workpaper Reference No(s):

FR 16(8)(b)2  
 Schedule B-2 F  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
<b>Kentucky Direct (Division 009)</b>												
1		<u>Intangible Plant</u>										
2	30100	Organization	\$ 8,330	\$ -	\$ 8,329.72	100%	100%	\$ 8,330	\$ 8,330	100%	100%	\$ 8,329.72
3	30200	Franchises & Consents	\$ 119,853	-	119,853	100%	100%	119,853	119,853	100%	100%	119,853
4												
5		Total Intangible Plant	\$ 128,182	\$ -	\$ 128,182			\$ 128,182	\$ 128,182			\$ 128,182
6												
7		<u>Natural Gas Production Plant</u>										
8	32540	Rights of Ways	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
9	33202	Tributary Lines	\$ -	-	-	100%	100%	-	-	100%	100%	-
10	33400	Field Meas. & Reg. Sta. Equip	\$ -	-	-	100%	100%	-	-	100%	100%	-
11												
12		Total Natural Gas Production Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
13												
14		<u>Storage Plant</u>										
15	35010	Land	\$ 261,127	\$ -	\$ 261,126.69	100%	100%	\$ 261,126.69	\$ 261,127	100%	100%	\$ 261,126.69
16	35020	Rights of Way	\$ 4,682	-	4,682	100%	100%	4,682	4,682	100%	100%	4,682
17	35100	Structures and Improvements	\$ 17,916	-	17,916	100%	100%	17,916	17,916	100%	100%	17,916
18	35102	Compression Station Equipment	\$ 153,261	-	153,261	100%	100%	153,261	153,261	100%	100%	153,261
19	35103	Meas. & Reg. Sta. Structures	\$ 23,138	-	23,138	100%	100%	23,138	23,138	100%	100%	23,138
20	35104	Other Structures	\$ 137,443	-	137,443	100%	100%	137,443	137,443	100%	100%	137,443
21	35200	Wells \ Rights of Way	\$ 7,430,334	-	7,430,334	100%	100%	7,430,334	7,430,334	100%	100%	7,430,334
22	35201	Well Construction	\$ 1,699,999	-	1,699,999	100%	100%	1,699,999	1,699,999	100%	100%	1,699,999
23	35202	Well Equipment	\$ 415,819	-	415,819	100%	100%	415,819	415,819	100%	100%	415,819
24	35203	Cushion Gas	\$ 1,694,833	-	1,694,833	100%	100%	1,694,833	1,694,833	100%	100%	1,694,833
25	35210	Leaseholds	\$ 178,530	-	178,530	100%	100%	178,530	178,530	100%	100%	178,530
26	35211	Storage Rights	\$ 54,614	-	54,614	100%	100%	54,614	54,614	100%	100%	54,614
27	35301	Field Lines	\$ 178,497	-	178,497	100%	100%	178,497	178,497	100%	100%	178,497
28	35302	Tributary Lines	\$ 209,458	-	209,458	100%	100%	209,458	209,458	100%	100%	209,458
29	35400	Compressor Station Equipment	\$ 923,446	-	923,446	100%	100%	923,446	923,446	100%	100%	923,446
30	35500	Meas & Reg. Equipment	\$ 481,914	-	481,914	100%	100%	481,914	\$ 439,117	100%	100%	439,117
31	35600	Purification Equipment	\$ 414,663	-	414,663	100%	100%	414,663	\$ 414,663	100%	100%	414,663
32												
33		Total Storage Plant	\$ 14,279,674	\$ -	\$ 14,279,674			\$ 14,279,674	\$ 14,236,877			\$ 14,236,877

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Plant in Service by Accounts and SubAccounts  
 as of March 31, 2019

Data: \_\_\_\_\_ Base Period X Forecasted Period  
 Type of Filing: X Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
 Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)2  
 Schedule B-2 F  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
34												
35		<u>Transmission Plant</u>										
36	36510	Land	\$ 26,970	\$ -	\$ 26,970.37	100%	100%	\$ 26,970	\$ 26,970	100%	100%	\$ 26,970.37
37	36520	Rights of Way	\$ 867,772	-	867,772	100%	100%	867,772	867,772	100%	100%	867,772
38	36602	Structures & Improvements	\$ 49,002	-	49,002	100%	100%	49,002	49,002	100%	100%	49,002
39	36603	Other Structures	\$ 60,826	-	60,826	100%	100%	60,826	60,826	100%	100%	60,826
40	36700	Mains Cathodic Protection	\$ 158,925	-	158,925	100%	100%	158,925	158,925	100%	100%	158,925
41	36701	Mains - Steel	\$ 27,643,442	-	27,643,442	100%	100%	27,643,442	27,643,442	100%	100%	27,643,442
42	36900	Meas. & Reg. Equipment	\$ 731,467	-	731,467	100%	100%	731,467	731,467	100%	100%	731,467
43	36901	Meas. & Reg. Equipment	\$ 2,269,556	-	2,269,556	100%	100%	2,269,556	2,269,556	100%	100%	2,269,556
44												
45		Total Transmission Plant	\$ 31,807,960	\$ -	\$ 31,807,960			\$ 31,807,960	\$ 31,807,960			\$ 31,807,960
46												
47		<u>Distribution Plant</u>										
48	37400	Land & Land Rights	\$ 531,167	\$ -	\$ 531,166.79	100%	100%	\$ 531,167	\$ 531,167	100%	100%	\$ 531,166.79
49	37401	Land	\$ 37,326	-	37,326	100%	100%	37,326	37,326	100%	100%	37,326
50	37402	Land Rights	\$ 3,457,724	-	3,457,724	100%	100%	3,457,724	\$ 3,231,772	100%	100%	3,231,772
51	37403	Land Other	\$ 2,784	-	2,784	100%	100%	2,784	\$ 2,784	100%	100%	2,784
52	37500	Structures & Improvements	\$ 336,168	-	336,168	100%	100%	336,168	\$ 336,168	100%	100%	336,168
53	37501	Structures & Improvements T.B.	\$ 99,818	-	99,818	100%	100%	99,818	\$ 99,818	100%	100%	99,818
54	37502	Land Rights	\$ 46,264	-	46,264	100%	100%	46,264	\$ 46,264	100%	100%	46,264
55	37503	Improvements	\$ 4,005	-	4,005	100%	100%	4,005	\$ 4,005	100%	100%	4,005
56	37600	Mains Cathodic Protection	\$ 20,655,336	-	20,655,336	100%	100%	20,655,336	\$ 20,712,559	100%	100%	20,712,559
57	37601	Mains - Steel	\$ 140,873,358	-	140,873,358	100%	100%	140,873,358	\$ 140,488,694	100%	100%	140,488,694
58	37602	Mains - Plastic	\$ 132,616,482	-	132,616,482	100%	100%	132,616,482	\$ 125,040,068	100%	100%	125,040,068
59	37800	Meas & Reg. Sta. Equip - General	\$ 14,728,716	-	14,728,716	100%	100%	14,728,716	\$ 13,616,673	100%	100%	13,616,673
60	37900	Meas & Reg. Sta. Equip - City Gate	\$ 5,300,150	-	5,300,150	100%	100%	5,300,150	\$ 5,018,152	100%	100%	5,018,152
61	37905	Meas & Reg. Sta. Equipment T.B.	\$ 3,114,225	-	3,114,225	100%	100%	3,114,225	\$ 2,811,184	100%	100%	2,811,184
62	38000	Services	\$ 146,513,249	-	146,513,249	100%	100%	146,513,249	\$ 139,868,620	100%	100%	139,868,620
63	38100	Meters	\$ 44,941,090	-	44,941,090	100%	100%	44,941,090	\$ 41,724,895	100%	100%	41,724,895
64	38200	Meter Installaitons	\$ 57,452,859	-	57,452,859	100%	100%	57,452,859	\$ 56,980,787	100%	100%	56,980,787
65	38300	House Regulators	\$ 12,010,720	-	12,010,720	100%	100%	12,010,720	\$ 11,717,794	100%	100%	11,717,794
66	38400	House Reg. Installations	\$ 263,603	-	263,603	100%	100%	263,603	\$ 249,552	100%	100%	249,552
67	38500	Ind. Meas. & Reg. Sta. Equipment	\$ 5,259,208	-	5,259,208	100%	100%	5,259,208	\$ 5,237,633	100%	100%	5,237,633
68												
69		Total Distribution Plant	\$ 588,244,251	\$ -	\$ 588,244,251			\$ 588,244,251	\$ 567,755,915			\$ 567,755,915

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Plant in Service by Accounts and SubAccounts  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)2  
Schedule B-2 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
70												
71		<b>General Plant</b>										
72	38900	Land & Land Rights	\$ 1,211,697	\$ -	\$ 1,211,697.30	100%	100%	\$ 1,211,697	\$ 1,211,697	100%	100%	\$ 1,211,697.30
73	39000	Structures & Improvements	\$ 7,149,909	-	7,149,909	100%	100%	\$ 7,149,909	\$ 7,148,202	100%	100%	7,148,202
74	39002	Structures-Brick	\$ 173,115	-	173,115	100%	100%	\$ 173,115	\$ 173,115	100%	100%	173,115
75	39003	Improvements	\$ 709,199	-	709,199	100%	100%	\$ 709,199	\$ 709,199	100%	100%	709,199
76	39004	Air Conditioning Equipment	\$ 12,955	-	12,955	100%	100%	\$ 12,955	\$ 12,955	100%	100%	12,955
77	39009	Improvement to Leased Premises	\$ 1,246,194	-	1,246,194	100%	100%	\$ 1,246,194	\$ 1,246,194	100%	100%	1,246,194
78	39100	Office Furniture & Equipment	\$ 1,794,619	-	1,794,619	100%	100%	\$ 1,794,619	\$ 1,794,619	100%	100%	1,794,619
79	39103	Office Machines	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
80	39200	Transportation Equipment	\$ 220,987	-	220,987	100%	100%	\$ 220,987	\$ 220,987	100%	100%	220,987
81	39202	Trailers	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
82	39400	Tools, Shop & Garage Equipment	\$ 6,025,514	-	6,025,514	100%	100%	\$ 6,025,514	\$ 5,455,993	100%	100%	5,455,993
83	39603	Ditchers	\$ 39,610	-	39,610	100%	100%	\$ 39,610	\$ 39,610	100%	100%	39,610
84	39604	Backhoes	\$ 62,747	-	62,747	100%	100%	\$ 62,747	\$ 62,747	100%	100%	62,747
85	39605	Welders	\$ 19,427	-	19,427	100%	100%	\$ 19,427	\$ 19,427	100%	100%	19,427
86	39700	Communication Equipment	\$ 358,965	-	358,965	100%	100%	\$ 358,965	\$ 358,965	100%	100%	358,965
87	39701	Communication Equip.	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
88	39702	Communication Equip.	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
89	39705	Communication Equip. - Telemetry	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
90	39800	Miscellaneous Equipment	\$ 3,772,427	-	3,772,427	100%	100%	\$ 3,772,427	\$ 3,791,155	100%	100%	3,791,155
91	39901	Servers Hardware	\$ 14,390	-	14,390	100%	100%	\$ 14,390	\$ -	100%	100%	-
92	39902	Servers Software	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
93	39903	Other Tangible Property - Network - H/W	\$ 134,599	-	134,599	100%	100%	\$ 134,599	\$ 134,599	100%	100%	134,599
94	39906	Other Tang. Property - PC Hardware	\$ 1,893,352	-	1,893,352	100%	100%	\$ 1,893,352	\$ 1,770,509	100%	100%	1,770,509
95	39907	Other Tang. Property - PC Software	\$ -	-	-	100%	100%	\$ -	\$ -	100%	100%	-
96	39908	Other Tang. Property - Mainframe S/W	\$ 123,515	-	123,515	100%	100%	\$ 123,515	\$ 123,515	100%	100%	123,515
97												
98		Total General Plant	\$ 24,963,221	\$ -	\$ 24,963,221			\$ 24,963,221	\$ 24,273,489			\$ 24,273,489
99												
100		Total Plant (Div 9)	\$ 659,423,289	\$ -	\$ 659,423,289			\$ 659,423,289	\$ 638,202,423			\$ 638,202,423
101												
102		CWIP With out AFUDC	\$ 26,845,505	\$ -	\$ 26,845,505	100%	100%	\$ 26,845,505	\$ 26,845,505	100%	100%	\$ 26,845,505

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Plant in Service by Accounts and SubAccounts  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s).

FR 16(8)(b)2  
Schedule B-2 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
103												
104		<b>Kentucky-Mid-States General Office (Division 091)</b>										
105												
106		<u>Intangible Plant</u>										
107	30100	Organization	\$ 185,309	\$ -	\$ 185,309	100%	50.25%	\$ 93,120	\$ 185,309	100%	50.25%	\$ 93,120
108	30300	Misc Intangible Plant	\$ 1,109,552	-	1,109,552	100%	50.25%	557,565	\$ 1,109,552	100%	50.25%	557,565
109												
110		Total Intangible Plant	\$ 1,294,861	\$ -	\$ 1,294,861			\$ 650,685	\$ 1,294,861			\$ 650,685
111												
112		<u>Distribution Plant</u>										
113	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
114	35010	Land	-	-	-	100%	50.25%	-	-	100%	50.25%	-
115	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
116	37403	Land Other	-	-	-	100%	50.25%	-	-	100%	50.25%	-
117	36602	Structures & Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
118	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
119	37501	Structures & Improvements T.B.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
120	37503	Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
121	36700	Mains Cathodic Protection	-	-	-	100%	50.25%	-	-	100%	50.25%	-
122	36701	Mains - Steel	-	-	-	100%	50.25%	-	-	100%	50.25%	-
123	37802	Mains - Plastic	-	-	-	100%	50.25%	-	-	100%	50.25%	-
124	37800	Meas & Reg. Sta. Equip - General	-	-	-	100%	50.25%	-	-	100%	50.25%	-
125	37900	Meas & Reg. Sta. Equip - City Gate	-	-	-	100%	50.25%	-	-	100%	50.25%	-
126	37905	Meas & Reg. Sta. Equipment T.b.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
127	38000	Services	-	-	-	100%	50.25%	-	-	100%	50.25%	-
128	38100	Meters	-	-	-	100%	50.25%	-	-	100%	50.25%	-
129	38200	Meter Installaitons	-	-	-	100%	50.25%	-	-	100%	50.25%	-
130	38300	House Regulators	-	-	-	100%	50.25%	-	-	100%	50.25%	-
131	38400	House Reg. Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
132	38500	Ind. Meas. & Reg. Sta. Equipment	-	-	-	100%	50.25%	-	-	100%	50.25%	-
133	38600	Other Prop. On Cust. Prem	-	-	-	100%	50.25%	-	-	100%	50.25%	-
134												
135		Total Distribution Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
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 as of March 31, 2019

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 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
 Workpaper Reference No(s).

FR 16(8)(b)2  
 Schedule B-2 F  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
136												
137		<b>General Plant **</b>										
138	39001	Structures Frame	\$ 179,339	\$ -	\$ 179,339	100%	50.25%	\$ 90,120	\$ 179,339	100%	50.25%	\$ 90,120
139	39004	Air Conditioning Equipment	\$ 15,384	-	15,384	100%	50.25%	7,731	\$ 15,384	100%	50.25%	7,731
140	39009	Improvement to leased Premises	\$ 38,834	-	38,834	100%	50.25%	19,515	\$ 38,834	100%	50.25%	19,515
141	39100	Office Furniture & Equipment	\$ 41,397	-	41,397	100%	50.25%	20,803	\$ 41,397	100%	50.25%	20,803
142	39101	Office Furniture And	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
143	39103	Office Machines	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
144	39200	Transportation Equipment	\$ 27,285	-	27,285	100%	50.25%	13,711	\$ 27,285	100%	50.25%	13,711
145	39300	Stores Equipment	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
146	39400	Tools, Shop & Garage Equipment	\$ 186,174	-	186,174	100%	50.25%	93,555	\$ 181,814	100%	50.25%	91,364
147	39600	Power Operated Equipment	\$ 20,516	-	20,516	100%	50.25%	10,309	\$ 20,516	100%	50.25%	10,309
148	39700	Communication Equipment	\$ 66,533	-	66,533	100%	50.25%	33,434	\$ 54,267	100%	50.25%	27,270
149	39701	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
150	39702	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
151	39800	Miscellaneous Equipment	\$ 814,167	-	814,167	100%	50.25%	409,130	\$ 814,167	100%	50.25%	409,130
152	39900	Other Tangible Property	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
153	39901	Other Tangible Property - Servers - H/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
154	39902	Other Tangible Property - Servers - S/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
155	39903	Other Tangible Property - Network - H/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
156	39906	Other Tang. Property - PC Hardware	\$ 74,190	-	74,190	100%	50.25%	37,281	\$ 74,190	100%	50.25%	37,281
157	39907	Other Tang. Property - PC Software	\$ 35,064	-	35,064	100%	50.25%	17,620	\$ 35,064	100%	50.25%	17,620
158	39908	Other Tang. Property - Mainframe S/W	\$ 828,509	-	828,509	100%	50.25%	416,337	\$ 828,509	100%	50.25%	416,337
159												
160		Total General Plant	\$ 2,327,391	\$ -	\$ 2,327,391			\$ 1,169,546	\$ 2,310,764			\$ 1,161,191
161												
162		Total Plant (Div 91)	\$ 3,622,252	\$ -	\$ 3,622,252			\$ 1,820,231	\$ 3,605,625			\$ 1,811,876
163												
164		CWIP With out AFUDC	\$ (10,502)	\$ -	\$ (10,502)	100%	50.25%	\$ (5,277)	\$ (10,502)	100%	50.25%	\$ (5,277)

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Plant in Service by Accounts and SubAccounts  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)2  
Schedule B-2 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019		Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
			Ending Balance	Adjustments								
			(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f) = (c) * (d) * (e)				
165												
166		Shared Services General Office (Division 002)										
167												
168		General Plant										
169	39000	Structures & Improvements	\$ 1,411,508	\$ -	\$ 1,411,508	10.35%	50.25%	\$ 73,413	\$ 1,411,473	10.35%	50.25%	\$ 73,411
170	39005	G-Structures & Improvements	\$ 9,133,015	-	9,133,015	100.00%	1.55%	141,630	\$ 9,133,015	100.00%	1.55%	141,630
171	39009	Improvement to leased Premises	\$ 9,981,070	-	9,981,070	10.35%	50.25%	519,117	\$ 9,784,879	10.35%	50.25%	508,913
172	39020	Struct & Improv AEAM	\$ -	-	-	100.00%	6.44%	-	\$ -	100.00%	6.44%	-
173	39029	Improv-Leased AEAM	\$ -	-	-	100.00%	6.44%	-	\$ -	100.00%	6.44%	-
174	39100	Office Furniture & Equipment	\$ 5,149,733	-	5,149,733	10.35%	50.25%	267,838	\$ 5,126,893	10.35%	50.25%	266,651
175	39102	Remittance Processing Equip	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
176	39103	Office Machines	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
177	39104	G-Office Furniture & Equip.	\$ 63,741	-	63,741	100.00%	1.55%	988	\$ 63,741	100.00%	1.55%	988
178	39120	Off Furn & Equip-AEAM	\$ 263,338	-	263,338	100.00%	6.44%	16,952	\$ 263,338	100.00%	6.44%	16,952
179	39200	Transportation Equipment	\$ 7,125	-	7,125	10.35%	50.25%	371	\$ 7,125	10.35%	50.25%	371
180	39300	Stores Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
181	39400	Tools, Shop & Garage Equipment	\$ 138,023	-	138,023	10.35%	50.25%	7,179	\$ 121,416	10.35%	50.25%	6,315
182	39420	Tools And Garage-AEAM	\$ 536,387	-	536,387	100.00%	6.44%	34,528	\$ 392,536	100.00%	6.44%	25,268
183	39500	Laboratory Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
184	39700	Communication Equipment	\$ 1,788,308	-	1,788,308	10.35%	50.25%	93,010	\$ 1,788,308	10.35%	50.25%	93,010
185	39720	Commun Equip AEAM	\$ 8,824	-	8,824	100.00%	6.44%	568	\$ 8,824	100.00%	6.44%	568
186	39800	Miscellaneous Equipment	\$ 136,510	-	136,510	10.35%	50.25%	7,100	\$ 136,510	10.35%	50.25%	7,100
187	39820	Misc Equip - AEAM	\$ 7,388	-	7,388	100.00%	6.44%	476	\$ 7,388	100.00%	6.44%	476
188	39900	Other Tangible Property	\$ 162,268	-	162,268	10.35%	50.25%	8,440	\$ 162,268	10.35%	50.25%	8,440
189	39901	Other Tangible Property - Servers - H/W	\$ 36,506,046	-	36,506,046	10.35%	50.25%	1,898,685	\$ 35,932,078	10.35%	50.25%	1,868,833
190	39902	Other Tangible Property - Servers - S/W	\$ 19,005,572	-	19,005,572	10.35%	50.25%	988,483	\$ 19,005,572	10.35%	50.25%	988,483
191	39903	Other Tangible Property - Network - H/W	\$ 3,548,953	-	3,548,953	10.35%	50.25%	184,582	\$ 3,548,953	10.35%	50.25%	184,582
192	39904	Other Tang. Property - CPU	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
193	39905	Other Tangible Property - MF - Hardware	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
194	39906	Other Tang. Property - PC Hardware	\$ 1,911,064	-	1,911,064	10.35%	50.25%	99,395	\$ 1,879,606	10.35%	50.25%	97,759
195	39907	Other Tang. Property - PC Software	\$ 1,470,383	-	1,470,383	10.35%	50.25%	76,475	\$ 1,471,233	10.35%	50.25%	76,519
196	39908	Other Tang. Property - Mainframe S/W	\$ 78,490,636	-	78,490,636	10.35%	50.25%	4,082,310	\$ 73,682,456	10.35%	50.25%	3,832,236
197	39909	Other Tang. Property - Application Software	\$ 39,252	-	39,252	10.35%	50.25%	2,041	\$ 39,252	10.35%	50.25%	2,041
198	39921	Servers-Hardware-AEAM	\$ 1,628,900	-	1,628,900	100.00%	6.44%	104,856	\$ 1,628,900	100.00%	6.44%	104,856
199	39922	Servers-Software-AEAM	\$ 961,256	-	961,256	100.00%	6.44%	61,878	\$ 961,256	100.00%	6.44%	61,878
200	39923	Network Hardware-AEAM	\$ 60,170	-	60,170	100.00%	6.44%	3,873	\$ 60,170	100.00%	6.44%	3,873
201	39924	39924-Oth Tang Prop - Gen.	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
202	39926	Pc Hardware-AEAM	\$ 426,127	-	426,127	100.00%	6.44%	27,431	\$ 396,158	100.00%	6.44%	25,501
203	39928	Application SW-AEAM	\$ 19,396,382	-	19,396,382	100.00%	6.44%	1,248,584	\$ 19,396,382	100.00%	6.44%	1,248,584
204	39931	ALGN-Servers-Hardware	\$ 305,486	-	305,486	100.00%	0.00%	-	\$ 303,061	100.00%	0.00%	-
205	39932	ALGN-Servers-Software	\$ 356,088	-	356,088	100.00%	0.00%	-	\$ 353,032	100.00%	0.00%	-
206	39938	ALGN-Application SW	\$ 18,166,787	-	18,166,787	100.00%	0.00%	-	\$ 17,975,135	100.00%	0.00%	-
207												
208		Total General Plant (Div 2)	\$ 211,060,341	\$ -	\$ 211,060,341			\$ 9,950,202	\$ 205,040,960			\$ 9,645,237
209												
210		CWIP With out AFUDC	\$ 8,866,627	\$ -	\$ 8,866,627	10.35%	50.25%	\$ 461,155	\$ 8,866,627	10.35%	50.25%	\$ 461,155

Atmos Energy Corporation, Kentucky/Mid-States Division  
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 as of March 31, 2019

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 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
 Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)2  
 Schedule B-2 F  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	3/31/2019			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
211												
212		Shared Services Customer Support (Division 012)										
213												
214		General Plant										
215	38900	Land	\$ 2,874,240	\$ -	\$ 2,874,240	10.93%	51.88%	\$ 162,995	\$ 2,874,240	10.93%	51.88%	\$ 162,995
216	38910	CKV-Land & Land Rights	\$ 1,887,123	-	1,887,122.88	100.00%	2.33%	44,016	\$ 1,887,123	100.00%	2.33%	44,016
217	39000	Structures & Improvements	\$ 12,620,665	-	12,620,665.26	10.93%	51.88%	715,706	\$ 12,620,665	10.93%	51.88%	715,706
218	39009	Improvement to leased Premises	\$ 2,820,614	-	2,820,613.55	10.93%	51.88%	159,954	\$ 2,820,614	10.93%	51.88%	159,954
219	39010	CKV-Structures & Improvements	\$ 24,615,279	-	24,615,279.03	100.00%	2.33%	574,135	\$ 20,859,933	100.00%	2.33%	486,544
220	39100	Office Furniture & Equipment	\$ 2,468,503	-	2,468,502.59	10.93%	51.88%	139,986	\$ 2,438,352	10.93%	51.88%	138,277
221	39101	Office Furniture And	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
222	39102	Remittance Processing	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
223	39103	39103-Office Furn. - Copiers & Typa	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
224	39110	CKV-Office Furn & Eq	\$ 2,747,979	-	2,747,979.32	100.00%	2.33%	64,095	\$ 2,006,914	100.00%	2.33%	46,810
225	39210	CKV-Transportation Eq	\$ 96,290	-	96,290.22	100.00%	2.33%	2,246	\$ 96,290	100.00%	2.33%	2,246
226	39410	CKV-Tools Shop Garage	\$ 347,775	-	347,774.50	100.00%	2.33%	8,112	\$ 347,775	100.00%	2.33%	8,112
227	39510	CKV-Laboratory Equip	\$ 23,632	-	23,632.07	100.00%	2.33%	551	\$ 23,632	100.00%	2.33%	551
228	39700	Communication Equipment	\$ 1,913,117	-	1,913,117.11	10.93%	51.88%	108,491	\$ 1,913,117	10.93%	51.88%	108,491
229	39710	CKV-Communication Equipment	\$ 294,319	-	294,319.45	100.00%	2.33%	6,865	\$ 294,319	100.00%	2.33%	6,865
230	39800	Miscellaneous Equipment	\$ 70,016	-	70,015.66	10.93%	51.88%	3,971	\$ 70,016	10.93%	51.88%	3,971
231	39810	CKV-Misc Equipment	\$ 509,283	-	509,282.85	100.00%	2.33%	11,879	\$ 509,283	100.00%	2.33%	11,879
232	39900	Other Tangible Property	\$ 629,166	-	629,166.46	10.93%	51.88%	35,679	\$ 629,166	10.93%	51.88%	35,679
233	39901	Other Tangible Property - Servers - H/W	\$ 9,312,630	-	9,312,629.87	10.93%	51.88%	528,110	\$ 9,312,040	10.93%	51.88%	528,077
234	39902	Other Tangible Property - Servers - S/W	\$ 1,891,145	-	1,891,144.70	10.93%	51.88%	107,245	\$ 1,891,145	10.93%	51.88%	107,245
235	39903	Other Tangible Property - Network - H/W	\$ 629,226	-	629,225.62	10.93%	51.88%	35,683	\$ 629,226	10.93%	51.88%	35,683
236	39906	Other Tang. Property - PC Hardware	\$ 954,590	-	954,590.22	10.93%	51.88%	54,134	\$ 926,171	10.93%	51.88%	52,522
237	39907	Other Tang. Property - PC Software	\$ 190,247	-	190,246.97	10.93%	51.88%	10,789	\$ 190,247	10.93%	51.88%	10,789
238	39908	Other Tang. Property - Mainframe S/W	\$ 90,725,192	-	90,725,191.52	10.93%	51.88%	5,144,940	\$ 90,020,745	10.93%	51.88%	5,104,992
239	39910	CKV-Other Tangible Property	\$ 320,518	-	320,517.97	100.00%	2.33%	7,476	\$ 260,295	100.00%	2.33%	6,071
240	39916	CKV-Oth Tang Prop-PC Hardware	\$ 312,290	-	312,289.64	100.00%	2.33%	7,284	\$ 290,740	100.00%	2.33%	6,781
241	39917	CKV-Oth Tang Prop-PC Software	\$ 130,749	-	130,748.77	100.00%	2.33%	3,050	\$ 122,540	100.00%	2.33%	2,858
242	39918	CKV-Oth Tang Prop-App	\$ 20,560	-	20,560.16	100.00%	2.33%	480	\$ 20,560	100.00%	2.33%	480
243	39924	Oth Tang Prop - Gen.	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
244												
245		Total General Plant (Div 12)	\$ 158,405,146	\$ -	\$ 158,405,146			\$ 7,937,872	\$ 153,055,146			\$ 7,787,594
246												
247		CWIP With out AFUDC	\$ 3,382,555	\$ -	\$ 3,382,555	10.93%	51.88%	\$ 191,822	\$ 3,382,555	10.93%	51.88%	\$ 191,822
248												
249		Total Plant (Div 009, 091, 002, 012)	\$ 1,032,511,028	\$ -	\$ 1,032,511,028			\$ 679,131,593	\$ 999,904,154			\$ 657,447,129
250												
251		Total CWIP Without AFUDC (Div 009, 091, 002, 012)	\$ 39,084,184	\$ -	\$ 39,084,184			\$ 27,493,203	\$ 39,084,184			\$ 27,493,203
252												

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Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

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Schedule B-2 B  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month			
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)				Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
<b>Kentucky Direct (Division 009)</b>												
1		<u>Intangible Plant</u>										
2	30100	Organization	\$ 8,330	\$ -	\$ 8,330	100%	100%	\$ 8,330	\$ 8,330	100%	100%	\$ 8,330
3	30200	Franchises & Consents	\$ 119,853	-	119,853	100%	100%	119,853	119,853	100%	100%	119,853
4												
5		Total Intangible Plant	\$ 128,182	\$ -	\$ 128,182			\$ 128,182	\$ 128,182			\$ 128,182
6												
7		<u>Natural Gas Production Plant</u>										
8	32540	Rights of Ways	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
9	33202	Tributary Lines	\$ -	-	-	100%	100%	-	-	100%	100%	-
10	33400	Field Meas. & Reg. Sta. Equip	\$ -	-	-	100%	100%	-	-	100%	100%	-
11												
12		Total Natural Gas Production Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
13												
14		<u>Storage Plant</u>										
15	35010	Land	\$ 261,127	\$ -	\$ 261,127	100%	100%	\$ 261,127	\$ 261,127	100%	100%	\$ 261,127
16	35020	Rights of Way	\$ 4,682	-	4,682	100%	100%	4,682	4,682	100%	100%	4,682
17	35100	Structures and Improvements	\$ 17,916	-	17,916	100%	100%	17,916	17,916	100%	100%	17,916
18	35102	Compression Station Equipment	\$ 153,261	-	153,261	100%	100%	153,261	153,261	100%	100%	153,261
19	35103	Meas. & Reg. Sta. Structures	\$ 23,138	-	23,138	100%	100%	23,138	23,138	100%	100%	23,138
20	35104	Other Structures	\$ 137,443	-	137,443	100%	100%	137,443	137,443	100%	100%	137,443
21	35200	Wells \ Rights of Way	\$ 7,430,334	-	7,430,334	100%	100%	7,430,334	7,464,274	100%	100%	7,464,274
22	35201	Well Construction	\$ 1,699,999	-	1,699,999	100%	100%	1,699,999	1,699,999	100%	100%	1,699,999
23	35202	Well Equipment	\$ 415,819	-	415,819	100%	100%	415,819	415,819	100%	100%	415,819
24	35203	Cushion Gas	\$ 1,694,833	-	1,694,833	100%	100%	1,694,833	1,694,833	100%	100%	1,694,833
25	35210	Leaseholds	\$ 178,530	-	178,530	100%	100%	178,530	178,530	100%	100%	178,530
26	35211	Storage Rights	\$ 54,614	-	54,614	100%	100%	54,614	54,614	100%	100%	54,614
27	35301	Field Lines	\$ 178,497	-	178,497	100%	100%	178,497	178,497	100%	100%	178,497
28	35302	Tributary Lines	\$ 209,458	-	209,458	100%	100%	209,458	209,458	100%	100%	209,458
29	35400	Compressor Station Equipment	\$ 923,446	-	923,446	100%	100%	923,446	923,446	100%	100%	923,446
30	35500	Meas & Reg. Equipment	\$ 343,935	-	343,935	100%	100%	343,935	284,402	100%	100%	284,402
31	35600	Purification Equipment	\$ 414,663	-	414,663	100%	100%	414,663	414,663	100%	100%	414,663
32												
33		Total Storage Plant	\$ 14,141,695	\$ -	\$ 14,141,695			\$ 14,141,695	\$ 14,116,102			\$ 14,116,102

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Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised  
Workpaper Reference No(s).

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Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
34												
35		<u>Transmission Plant</u>										
36	36510	Land	\$ 26,970	\$ -	\$ 26,970	100%	100%	\$ 26,970	\$ 26,970	100%	100%	\$ 26,970
37	36520	Rights of Way	\$ 867,772	-	867,772	100%	100%	867,772	\$ 867,772	100%	100%	867,772
38	36602	Structures & Improvements	\$ 49,002	-	49,002	100%	100%	49,002	\$ 49,002	100%	100%	49,002
39	36603	Other Structures	\$ 60,826	-	60,826	100%	100%	60,826	\$ 60,826	100%	100%	60,826
40	36700	Mains Cathodic Protection	\$ 158,925	-	158,925	100%	100%	158,925	\$ 158,925	100%	100%	158,925
41	36701	Mains - Steel	\$ 27,643,442	-	27,643,442	100%	100%	27,643,442	\$ 27,644,379	100%	100%	27,644,379
42	36900	Meas. & Reg. Equipment	\$ 731,467	-	731,467	100%	100%	731,467	\$ 731,467	100%	100%	731,467
43	36901	Meas. & Reg. Equipment	\$ 2,269,556	-	2,269,556	100%	100%	2,269,556	\$ 2,269,556	100%	100%	2,269,556
44												
45		Total Transmission Plant	\$ 31,807,960	\$ -	\$ 31,807,960			\$ 31,807,960	\$ 31,808,897			\$ 31,808,897
46												
47		<u>Distribution Plant</u>										
48	37400	Land & Land Rights	\$ 531,167	\$ -	\$ 531,167	100%	100%	\$ 531,167	\$ 531,167	100%	100%	\$ 531,167
49	37401	Land	\$ 37,326	-	37,326	100%	100%	37,326	\$ 37,326	100%	100%	37,326
50	37402	Land Rights	\$ 2,729,253	-	2,729,253	100%	100%	2,729,253	\$ 2,428,381	100%	100%	2,428,381
51	37403	Land Other	\$ 2,784	-	2,784	100%	100%	2,784	\$ 2,784	100%	100%	2,784
52	37500	Structures & Improvements	\$ 336,168	-	336,168	100%	100%	336,168	\$ 336,168	100%	100%	336,168
53	37501	Structures & Improvements T.B.	\$ 99,818	-	99,818	100%	100%	99,818	\$ 99,818	100%	100%	99,818
54	37502	Land Rights	\$ 46,264	-	46,264	100%	100%	46,264	\$ 46,264	100%	100%	46,264
55	37503	Improvements	\$ 4,005	-	4,005	100%	100%	4,005	\$ 4,005	100%	100%	4,005
56	37600	Mains Cathodic Protection	\$ 20,839,824	-	20,839,824	100%	100%	20,839,824	\$ 20,931,757	100%	100%	20,931,757
57	37601	Mains - Steel	\$ 139,633,200	-	139,633,200	100%	100%	139,633,200	\$ 139,186,817	100%	100%	139,186,817
58	37602	Mains - Plastic	\$ 108,190,082	-	108,190,082	100%	100%	108,190,082	\$ 97,764,861	100%	100%	97,764,861
59	37800	Meas & Reg. Sta. Equip - General	\$ 11,143,483	-	11,143,483	100%	100%	11,143,483	\$ 9,597,586	100%	100%	9,597,586
60	37900	Meas & Reg. Sta. Equip - City Gate	\$ 4,390,986	-	4,390,986	100%	100%	4,390,986	\$ 4,016,210	100%	100%	4,016,210
61	37905	Meas & Reg. Sta. Equipment T.b.	\$ 2,137,220	-	2,137,220	100%	100%	2,137,220	\$ 1,753,407	100%	100%	1,753,407
62	38000	Services	\$ 125,090,929	-	125,090,929	100%	100%	125,090,929	\$ 115,920,466	100%	100%	115,920,466
63	38100	Meters	\$ 34,572,059	-	34,572,059	100%	100%	34,572,059	\$ 30,218,956	100%	100%	30,218,956
64	38200	Meter Installaitons	\$ 55,930,897	-	55,930,897	100%	100%	55,930,897	\$ 55,326,917	100%	100%	55,326,917
65	38300	House Regulators	\$ 11,066,327	-	11,066,327	100%	100%	11,066,327	\$ 10,650,749	100%	100%	10,650,749
66	38400	House Reg. Installations	\$ 218,301	-	218,301	100%	100%	218,301	\$ 199,426	100%	100%	199,426
67	38500	Ind. Meas. & Reg. Sta. Equipment	\$ 5,189,650	-	5,189,650	100%	100%	5,189,650	\$ 5,160,499	100%	100%	5,160,499
68												
69		Total Distribution Plant	\$ 522,189,742	\$ -	\$ 522,189,742			\$ 522,189,742	\$ 494,213,562			\$ 494,213,562

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Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

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Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month				
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)				Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)	
70													
71		<b>General Plant **</b>											
72	38900	Land & Land Rights	\$ 1,211,697	\$ -	\$ 1,211,697	100%	100%	\$ 1,211,697	\$ 1,211,697	100%	100%	\$ 1,211,697	
73	39000	Structures & Improvements	\$ 7,144,406	-	7,144,406	100%	100%	7,144,406	\$ 7,142,326	100%	100%	7,142,326	
74	39002	Structures-Brick	\$ 173,115	-	173,115	100%	100%	173,115	\$ 173,115	100%	100%	173,115	
75	39003	Improvements	\$ 709,199	-	709,199	100%	100%	709,199	\$ 709,199	100%	100%	709,199	
76	39004	Air Conditioning Equipment	\$ 12,955	-	12,955	100%	100%	12,955	\$ 12,955	100%	100%	12,955	
77	39009	Improvement to leased Premises	\$ 1,246,194	-	1,246,194	100%	100%	1,246,194	\$ 1,246,194	100%	100%	1,246,194	
78	39100	Office Furniture & Equipment	\$ 1,794,619	-	1,794,619	100%	100%	1,794,619	\$ 1,794,619	100%	100%	1,794,619	
79	39103	Office Machines	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
80	39200	Transportation Equipment	\$ 220,987	-	220,987	100%	100%	220,987	\$ 245,237	100%	100%	245,237	
81	39202	Trailers	\$ -	-	-	100%	100%	-	\$ 1,323	100%	100%	1,323	
82	39400	Tools, Shop & Garage Equipment	\$ 4,189,376	-	4,189,376	100%	100%	4,189,376	\$ 3,457,519	100%	100%	3,457,519	
83	39603	Ditchers	\$ 39,610	-	39,610	100%	100%	39,610	\$ 39,610	100%	100%	39,610	
84	39604	Backhoes	\$ 62,747	-	62,747	100%	100%	62,747	\$ 62,747	100%	100%	62,747	
85	39605	Welders	\$ 19,427	-	19,427	100%	100%	19,427	\$ 19,427	100%	100%	19,427	
86	39700	Communication Equipment	\$ 358,965	-	358,965	100%	100%	358,965	\$ 358,965	100%	100%	358,965	
87	39701	Communication Equip.	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
88	39702	Communication Equip.	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
89	39705	Communication Equip. - Telemetering	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
90	39800	Miscellaneous Equipment	\$ 3,832,806	-	3,832,806	100%	100%	3,832,806	\$ 3,858,368	100%	100%	3,858,368	
91	39901	Servers Hardware	\$ 14,390	-	14,390	100%	100%	14,390	\$ -	100%	100%	-	
92	39902	Servers Software	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
93	39903	Other Tangible Property - Network - H/W	\$ 134,599	-	134,599	100%	100%	134,599	\$ 134,599	100%	100%	134,599	
94	39906	Other Tang. Property - PC Hardware	\$ 1,497,305	-	1,497,305	100%	100%	1,497,305	\$ 1,330,835	100%	100%	1,330,835	
95	39907	Other Tang. Property - PC Software	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-	
96	39908	Other Tang. Property - Mainframe S/W	\$ 123,515	-	123,515	100%	100%	123,515	\$ 123,515	100%	100%	123,515	
97													
98		Total General Plant	\$ 22,785,912	\$ -	\$ 22,785,912			\$ 22,785,912	\$ 21,922,250			\$ 21,922,250	
99													
100		Total Plant (Div 9)	\$ 591,053,492	\$ -	\$ 591,053,492			\$ 591,053,492	\$ 562,188,994			\$ 562,188,994	
101													
102		CWIP With out AFUDC	\$ 26,845,505	\$ -	\$ 26,845,505	100%	100%	\$ 26,845,505	\$ 21,588,718	100%	100%	\$ 21,588,718	

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Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017		Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
			Ending Balance	Adjustments								
103												
104		<b>Kentucky-Mid-States General Office (Division 091)</b>										
105												
106		<u>Intangible Plant</u>										
107	30100	Organization	\$ 185,309	\$ -	\$ 185,309	100%	50.25%	\$ 93,120	\$ 185,309	100%	50.25%	93,120
108	30300	Misc Intangible Plant	\$ 1,109,552	-	1,109,552	100%	50.25%	557,565	\$ 1,109,552	100%	50.25%	557,565
109												
110		Total Intangible Plant	\$ 1,294,861	\$ -	\$ 1,294,861			\$ 650,685	\$ 1,294,861			\$ 650,685
111												
112		<u>Distribution Plant</u>										
113	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
114	35010	Land	-	-	-	100%	50.25%	-	-	100%	50.25%	-
115	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
116	37403	Land Other	-	-	-	100%	50.25%	-	-	100%	50.25%	-
117	36602	Structures & Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
118	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
119	37501	Structures & Improvements T.B.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
120	37503	Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
121	36700	Mains Cathodic Protection	-	-	-	100%	50.25%	-	-	100%	50.25%	-
122	36701	Mains - Steel	-	-	-	100%	50.25%	-	-	100%	50.25%	-
123	37602	Mains - Plastic	-	-	-	100%	50.25%	-	-	100%	50.25%	-
124	37800	Meas & Reg. Sta. Equip - General	-	-	-	100%	50.25%	-	-	100%	50.25%	-
125	37900	Meas & Reg. Sta. Equip - City Gate	-	-	-	100%	50.25%	-	-	100%	50.25%	-
126	37905	Meas & Reg. Sta. Equipment T.b.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
127	38000	Services	-	-	-	100%	50.25%	-	-	100%	50.25%	-
128	38100	Meters	-	-	-	100%	50.25%	-	-	100%	50.25%	-
129	38200	Meter Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
130	38300	House Regulators	-	-	-	100%	50.25%	-	-	100%	50.25%	-
131	38400	House Reg. Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
132	38500	Ind. Meas. & Reg. Sta. Equipment	-	-	-	100%	50.25%	-	-	100%	50.25%	-
133	38600	Other Prop. On Cust. Prem	-	-	-	100%	50.25%	-	-	100%	50.25%	-
134												
135		Total Distribution Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -

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Schedule B-2 B  
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Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
136												
137		<b>General Plant</b>										
138	39001	Structures Frame	\$ 179,339	-	179,339	100%	50.25%	\$ 90,120	\$ 179,339	100%	50.25%	\$ 90,120
139	39004	Air Conditioning Equipment	\$ 15,384	-	15,384	100%	50.25%	\$ 7,731	\$ 15,384	100%	50.25%	\$ 7,731
140	39009	Improvement to leased Premises	\$ 38,834	-	38,834	100%	50.25%	\$ 19,515	\$ 38,834	100%	50.25%	\$ 19,515
141	39100	Office Furniture & Equipment	\$ 41,397	-	41,397	100%	50.25%	\$ 20,803	\$ 41,397	100%	50.25%	\$ 20,803
142	39101	Office Furniture And	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
143	39103	Office Machines	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
144	39200	Transportation Equipment	\$ 27,285	-	27,285	100%	50.25%	\$ 13,711	\$ 27,285	100%	50.25%	\$ 13,711
145	39300	Stores Equipment	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
146	39400	Tools, Shop & Garage Equipment	\$ 175,867	-	175,867	100%	50.25%	\$ 88,376	\$ 172,787	100%	50.25%	\$ 86,828
147	39600	Power Operated Equipment	\$ 20,516	-	20,516	100%	50.25%	\$ 10,309	\$ 20,516	100%	50.25%	\$ 10,309
148	39700	Communication Equipment	\$ 37,541	-	37,541	100%	50.25%	\$ 18,865	\$ 34,653	100%	50.25%	\$ 17,414
149	39701	Communication Equip.	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
150	39702	Communication Equip.	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
151	39800	Miscellaneous Equipment	\$ 814,167	-	814,167	100%	50.25%	\$ 409,130	\$ 814,167	100%	50.25%	\$ 409,130
152	39900	Other Tangible Property	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
153	39901	Other Tangible Property - Servers - H/W	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
154	39902	Other Tangible Property - Servers - S/W	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
155	39903	Other Tangible Property - Network - H/W	\$ -	-	-	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
156	39906	Other Tang. Property - PC Hardware	\$ 74,190	-	74,190	100%	50.25%	\$ 37,281	\$ 74,190	100%	50.25%	\$ 37,281
157	39907	Other Tang. Property - PC Software	\$ 35,064	-	35,064	100%	50.25%	\$ 17,620	\$ 35,064	100%	50.25%	\$ 17,620
158	39908	Other Tang. Property - Mainframe S/W	\$ 828,509	-	828,509	100%	50.25%	\$ 416,337	\$ 828,509	100%	50.25%	\$ 416,337
159												
160		Total General Plant	\$ 2,288,092	\$ -	\$ 2,288,092			\$ 1,149,797	\$ 2,282,124			\$ 1,146,799
161												
162		Total Plant (Div 91)	\$ 3,582,953	\$ -	\$ 3,582,953			\$ 1,800,483	\$ 3,576,985			\$ 1,797,484
163												
164		CWIP With out AFUDC	\$ (10,502)	\$ -	\$ (10,502)	100%	50.25%	\$ (5,277)	\$ (3,344)	100%	50.25%	\$ (1,680)

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Plant in Service by Accounts and SubAccounts  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(b)2  
Schedule B-2 B  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017		Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
			Ending Balance	Adjustments								
165												
166		<b>Shared Services General Office (Division 002)</b>										
167												
168		General Plant										
169	39000	Structures & Improvements	\$ 1,411,421	\$ -	\$ 1,411,421	10.35%	50.25%	\$ 73,408	\$ 1,636,435	10.35%	50.25%	\$ 85,111
170	39005	G-Structures & Improvements	\$ 9,133,015	-	9,133,015	100.00%	1.55%	141,630	\$ 9,133,015	100.00%	1.55%	141,630
171	39009	Improvement to leased Premises	\$ 9,490,593	-	9,490,593	10.35%	50.25%	493,607	\$ 9,332,933	10.35%	50.25%	485,407
172	39020	Struct & Improv AEAM	\$ -	-	-	100.00%	6.44%	-	\$ -	100.00%	6.44%	-
173	39029	Improv-Leased AEAM	\$ -	-	-	10.35%	6.44%	-	\$ -	10.35%	6.44%	-
174	39100	Office Furniture & Equipment	\$ 5,092,632	-	5,092,632	10.35%	50.25%	264,869	\$ 6,119,581	10.35%	50.25%	318,280
175	39102	Remittance Processing Equip	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
176	39103	Office Machines	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
177	39104	G-Office Furniture & Equip.	\$ 63,741	-	63,741	100.00%	1.55%	988	\$ 63,741	100.00%	1.55%	988
178	39120	Off Furn & Equip-AEAM	\$ 263,338	-	263,338	100.00%	6.44%	16,952	\$ 263,338	100.00%	6.44%	16,952
179	39200	Transportation Equipment	\$ 7,125	-	7,125	10.35%	50.25%	371	\$ 7,125	10.35%	50.25%	371
180	39300	Stores Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
181	39400	Tools, Shop & Garage Equipment	\$ 96,506	-	96,506	10.35%	50.25%	5,019	\$ 121,579	10.35%	50.25%	6,323
182	39420	Tools And Garage-AEAM	\$ 176,760	-	176,760	100.00%	6.44%	11,378	\$ 76,749	100.00%	6.44%	4,940
183	39500	Laboratory Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
184	39700	Communication Equipment	\$ 1,788,308	-	1,788,308	10.35%	50.25%	93,010	\$ 1,788,308	10.35%	50.25%	93,010
185	39720	Commun Equip AEAM	\$ 8,824	-	8,824	100.00%	6.44%	568	\$ 8,824	100.00%	6.44%	568
186	39800	Miscellaneous Equipment	\$ 136,510	-	136,510	10.35%	50.25%	7,100	\$ 136,510	10.35%	50.25%	7,100
187	39820	Misc Equip - AEAM	\$ 7,388	-	7,388	100.00%	6.44%	476	\$ 7,388	100.00%	6.44%	476
188	39900	Other Tangible Property	\$ 162,268	-	162,268	10.35%	50.25%	8,440	\$ 162,268	10.35%	50.25%	8,440
189	39901	Other Tangible Property - Servers - H/W	\$ 35,071,127	-	35,071,127	10.35%	50.25%	1,824,055	\$ 34,681,159	10.35%	50.25%	1,803,773
190	39902	Other Tangible Property - Servers - S/W	\$ 19,005,572	-	19,005,572	10.35%	50.25%	988,483	\$ 19,005,572	10.35%	50.25%	988,483
191	39903	Other Tangible Property - Network - H/W	\$ 3,548,953	-	3,548,953	10.35%	50.25%	184,582	\$ 3,548,953	10.35%	50.25%	184,582
192	39904	Other Tang. Property - CPU	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
193	39905	Other Tangible Property - MF - Hardware	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
194	39906	Other Tang. Property - PC Hardware	\$ 1,832,420	-	1,832,420	10.35%	50.25%	95,304	\$ 1,812,255	10.35%	50.25%	94,256
195	39907	Other Tang. Property - PC Software	\$ 1,472,508	-	1,472,508	10.35%	50.25%	76,585	\$ 1,473,097	10.35%	50.25%	76,616
196	39908	Other Tang. Property - Mainframe S/W	\$ 66,470,185	-	66,470,185	10.35%	50.25%	3,457,125	\$ 63,125,893	10.35%	50.25%	3,283,188
197	39909	Other Tang. Property - Application Software	\$ 39,252	-	39,252	10.35%	50.25%	2,041	\$ 39,252	10.35%	50.25%	2,041
198	39921	Servers-Hardware-AEAM	\$ 1,628,900	-	1,628,900	100.00%	6.44%	104,856	\$ 1,628,900	100.00%	6.44%	104,856
199	39922	Servers-Software-AEAM	\$ 961,256	-	961,256	100.00%	6.44%	61,878	\$ 961,256	100.00%	6.44%	61,878
200	39923	Network Hardware-AEAM	\$ 60,170	-	60,170	100.00%	6.44%	3,873	\$ 60,170	100.00%	6.44%	3,873
201	39924	39924-Oth Tang Prop - Gen.	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
202	39926	Pc Hardware-AEAM	\$ 351,205	-	351,205	100.00%	6.44%	22,608	\$ 326,577	100.00%	6.44%	21,022
203	39928	Application SW-AEAM	\$ 19,396,382	-	19,396,382	100.00%	6.44%	1,248,584	\$ 19,325,875	100.00%	6.44%	1,244,045
204	39931	ALGN-Servers-Hardware	\$ 299,424	-	299,424	100.00%	0.00%	-	\$ 297,703	100.00%	0.00%	-
205	39932	ALGN-Servers-Software	\$ 348,449	-	348,449	100.00%	0.00%	-	\$ 346,280	100.00%	0.00%	-
206	39938	ALGN-Application SW	\$ 17,687,657	-	17,687,657	100.00%	0.00%	-	\$ 17,551,623	100.00%	0.00%	-
207												
208		Total General Plant (Div 2)	\$ 196,011,889	\$ -	\$ 196,011,889			\$ 9,187,790	\$ 193,042,359			\$ 9,038,209

Atrnos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Plant in Service by Accounts and SubAccounts  
 as of December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(b)2  
 Schedule B-2 B  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average				
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)				Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)		
209													
210		CWIP With out AFUDC	\$ 8,866,627	\$ -	\$ 8,866,627	10.35%	50.25%	\$ 461,155	\$ 7,920,492	10.35%	50.25%	\$ 411,946	

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Plant in Service by Accounts and SubAccounts  
 as of December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
 Workpaper Reference No(s).

FR 16(8)(b)2  
 Schedule B-2 B  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12/31/2017			Kentucky- Mid States Division Allocation (d)	Kentucky Jurisdiction Allocation (e)	Allocated Amount (f) = (c) * (d) * (e)	13 Month Average (g)	Kentucky- Mid States Division Allocation (h)	Kentucky Jurisdiction Allocation (i)	Allocated Amount (j) = (g) * (h) * (i)
			Ending Balance (a)	Adjustments (b)	Adjusted Balance (c) = (a) + (b)							
211												
212		<b>Shared Services Customer Support (Division 012)</b>										
213												
214		<b>General Plant</b>										
215	38900	Land	\$ 2,874,240	\$ -	\$ 2,874,240	10.93%	51.88%	\$ 162,995	\$ 2,874,240	10.93%	51.88%	\$ 162,995
216	38910	CKV-Land & Land Rights	\$ 1,887,123	-	1,887,122.88	100.00%	2.33%	44,016	\$ 1,887,123	100.00%	2.33%	44,016
217	39000	Structures & Improvements	\$ 12,620,665	-	12,620,665.26	10.93%	51.88%	715,706	\$ 12,620,665	10.93%	51.88%	715,706
218	39009	Improvement to leased Premises	\$ 2,820,614	-	2,820,613.55	10.93%	51.88%	159,954	\$ 2,820,614	10.93%	51.88%	159,954
219	39010	CKV-Structures & Improvements	\$ 15,226,913	-	15,226,913.21	100.00%	2.33%	355,158	\$ 12,646,969	100.00%	2.33%	294,982
220	39100	Office Furniture & Equipment	\$ 2,393,125	-	2,393,125.46	10.93%	51.88%	135,712	\$ 2,374,128	10.93%	51.88%	134,635
221	39101	Office Furniture And	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
222	39102	Remittance Processing	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
223	39103	39103-Office Furn. - Copiers & Type	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
224	39110	CKV-Office Furn & Eq	\$ 895,317	-	895,316.77	100.00%	2.33%	20,883	\$ 443,357	100.00%	2.33%	10,341
225	39210	CKV-Transportation Eq	\$ 96,290	-	96,290.22	100.00%	2.33%	2,246	\$ 96,290	100.00%	2.33%	2,246
226	39410	CKV-Tools Shop Garage	\$ 347,775	-	347,774.50	100.00%	2.33%	8,112	\$ 347,775	100.00%	2.33%	8,112
227	39510	CKV-Laboratory Equip	\$ 23,632	-	23,632.07	100.00%	2.33%	551	\$ 23,632	100.00%	2.33%	551
228	39700	Communication Equipment	\$ 1,913,117	-	1,913,117.11	10.93%	51.88%	108,491	\$ 1,913,117	10.93%	51.88%	108,491
229	39710	CKV-Communication Equipment	\$ 294,319	-	294,319.45	100.00%	2.33%	6,865	\$ 294,319	100.00%	2.33%	6,865
230	39800	Miscellaneous Equipment	\$ 70,016	-	70,015.66	10.93%	51.88%	3,971	\$ 70,016	10.93%	51.88%	3,971
231	39810	CKV-Misc Equipment	\$ 509,283	-	509,282.85	100.00%	2.33%	11,879	\$ 509,283	100.00%	2.33%	11,879
232	39900	Other Tangible Property	\$ 629,166	-	629,166.46	10.93%	51.88%	35,679	\$ 629,166	10.93%	51.88%	35,679
233	39901	Other Tangible Property - Servers - H/W	\$ 9,311,156	-	9,311,156.16	10.93%	51.88%	528,027	\$ 9,310,809	10.93%	51.88%	528,007
234	39902	Other Tangible Property - Servers - S/W	\$ 1,891,145	-	1,891,144.70	10.93%	51.88%	107,245	\$ 1,891,145	10.93%	51.88%	107,245
235	39903	Other Tangible Property - Network - H/W	\$ 629,226	-	629,225.62	10.93%	51.88%	35,683	\$ 629,226	10.93%	51.88%	35,683
236	39906	Other Tang. Property - PC Hardware	\$ 883,541	-	883,541.42	10.93%	51.88%	50,105	\$ 866,038	10.93%	51.88%	49,112
237	39907	Other Tang. Property - PC Software	\$ 190,247	-	190,246.97	10.93%	51.88%	10,789	\$ 190,247	10.93%	51.88%	10,789
238	39908	Other Tang. Property - Mainframe S/W	\$ 88,964,075	-	88,964,074.63	10.93%	51.88%	5,045,059	\$ 88,560,536	10.93%	51.88%	5,022,185
239	39910	CKV-Other Tangible Property	\$ 169,960	-	169,959.94	100.00%	2.33%	3,984	\$ 130,348	100.00%	2.33%	3,040
240	39916	CKV-Oth Tang Prop-PC Hardware	\$ 258,415	-	258,414.52	100.00%	2.33%	6,027	\$ 239,791	100.00%	2.33%	5,593
241	39917	CKV-Oth Tang Prop-PC Software	\$ 110,227	-	110,226.79	100.00%	2.33%	2,571	\$ 104,928	100.00%	2.33%	2,447
242	39918	CKV-Oth Tang Prop-App	\$ 20,560	-	20,560.16	100.00%	2.33%	480	\$ 20,560	100.00%	2.33%	480
243	39924	Oth Tang Prop - Gen.	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
244												
245		<b>Total General Plant (Div 12)</b>	<b>\$ 145,030,146</b>	<b>\$ -</b>	<b>\$ 145,030,146</b>			<b>\$ 7,562,177</b>	<b>\$ 141,494,323</b>			<b>\$ 7,465,004</b>
246												
247		<b>CWIP With out AFUDC</b>	<b>\$ 3,382,555</b>	<b>\$ -</b>	<b>\$ 3,382,555</b>	10.93%	51.88%	<b>\$ 191,822</b>	<b>\$ 2,948,970</b>	10.93%	51.88%	<b>\$ 167,233</b>
248												
249		<b>Total Plant (Div 009, 091, 002, 012)</b>	<b>\$ 935,678,480</b>	<b>\$ -</b>	<b>\$ 935,678,480</b>			<b>\$ 609,603,942</b>	<b>\$ 900,302,662</b>			<b>\$ 580,489,691</b>
250												
251		<b>Total CWIP Without AFUDC (Div 009, 091, 002, 012)</b>	<b>\$ 39,084,184</b>	<b>\$ -</b>	<b>\$ 39,084,184</b>			<b>\$ 27,493,203</b>	<b>\$ 32,454,836</b>			<b>\$ 22,166,217</b>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Accumulated Depreciation & Amortization  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(b)3  
Schedule B-3 B  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>Kentucky Direct (Division 009)</b>												
1		<u>Intangible Plant</u>										
2	30100	Organization	\$ 8,330	\$ -	\$ 8,330	100%	100%	\$ 8,330	\$ 8,330	100%	100%	\$ 8,330
3	30200	Franchises & Consents	\$ 119,853	-	119,853	100%	100%	119,853	\$ 119,853	100%	100%	119,853
4												
5		Total Intangible Plant Reserves	\$ 128,182	\$ -	\$ 128,182			\$ 128,182	\$ 128,182			\$ 128,182
6												
7		<u>Natural Gas Production Plant</u>										
8	32540	Rights of Ways	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
9	33202	Tributary Lines	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
10	33400	Field Meas. & Reg. Sta. Equip	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
11												
12		Total Natural Gas Production Plant Reserv	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
13												
14		<u>Storage Plant</u>										
15	35010	Land	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
16	35020	Rights of Way	\$ 4,428	-	4,428	100%	100%	4,428	\$ 4,422	100%	100%	4,422
17	35100	Structures and Improvements	\$ 5,766	-	5,766	100%	100%	5,766	\$ 5,616	100%	100%	5,616
18	35102	Compression Station Equipment	\$ 110,373	-	110,373	100%	100%	110,373	\$ 109,407	100%	100%	109,407
19	35103	Meas. & Reg. Sta. Structures	\$ 20,113	-	20,113	100%	100%	20,113	\$ 20,007	100%	100%	20,007
20	35104	Other Structures	\$ 97,024	-	97,024	100%	100%	97,024	\$ 96,131	100%	100%	96,131
21	35200	Wells \ Rights of Way	\$ 1,059,936	-	1,059,936	100%	100%	1,059,936	\$ 1,022,096	100%	100%	1,022,096
22	35201	Well Construction	\$ 1,374,503	-	1,374,503	100%	100%	1,374,503	\$ 1,361,668	100%	100%	1,361,668
23	35202	Well Equipment	\$ 458,146	-	458,146	100%	100%	458,146	\$ 457,626	100%	100%	457,626
24	35203	Cushion Gas	\$ 708,766	-	708,766	100%	100%	708,766	\$ 693,512	100%	100%	693,512
25	35210	Leaseholds	\$ 167,004	-	167,004	100%	100%	167,004	\$ 166,692	100%	100%	166,692
26	35211	Storage Rights	\$ 43,115	-	43,115	100%	100%	43,115	\$ 42,874	100%	100%	42,874
27	35301	Field Lines	\$ 139,135	-	139,135	100%	100%	139,135	\$ 138,412	100%	100%	138,412
28	35302	Tributary Lines	\$ 194,114	-	194,114	100%	100%	194,114	\$ 193,266	100%	100%	193,266
29	35400	Compressor Station Equipment	\$ 469,226	-	469,226	100%	100%	469,226	\$ 460,915	100%	100%	460,915
30	35500	Meas & Reg. Equipment	\$ 195,122	-	195,122	100%	100%	195,122	\$ 199,503	100%	100%	199,503
31	35600	Purification Equipment	\$ 177,067	-	177,067	100%	100%	177,067	\$ 172,816	100%	100%	172,816
32												
33		Total Storage Plant Reserves	\$ 5,223,837	\$ -	\$ 5,223,837			\$ 5,223,837	\$ 5,144,963			\$ 5,144,963

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Jurisdictional Accumulated Depreciation & Amortization  
 as of December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised  
 Workpaper Reference No(s).

FR 16(8)(b)3  
 Schedule B-3 B  
 Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
34												
35		<u>Transmission Plant</u>										
36	36510	Land	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
37	36520	Rights of Way	\$ 409,113	-	\$ 409,113	100%	100%	\$ 409,113	\$ 403,342	100%	100%	\$ 403,342
38	36602	Structures & Improvements	\$ 15,443	-	\$ 15,443	100%	100%	\$ 15,443	\$ 15,007	100%	100%	\$ 15,007
39	36603	Other Structures	\$ 51,335	-	\$ 51,335	100%	100%	\$ 51,335	\$ 50,794	100%	100%	\$ 50,794
40	36700	Mains Cathodic Protection	\$ 106,919	-	\$ 106,919	100%	100%	\$ 106,919	\$ 102,946	100%	100%	\$ 102,946
41	36701	Mains - Steel	\$ 18,265,249	-	\$ 18,265,249	100%	100%	\$ 18,265,249	\$ 18,006,126	100%	100%	\$ 18,006,126
42	36900	Meas. & Reg. Equipment	\$ 328,270	-	\$ 328,270	100%	100%	\$ 328,270	\$ 320,443	100%	100%	\$ 320,443
43	36901	Meas. & Reg. Equipment	\$ 1,696,065	-	\$ 1,696,065	100%	100%	\$ 1,696,065	\$ 1,671,780	100%	100%	\$ 1,671,780
44												
45		Total Production Plant - LPG Reserves	\$ 20,872,395	\$ -	\$ 20,872,395			\$ 20,872,395	\$ 20,570,440			\$ 20,570,440
46												
47		<u>Distribution Plant</u>										
48	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
49	37401	Land	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
50	37402	Land Rights	\$ 158,628	-	\$ 158,628	100%	100%	\$ 158,628	\$ 140,150	100%	100%	\$ 140,150
51	37403	Land Other	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
52	37500	Structures & Improvements	\$ 102,030	-	\$ 102,030	100%	100%	\$ 102,030	\$ 98,568	100%	100%	\$ 98,568
53	37501	Structures & Improvements T.B.	\$ 67,985	-	\$ 67,985	100%	100%	\$ 67,985	\$ 66,957	100%	100%	\$ 66,957
54	37502	Land Rights	\$ 33,794	-	\$ 33,794	100%	100%	\$ 33,794	\$ 33,317	100%	100%	\$ 33,317
55	37503	Improvements	\$ 1,781	-	\$ 1,781	100%	100%	\$ 1,781	\$ 1,740	100%	100%	\$ 1,740
56	37600	Mains Cathodic Protection	\$ 12,235,479	-	\$ 12,235,479	100%	100%	\$ 12,235,479	\$ 11,987,065	100%	100%	\$ 11,987,065
57	37601	Mains - Steel	\$ 28,704,988	-	\$ 28,704,988	100%	100%	\$ 28,704,988	\$ 28,363,167	100%	100%	\$ 28,363,167
58	37602	Mains - Plastic	\$ 14,869,647	-	\$ 14,869,647	100%	100%	\$ 14,869,647	\$ 13,922,298	100%	100%	\$ 13,922,298
59	37800	Meas & Reg. Sta. Equip - General	\$ 2,286,706	-	\$ 2,286,706	100%	100%	\$ 2,286,706	\$ 2,148,185	100%	100%	\$ 2,148,185
60	37900	Meas & Reg. Sta. Equip - City Gate	\$ 836,582	-	\$ 836,582	100%	100%	\$ 836,582	\$ 777,394	100%	100%	\$ 777,394
61	37905	Meas & Reg. Sta. Equipment T.b.	\$ 965,480	-	\$ 965,480	100%	100%	\$ 965,480	\$ 940,444	100%	100%	\$ 940,444
62	38000	Services	\$ 36,490,191	-	\$ 36,490,191	100%	100%	\$ 36,490,191	\$ 36,093,808	100%	100%	\$ 36,093,808
63	38100	Meters	\$ 16,957,783	-	\$ 16,957,783	100%	100%	\$ 16,957,783	\$ 15,884,766	100%	100%	\$ 15,884,766
64	38200	Meter Installaitons	\$ 24,018,618	-	\$ 24,018,618	100%	100%	\$ 24,018,618	\$ 23,364,618	100%	100%	\$ 23,364,618
65	38300	House Regulators	\$ 3,701,976	-	\$ 3,701,976	100%	100%	\$ 3,701,976	\$ 3,534,079	100%	100%	\$ 3,534,079
66	38400	House Reg. Installations	\$ 83,732	-	\$ 83,732	100%	100%	\$ 83,732	\$ 81,320	100%	100%	\$ 81,320
67	38500	Ind. Meas. & Reg. Sta. Equipment	\$ 2,726,830	-	\$ 2,726,830	100%	100%	\$ 2,726,830	\$ 2,656,783	100%	100%	\$ 2,656,783
68												
69		Total Distribution Plant Reserves	\$ 144,242,232	\$ -	\$ 144,242,232			\$ 144,242,232	\$ 140,094,659			\$ 140,094,659

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Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s).

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Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
70												
71		<u>General Plant</u>										
72	38900	38900-Land & Land Rights	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
73	39000	39000-Structures & Improvements	\$ 787,680	-	787,680	100%	100%	787,680	\$ 653,447	100%	100%	653,447
74	39002	39002-Structures - Brick	\$ 96,659	-	96,659	100%	100%	96,659	\$ 93,405	100%	100%	93,405
75	39003	39003-Improvements	\$ 247,979	-	247,979	100%	100%	247,979	\$ 234,646	100%	100%	234,646
76	39004	39004-Air Conditioning Equipment	\$ 4,075	-	4,075	100%	100%	4,075	\$ 3,832	100%	100%	3,832
77	39009	39009-Improv. to Leased Premises	\$ 1,092,668	-	1,092,668	100%	100%	1,092,668	\$ 976,086	100%	100%	976,086
78	39100	39100-Office Furniture & Equipment	\$ 899,145	-	899,145	100%	100%	899,145	\$ 826,344	100%	100%	826,344
79	39103	Office Machines	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
80	39200	39200-Transportation Equipment	\$ 65,707	-	65,707	100%	100%	65,707	\$ 72,660	100%	100%	72,660
81	39202	39202-WKG Trailers	\$ (2,550)	-	(2,550)	100%	100%	(2,550)	\$ (1,247)	100%	100%	(1,247)
82	39400	39400-Tools, Shop, & Garage Equip.	\$ 961,270	-	961,270	100%	100%	961,270	\$ 843,926	100%	100%	843,926
83	39603	39603-Ditchers	\$ 34,619	-	34,619	100%	100%	34,619	\$ 30,763	100%	100%	30,763
84	39604	39604-Backhoes	\$ 54,743	-	54,743	100%	100%	54,743	\$ 48,634	100%	100%	48,634
85	39605	39605-Welders	\$ 15,359	-	15,359	100%	100%	15,359	\$ 13,467	100%	100%	13,467
86	39700	39700-Communication Equipment	\$ 183,264	-	183,264	100%	100%	183,264	\$ 168,420	100%	100%	168,420
87	39701	Communication Equip.	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
88	39702	Communication Equip.	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
89	39705	39705-Comm. Equip. - Telemetering	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
90	39800	39800-Miscellaneous Equipment	\$ 1,550,890	-	1,550,890	100%	100%	1,550,890	\$ 1,429,714	100%	100%	1,429,714
91	39901	Servers Hardware	\$ 3,605	-	3,605	100%	100%	3,605	\$ 2,854	100%	100%	2,854
92	39902	Servers Software	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
93	39903	39903-Oth Tang Prop - Network - H/W	\$ 38,500	-	38,500	100%	100%	38,500	\$ 31,428	100%	100%	31,428
94	39906	39906-Oth Tang Prop - PC Hardware	\$ 818,655	-	818,655	100%	100%	818,655	\$ 669,929	100%	100%	669,929
95	39907	39907-Oth Tang Prop - PC Software	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
96	39908	39908-Oth Tang Prop - Appl Software	\$ 119,541	-	119,541	100%	100%	119,541	\$ 117,719	100%	100%	117,719
97		Retirement Work in Progress	\$ (3,312,255)	-	(3,312,255)	100%	100%	(3,312,255)	\$ (3,074,904)	100%	100%	(3,074,904)
98		Retirement Work in Progress Recon	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
99		AR 15 general plant amortization	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
100												
101		Total General Plant Reserves	\$ 3,659,556	\$ -	\$ 3,659,556			\$ 3,659,556	\$ 3,141,124			\$ 3,141,124
102												
103		Total Depr Reserves (Div 9)	\$ 174,126,202	\$ -	\$ 174,126,202			\$ 174,126,202	\$ 169,079,368			\$ 169,079,368

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Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

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Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
104												
105		Kentucky-Mid-States General Office (Division 091)										
106												
107		<u>Intangible Plant</u>										
108	30100	Organization	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
109	30300	Misc Intangible Plant	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
110												
111		Total Intangible Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
112												
113		<u>Distribution Plant</u>										
114	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
115	35010	Land	-	-	-	100%	50.25%	-	-	100%	50.25%	-
116	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
117	37403	Land Other	-	-	-	100%	50.25%	-	-	100%	50.25%	-
118	36602	Structures & Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
119	37501	Structures & Improvements T.B.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
120	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
121	37503	Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
122	36700	Mains Cathodic Protection	-	-	-	100%	50.25%	-	-	100%	50.25%	-
123	36701	Mains - Steel	-	-	-	100%	50.25%	-	-	100%	50.25%	-
124	37602	Mains - Plastic	-	-	-	100%	50.25%	-	-	100%	50.25%	-
125	37800	Meas & Reg. Sta. Equip - General	-	-	-	100%	50.25%	-	-	100%	50.25%	-
126	37900	Meas & Reg. Sta. Equip - City Gate	-	-	-	100%	50.25%	-	-	100%	50.25%	-
127	37905	Meas & Reg. Sta. Equipment T.b.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
128	38000	Services	-	-	-	100%	50.25%	-	-	100%	50.25%	-
129	38100	Meters	-	-	-	100%	50.25%	-	-	100%	50.25%	-
130	38200	Meter Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
131	38300	House Regulators	-	-	-	100%	50.25%	-	-	100%	50.25%	-
132	38400	House Reg. Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
133	38500	Ind. Meas. & Reg. Sta. Equipment	-	-	-	100%	50.25%	-	-	100%	50.25%	-
134	38600	Other Prop. On Cust. Prem	-	-	-	100%	50.25%	-	-	100%	50.25%	-
135												
136		Total Distribution Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -

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137												
138		General Plant										
139	39001	39001-Structures - Frame	\$ 97,363	-	\$ 97,363	100.00%	50.25%	48,926	\$ 94,959	100.00%	50.25%	\$ 47,718
140	39004	39004-Air Conditioning Equipment	\$ 8,251	-	8,251	100%	50.25%	4,146	\$ 7,687	100%	50.25%	3,863
141	39009	39009-Improv. to Leased Premises	\$ 38,834	-	38,834	100%	50.25%	19,515	\$ 38,834	100%	50.25%	19,515
142	39100	39100-Office Furniture & Equipment	\$ 41,397	-	41,397	100%	50.25%	20,803	\$ 41,397	100%	50.25%	20,803
143	39101	Office Furniture And	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
144	39103	Office Machines	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
145	39200	39200-Trans Equip- Group	\$ 14,714	-	14,714	100%	50.25%	7,394	\$ 13,804	100%	50.25%	6,937
146	39300	Stores Equipment	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
147	39400	39400-Tools, Shop, & Garage Equip.	\$ 131,938	-	131,938	100%	50.25%	66,300	\$ 128,964	100%	50.25%	64,806
148	39600	39600-Power Operated Equipment	\$ 7,060	-	7,060	100%	50.25%	3,548	\$ 6,613	100%	50.25%	3,323
149	39700	39700-Communication Equipment	\$ (9,040)	-	(9,040)	100%	50.25%	(4,543)	\$ (9,574)	100%	50.25%	(4,811)
150	39701	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
151	39702	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
152	39800	39800-Miscellaneous Equipment	\$ 674,250	-	674,250	100%	50.25%	338,820	\$ 660,124	100%	50.25%	331,721
153	39900	39900-Other Tangible Property	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
154	39901	39901-Oth Tang Prop - Servers - H/W	\$ (34,804)	-	(34,804)	100%	50.25%	(17,490)	\$ (34,825)	100%	50.25%	(17,500)
155	39902	39902-Oth Tang Prop - Servers - S/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
156	39903	39903-Oth Tang Prop - Network - H/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
157	39906	39906-Oth Tang Prop - PC Hardware	\$ 74,208	-	74,208	100%	50.25%	37,291	\$ 74,208	100%	50.25%	37,291
158	39907	39907-Oth Tang Prop - PC Software	\$ 19,230	-	19,230	100%	50.25%	9,663	\$ 17,282	100%	50.25%	8,684
159	39908	39908-Oth Tang Prop - Appl Software	\$ 828,509	-	828,509	100%	50.25%	416,337	\$ 828,509	100%	50.25%	416,337
160		Retirement Work in Progress	\$ 52,517	-	-	100%	50.25%	-	\$ 52,517	100%	50.25%	26,391
161												
162		Total General Plant	\$ 1,944,427	\$ -	\$ 1,891,910			\$ 950,711	\$ 1,920,501			\$ 965,078
163												
164		Total Depr Reserves (Div 91)	\$ 1,944,427	\$ -	\$ 1,891,910			\$ 950,711	\$ 1,920,501			\$ 965,078

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165												
166		Shared Services General Office (Division 002)										
167												
168		General Plant										
169	39000	39000-Structures & Improvements	\$ 470,346	-	\$ 470,346	10.35%	50.25%	24,463	\$ 451,141	10.35%	50.25%	\$ 23,464
170	39005	39005-G-Structures & Improvements	\$ 3,425,409	-	3,425,409	100.00%	1.55%	53,120	\$ 3,233,791	100.00%	1.55%	50,148
171	39009	39009-Improv. to Leased Premises	\$ 9,352,081	-	9,352,081	10.35%	50.25%	486,403	\$ 9,190,906	10.35%	50.25%	478,020
172	39020	Struct & Improv AEAM	\$ (0)	-	(0)	100.00%	6.44%	(0)	\$ (0)	100.00%	6.44%	(0)
173	39029	Improv-Leased AEAM	\$ (0)	-	(0)	100.00%	6.44%	(0)	\$ (0)	100.00%	6.44%	(0)
174	39100	39100-Office Furniture & Equipment	\$ 1,742,000	-	1,742,000	10.35%	50.25%	90,602	\$ 2,682,949	10.35%	50.25%	139,541
175	39102	39102-Remittance Processing Equipment	\$ 1	-	1	10.35%	50.25%	0	\$ 1	10.35%	50.25%	0
176	39103	39103-Office Furn. - Copiers & Type	\$ 0	-	0	10.35%	50.25%	0	\$ 0	10.35%	50.25%	0
177	39104	39104-G-Office Furniture & Equip.	\$ 34,219	-	34,219	100.00%	1.55%	531	\$ 30,181	100.00%	1.55%	468
178	39120	Off Furn & Equip-AEAM	\$ 91,745	-	91,745	100.00%	6.44%	5,906	\$ 90,224	100.00%	6.44%	5,808
179	39200	39200-Transportation Equipment	\$ 4,474	-	4,474	10.35%	50.25%	233	\$ 4,309	10.35%	50.25%	224
180	39300	39300-Stores Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
181	39400	39400-Tools, Shop, & Garage Equip.	\$ 32,088	-	32,088	10.35%	50.25%	1,669	\$ 65,441	10.35%	50.25%	3,404
182	39420	Tools And Garage-AEAM	\$ (16,427)	-	(16,427)	100.00%	6.44%	(1,057)	\$ 1,264	100.00%	6.44%	81
183	39500	39500-Laboratory Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
184	39700	39700-Communication Equipment	\$ 1,231,503	-	1,231,503	10.35%	50.25%	64,051	\$ 1,214,409	10.35%	50.25%	63,162
185	39720	Commun Equip AEAM	\$ 7,264	-	7,264	100.00%	6.44%	468	\$ 4,279	100.00%	6.44%	275
186	39800	39800-Miscellaneous Equipment	\$ 40,572	-	40,572	10.35%	50.25%	2,110	\$ 39,726	10.35%	50.25%	2,066
187	39820	Misc Equip - AEAM	\$ 4,891	-	4,891	100.00%	6.44%	315	\$ 1,726	100.00%	6.44%	111
188	39900	39900-Other Tangible Equipm	\$ 164,784	-	164,784	10.35%	50.25%	8,570	\$ 164,534	10.35%	50.25%	8,557
189	39901	39901-Oth Tang Prop - Servers - H/W	\$ 19,218,477	-	19,218,477	100.00%	50.25%	9,657,546	\$ 18,178,041	100.00%	50.25%	9,134,713
190	39902	39902-Oth Tang Prop - Servers - S/W	\$ 15,943,163	-	15,943,163	10.35%	50.25%	829,206	\$ 15,625,201	10.35%	50.25%	812,669
191	39903	39903-Oth Tang Prop - Network - H/W	\$ 2,251,878	-	2,251,878	10.35%	50.25%	117,121	\$ 2,213,189	10.35%	50.25%	115,108
192	39904	39904-Oth Tang Prop - CPU	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
193	39905	39905-Oth Tang Prop - MF Hardware	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
194	39906	39906-Oth Tang Prop - PC Hardware	\$ 945,142	-	945,142	10.35%	50.25%	49,157	\$ 885,644	10.35%	50.25%	46,062
195	39907	39907-Oth Tang Prop - PC Software	\$ 2,485,988	-	2,485,988	10.35%	50.25%	129,297	\$ 1,132,177	10.35%	50.25%	58,885
196	39908	39908-Oth Tang Prop - Appl Software	\$ 29,228,048	-	29,228,048	10.35%	50.25%	1,520,155	\$ 28,650,211	10.35%	50.25%	1,490,102
197	39909	39909-Oth Tang Prop - Mainframe S/W	\$ 42,122	-	42,122	10.35%	50.25%	2,191	\$ 41,754	10.35%	50.25%	2,172
198	39921	Servers-Hardware-AEAM	\$ 1,058,777	-	1,058,777	100.00%	6.44%	68,156	\$ 1,014,856	100.00%	6.44%	65,328
199	39922	Servers-Software-AEAM	\$ 393,201	-	393,201	100.00%	6.44%	25,311	\$ 378,352	100.00%	6.44%	24,355
200	39923	Network Hardware-AEAM	\$ 39,029	-	39,029	100.00%	6.44%	2,512	\$ 38,463	100.00%	6.44%	2,476
201	39924	39924-Oth Tang Prop - Gen.	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
202	39926	Pc Hardware-AEAM	\$ 488,023	-	488,023	100.00%	6.44%	31,415	\$ 190,538	100.00%	6.44%	12,265
203	39928	Application SW-AEAM	\$ 11,235,896	-	11,235,896	100.00%	6.44%	723,277	\$ 11,053,952	100.00%	6.44%	711,565
204	39931	ALGN-Servers-Hardware	\$ 37,348	-	37,348	100.00%	0.00%	-	\$ 26,226	100.00%	0.00%	-
205	39932	ALGN-Servers-Software	\$ 18,755	-	18,755	100.00%	0.00%	-	\$ 16,677	100.00%	0.00%	-
206	39938	ALGN-Application SW	\$ 2,305,884	-	2,305,884	100.00%	0.00%	-	\$ 2,056,104	100.00%	0.00%	-
207		Retirement Work in Progress	\$ -	-	-	10.35%	50.25%	-	\$ -	100.00%	50.25%	-
208												
209		Total Depr Reserves (Div 2)	\$ 102,276,681	\$ -	\$ 102,276,681			\$ 13,892,726	\$ 98,676,264			\$ 13,251,031
210												

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Accumulated Depreciation & Amortization  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(b)3  
Schedule B-3 B  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
211		Shared Services Customer Support (Division 012)										
212												
213		General Plant										
214	38900	38900-Land	\$ -	\$ -	\$ -	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
215	38910	38910-CKV-Land & Land Rights	\$ -	-	-	100.00%	2.33%	\$ -	\$ -	100.00%	2.33%	\$ -
216	39000	39000-Structures & Improvements	\$ 1,609,709	-	1,609,709	10.93%	51.88%	91,285	\$ 1,416,353	10.93%	51.88%	80,320
217	39009	39009-Improv. to Leased Premises	\$ 1,591,254	-	1,591,254	10.93%	51.88%	90,239	\$ 1,543,296	10.93%	51.88%	87,519
218	39010	39010-CKV-Structures & Improvements	\$ 2,562,060	-	2,562,060	100.00%	2.33%	59,758	\$ 2,356,590	100.00%	2.33%	54,966
219	39100	39100-Office Furniture & Equipment	\$ 776,042	-	776,042	10.93%	51.88%	44,009	\$ 729,487	10.93%	51.88%	41,369
220	39101	Office Furniture And	\$ -	-	-	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
221	39102	Remittance Processing	\$ -	-	-	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
222	39103	39103-Office Furn. - Copiers & Type	\$ -	-	-	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
223	39110	CKV-Office Furn & Eq	\$ 35,809	-	35,809	100.00%	2.33%	835	\$ 26,220	100.00%	2.33%	612
224	39210	CKV-Transportation Eq	\$ 93,581	-	93,581	100.00%	2.33%	2,183	\$ 89,589	100.00%	2.33%	2,090
225	39410	CKV-Tools Shop Garage	\$ 100,279	-	100,279	100.00%	2.33%	2,339	\$ 85,529	100.00%	2.33%	1,995
226	39510	CKV-Laboratory Equip	\$ 15,154	-	15,154	100.00%	2.33%	353	\$ 14,216	100.00%	2.33%	332
227	39700	39700-Communication Equipment	\$ 981,313	-	981,313	10.93%	51.88%	55,649	\$ 925,778	10.93%	51.88%	52,500
228	39710	39710-CKV-Communication Equipment	\$ 144,728	-	144,728	100.00%	2.33%	3,376	\$ 136,222	100.00%	2.33%	3,177
229	39800	39800-Miscellaneous Equipment	\$ 11,836	-	11,836	10.93%	51.88%	671	\$ 10,253	10.93%	51.88%	581
230	39810	CKV-Misc Equipment	\$ 137,839	-	137,839	100.00%	2.33%	3,215	\$ 126,381	100.00%	2.33%	2,948
231	39900	39900-Other Tangible Property	\$ 416,243	-	416,243	10.93%	51.88%	23,605	\$ 374,711	10.93%	51.88%	21,249
232	39901	39901-Oth Tang Prop - Servers - H/W	\$ 4,361,559	-	4,361,559	10.93%	51.88%	247,340	\$ 3,930,580	10.93%	51.88%	222,899
233	39902	39902-Oth Tang Prop - Servers - S/W	\$ 1,061,157	-	1,061,157	10.93%	51.88%	60,177	\$ 977,604	10.93%	51.88%	55,439
234	39903	39903-Oth Tang Prop - Network - H/W	\$ 322,530	-	322,530	10.93%	51.88%	18,290	\$ 299,517	10.93%	51.88%	16,985
235	39906	39906-Oth Tang Prop - PC Hardware	\$ 488,220	-	488,220	10.93%	51.88%	27,686	\$ 444,327	10.93%	51.88%	25,197
236	39907	39907-Oth Tang Prop - PC Software	\$ 124,643	-	124,643	10.93%	51.88%	7,068	\$ 118,337	10.93%	51.88%	6,711
237	39908	39908-Oth Tang Prop - Appl Software	\$ 25,976,082	-	25,976,082	10.93%	51.88%	1,473,079	\$ 23,087,626	10.93%	51.88%	1,309,278
238	39910	39910-CKV-Other Tangible Property	\$ 109,374	-	109,374	100.00%	2.33%	2,551	\$ 100,449	100.00%	2.33%	2,343
239	39916	39916-CKV-Oth Tang Prop-PC Hardware	\$ 226,856	-	226,856	100.00%	2.33%	5,291	\$ 214,062	100.00%	2.33%	4,993
240	39917	39917-CKV-Oth Tang Prop-PC Software	\$ 69,710	-	69,710	100.00%	2.33%	1,626	\$ 66,209	100.00%	2.33%	1,544
241	39918	CKV-Oth Tang Prop-App	\$ 9,699	-	9,699	100.00%	2.33%	226	\$ 9,029	100.00%	2.33%	211
242	39924	Oth Tang Prop - Gen.	\$ -	-	-	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
243		RWIP	\$ -	-	-	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
244												
245		Total Depr Reserves (Div 12)	\$ 41,225,676	\$ -	\$ 41,225,676			\$ 2,220,853	\$ 37,082,363			\$ 1,995,257
246												
247		Total Accumulated Depreciation & Amortization (Div 009, 091, 002, 012)	\$ 319,572,986	\$ -	\$ 319,520,469			\$ 191,190,491	\$ 306,758,496			\$ 185,290,734

Atmos Energy Corporation, Kentucky/Mid-States Division  
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as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s):

FR 16(8)(b)3  
Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>Kentucky Direct (Division 009)</b>												
1		<u>Intangible Plant</u>										
2	30100	Organization	\$ 8,330	\$ -	\$ 8,330	100%	100%	\$ 8,330	\$ 8,330	100%	100%	\$ 8,330
3	30200	Franchises & Consents	\$ 119,853	-	119,853	100%	100%	119,853	\$ 119,853	100%	100%	119,853
4												
5		Total Intangible Plant Reserves	\$ 128,182	\$ -	\$ 128,182			\$ 128,182	\$ 128,182			\$ 128,182
6												
7		<u>Natural Gas Production Plant</u>										
8	32540	Rights of Ways	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
9	33202	Tributary Lines	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
10	33400	Field Meas. & Reg. Sta. Equip	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
11												
12		Total Natural Gas Production Plant Reser	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
13												
14		<u>Storage Plant</u>										
15	35010	Land	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
16	35020	Rights of Way	\$ 4,442	-	4,442	100%	100%	4,442	\$ 4,436	100%	100%	4,436
17	35100	Structures and Improvements	\$ 6,140	-	6,140	100%	100%	6,140	\$ 5,990	100%	100%	5,990
18	35102	Compression Station Equipment	\$ 112,787	-	112,787	100%	100%	112,787	\$ 111,821	100%	100%	111,821
19	35103	Meas. & Reg. Sta. Structures	\$ 20,379	-	20,379	100%	100%	20,379	\$ 20,273	100%	100%	20,273
20	35104	Other Structures	\$ 99,257	-	99,257	100%	100%	99,257	\$ 98,364	100%	100%	98,364
21	35200	Wells \ Rights of Way	\$ 1,239,192	-	1,239,192	100%	100%	1,239,192	\$ 1,167,490	100%	100%	1,167,490
22	35201	Well Construction	\$ 1,406,591	-	1,406,591	100%	100%	1,406,591	\$ 1,393,756	100%	100%	1,393,756
23	35202	Well Equipment	\$ 458,146	-	458,146	100%	100%	458,146	\$ 458,146	100%	100%	458,146
24	35203	Cushion Gas	\$ 746,900	-	746,900	100%	100%	746,900	\$ 731,646	100%	100%	731,646
25	35210	Leaseholds	\$ 167,785	-	167,785	100%	100%	167,785	\$ 167,473	100%	100%	167,473
26	35211	Storage Rights	\$ 43,715	-	43,715	100%	100%	43,715	\$ 43,475	100%	100%	43,475
27	35301	Field Lines	\$ 140,943	-	140,943	100%	100%	140,943	\$ 140,220	100%	100%	140,220
28	35302	Tributary Lines	\$ 196,235	-	196,235	100%	100%	196,235	\$ 195,387	100%	100%	195,387
29	35400	Compressor Station Equipment	\$ 490,003	-	490,003	100%	100%	490,003	\$ 481,692	100%	100%	481,692
30	35500	Meas & Reg. Equipment	\$ 185,890	-	185,890	100%	100%	185,890	\$ 188,424	100%	100%	188,424
31	35600	Purification Equipment	\$ 187,692	-	187,692	100%	100%	187,692	\$ 183,442	100%	100%	183,442
32												
33		Total Storage Plant Reserves	\$ 5,506,098	\$ -	\$ 5,506,098			\$ 5,506,098	\$ 5,392,034			\$ 5,392,034

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Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s).

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Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
34												
35		<u>Transmission Plant</u>										
36	36510	Land	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
37	36520	Rights of Way	\$ 423,540	-	423,540	100%	100%	423,540	\$ 417,769	100%	100%	417,769
38	36602	Structures & Improvements	\$ 16,534	-	16,534	100%	100%	16,534	\$ 16,098	100%	100%	16,098
39	36603	Other Structures	\$ 52,689	-	52,689	100%	100%	52,689	\$ 52,147	100%	100%	52,147
40	36700	Mains Cathodic Protection	\$ 116,852	-	116,852	100%	100%	116,852	\$ 112,879	100%	100%	112,879
41	36701	Mains - Steel	\$ 18,918,325	-	18,918,325	100%	100%	18,918,325	\$ 18,657,095	100%	100%	18,657,095
42	36900	Meas. & Reg. Equipment	\$ 347,837	-	347,837	100%	100%	347,837	\$ 340,010	100%	100%	340,010
43	36901	Meas. & Reg. Equipment	\$ 1,756,775	-	1,756,775	100%	100%	1,756,775	\$ 1,732,491	100%	100%	1,732,491
44												
45		Total Production Plant - LPG Reserves	\$ 21,632,552	\$ -	\$ 21,632,552			\$ 21,632,552	\$ 21,328,489			\$ 21,328,489
46												
47		<u>Distribution Plant</u>										
48	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
49	37401	Land	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
50	37402	Land Rights	\$ 216,548	-	216,548	100%	100%	216,548	\$ 192,103	100%	100%	192,103
51	37403	Land Other	\$ -	-	-	100%	100%	-	\$ -	100%	100%	-
52	37500	Structures & Improvements	\$ 110,686	-	110,686	100%	100%	110,686	\$ 107,224	100%	100%	107,224
53	37501	Structures & Improvements T.B.	\$ 70,556	-	70,556	100%	100%	70,556	\$ 69,527	100%	100%	69,527
54	37502	Land Rights	\$ 34,985	-	34,985	100%	100%	34,985	\$ 34,509	100%	100%	34,509
55	37503	Improvements	\$ 1,884	-	1,884	100%	100%	1,884	\$ 1,843	100%	100%	1,843
56	37600	Mains Cathodic Protection	\$ 12,924,122	-	12,924,122	100%	100%	12,924,122	\$ 12,595,265	100%	100%	12,595,265
57	37601	Mains - Steel	\$ 29,863,767	-	29,863,767	100%	100%	29,863,767	\$ 29,171,777	100%	100%	29,171,777
58	37602	Mains - Plastic	\$ 17,845,677	-	17,845,677	100%	100%	17,845,677	\$ 16,572,437	100%	100%	16,572,437
59	37800	Meas & Reg. Sta. Equip - General	\$ 2,755,116	-	2,755,116	100%	100%	2,755,116	\$ 2,554,130	100%	100%	2,554,130
60	37900	Meas & Reg. Sta. Equip - City Gate	\$ 1,013,389	-	1,013,389	100%	100%	1,013,389	\$ 939,545	100%	100%	939,545
61	37905	Meas & Reg. Sta. Equipment T.b.	\$ 1,059,557	-	1,059,557	100%	100%	1,059,557	\$ 1,018,245	100%	100%	1,018,245
62	38000	Services	\$ 38,681,263	-	38,681,263	100%	100%	38,681,263	\$ 37,374,099	100%	100%	37,374,099
63	38100	Meters	\$ 20,656,076	-	20,656,076	100%	100%	20,656,076	\$ 19,024,488	100%	100%	19,024,488
64	38200	Meter Installaitons	\$ 25,825,005	-	25,825,005	100%	100%	25,825,005	\$ 24,993,491	100%	100%	24,993,491
65	38300	House Regulators	\$ 4,158,944	-	4,158,944	100%	100%	4,158,944	\$ 3,972,596	100%	100%	3,972,596
66	38400	House Reg. Installations	\$ 90,956	-	90,956	100%	100%	90,956	\$ 87,939	100%	100%	87,939
67	38500	Ind. Meas. & Reg. Sta. Equipment	\$ 2,904,067	-	2,904,067	100%	100%	2,904,067	\$ 2,832,946	100%	100%	2,832,946
68												
69		Total Distribution Plant Reserves	\$ 158,212,600	\$ -	\$ 158,212,600			\$ 158,212,600	\$ 151,542,162			\$ 151,542,162

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Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

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Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
70												
71		<b>General Plant</b>										
72	38900	38900-Land & Land Rights	\$ -	\$ -	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
73	39000	39000-Structures & Improvements	\$ 1,123,624	-	\$ 1,123,624	100%	100%	\$ 1,123,624	\$ 989,222	100%	100%	\$ 989,222
74	39002	39002-Structures - Brick	\$ 104,796	-	\$ 104,796	100%	100%	\$ 104,796	\$ 101,541	100%	100%	\$ 101,541
75	39003	39003-Improvements	\$ 281,312	-	\$ 281,312	100%	100%	\$ 281,312	\$ 267,979	100%	100%	\$ 267,979
76	39004	39004-Air Conditioning Equipment	\$ 4,684	-	\$ 4,684	100%	100%	\$ 4,684	\$ 4,441	100%	100%	\$ 4,441
77	39009	39009-Improv. to Leased Premises	\$ 1,248,110	-	\$ 1,248,110	100%	100%	\$ 1,248,110	\$ 1,225,690	100%	100%	\$ 1,225,690
78	39100	39100-Office Furniture & Equipment	\$ 1,048,772	-	\$ 1,048,772	100%	100%	\$ 1,048,772	\$ 988,921	100%	100%	\$ 988,921
79	39103	Office Machines	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
80	39200	39200-Transportation Equipment	\$ 107,529	-	\$ 107,529	100%	100%	\$ 107,529	\$ 90,800	100%	100%	\$ 90,800
81	39202	39202-WKG Trailers	\$ (2,550)	-	\$ (2,550)	100%	100%	\$ (2,550)	\$ (2,550)	100%	100%	\$ (2,550)
82	39400	39400-Tools, Shop, & Garage Equip.	\$ 1,354,206	-	\$ 1,354,206	100%	100%	\$ 1,354,206	\$ 1,181,289	100%	100%	\$ 1,181,289
83	39603	39603-Ditchers	\$ 39,761	-	\$ 39,761	100%	100%	\$ 39,761	\$ 39,019	100%	100%	\$ 39,019
84	39604	39604-Backhoes	\$ 62,887	-	\$ 62,887	100%	100%	\$ 62,887	\$ 61,712	100%	100%	\$ 61,712
85	39605	39605-Welders	\$ 19,456	-	\$ 19,456	100%	100%	\$ 19,456	\$ 18,123	100%	100%	\$ 18,123
86	39700	39700-Communication Equipment	\$ 213,192	-	\$ 213,192	100%	100%	\$ 213,192	\$ 201,221	100%	100%	\$ 201,221
87	39701	Communication Equip.	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
88	39702	Communication Equip.	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
89	39705	39705-Comm. Equip. - Telemetering	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
90	39800	39800-Miscellaneous Equipment	\$ 1,788,139	-	\$ 1,788,139	100%	100%	\$ 1,788,139	\$ 1,693,602	100%	100%	\$ 1,693,602
91	39901	Servers Hardware	\$ 5,404	-	\$ 5,404	100%	100%	\$ 5,404	\$ 4,685	100%	100%	\$ 4,685
92	39902	Servers Software	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
93	39903	39903-Oth Tang Prop - Network - H/W	\$ 55,325	-	\$ 55,325	100%	100%	\$ 55,325	\$ 48,595	100%	100%	\$ 48,595
94	39906	39906-Oth Tang Prop - PC Hardware	\$ 1,253,387	-	\$ 1,253,387	100%	100%	\$ 1,253,387	\$ 1,069,984	100%	100%	\$ 1,069,984
95	39907	39907-Oth Tang Prop - PC Software	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
96	39908	39908-Oth Tang Prop - Appl Software	\$ 123,660	-	\$ 123,660	100%	100%	\$ 123,660	\$ 123,343	100%	100%	\$ 123,343
97		Retirement Work in Progress	\$ (3,312,255)	-	\$ (3,312,255)	100%	100%	\$ (3,312,255)	\$ (3,312,255)	100%	100%	\$ (3,312,255)
		Retirement Work in Progress Recon	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
98		AR 15 general plant amortization	\$ -	-	\$ -	100%	100%	\$ -	\$ -	100%	100%	\$ -
99												
100		Total General Plant Reserves	\$ 5,519,439	\$ -	\$ 5,519,439			\$ 5,519,439	\$ 4,795,362			\$ 4,795,362
101												
102		Total Depr Reserves (Div 9)	\$ 190,998,870	\$ -	\$ 190,998,870			\$ 190,998,870	\$ 183,186,229			\$ 183,186,229
103												
104												

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Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Accumulated Depreciation & Amortization  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s):

FR 16(8)(b)3  
Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
105												
106		<b>Kentucky-Mid-States General Office (Division 091)</b>										
107												
108		<u>Intangible Plant</u>										
109	30100	Organization	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
110	30300	Misc Intangible Plant	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
111												
112		Total Intangible Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -
113												
114		<u>Distribution Plant</u>										
115	37400	Land & Land Rights	\$ -	\$ -	\$ -	100%	50.25%	\$ -	\$ -	100%	50.25%	\$ -
116	35010	Land	-	-	-	100%	50.25%	-	-	100%	50.25%	-
117	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
118	37403	Land Other	-	-	-	100%	50.25%	-	-	100%	50.25%	-
119	36602	Structures & Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
120	37501	Structures & Improvements T.B.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
121	37402	Land Rights	-	-	-	100%	50.25%	-	-	100%	50.25%	-
122	37503	Improvements	-	-	-	100%	50.25%	-	-	100%	50.25%	-
123	36700	Mains Cathodic Protection	-	-	-	100%	50.25%	-	-	100%	50.25%	-
124	36701	Mains - Steel	-	-	-	100%	50.25%	-	-	100%	50.25%	-
125	37602	Mains - Plastic	-	-	-	100%	50.25%	-	-	100%	50.25%	-
126	37800	Meas & Reg. Sta. Equip - General	-	-	-	100%	50.25%	-	-	100%	50.25%	-
127	37900	Meas & Reg. Sta. Equip - City Gate	-	-	-	100%	50.25%	-	-	100%	50.25%	-
128	37905	Meas & Reg. Sta. Equipment T.b.	-	-	-	100%	50.25%	-	-	100%	50.25%	-
129	38000	Services	-	-	-	100%	50.25%	-	-	100%	50.25%	-
130	38100	Meters	-	-	-	100%	50.25%	-	-	100%	50.25%	-
131	38200	Meter installaitons	-	-	-	100%	50.25%	-	-	100%	50.25%	-
132	38300	House Regulators	-	-	-	100%	50.25%	-	-	100%	50.25%	-
133	38400	House Reg. Installations	-	-	-	100%	50.25%	-	-	100%	50.25%	-
134	38500	Ind. Meas. & Reg. Sta. Equipment	-	-	-	100%	50.25%	-	-	100%	50.25%	-
135	38600	Other Prop. On Cust. Prem	-	-	-	100%	50.25%	-	-	100%	50.25%	-
136												
137		Total Distribution Plant	\$ -	\$ -	\$ -			\$ -	\$ -			\$ -

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
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Type of Filing:  Original  Updated  Revised  
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FR 16(8)(b)3  
Schedule B-3 F  
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Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
138												
139		<b>General Plant</b>										
140	39001	39001-Structures - Frame	\$ 103,370	\$ -	\$ 103,370	100.00%	50.25%	\$ 51,945	\$ 100,967	100.00%	50.25%	\$ 50,737
141	39004	39004-Air Conditioning Equipment	\$ 9,661	-	9,661	100%	50.25%	4,855	\$ 9,097	100%	50.25%	4,571
142	39009	39009-Improv. to Leased Premises	\$ 38,834	-	38,834	100%	50.25%	19,515	\$ 38,834	100%	50.25%	19,515
143	39100	39100-Office Furniture & Equipment	\$ 41,397	-	41,397	100%	50.25%	20,803	\$ 41,397	100%	50.25%	20,803
144	39101	Office Furniture And	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
145	39103	Office Machines	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
146	39200	39200-Trans Equip- Group	\$ 16,989	-	-	100%	50.25%	-	\$ 16,079	100%	50.25%	-
147	39300	Stores Equipment	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
148	39400	39400-Tools, Shop, & Garage Equip.	\$ 139,631	-	-	100%	50.25%	-	\$ 136,528	100%	50.25%	-
149	39600	39600-Power Operated Equipment	\$ 8,179	-	-	100%	50.25%	-	\$ 7,731	100%	50.25%	-
150	39700	39700-Communication Equipment	\$ (7,004)	-	(7,004)	100%	50.25%	(3,519)	\$ (7,885)	100%	50.25%	(3,962)
151	39701	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
152	39702	Communication Equip.	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
153	39800	39800-Miscellaneous Equipment	\$ 709,564	-	709,564	100%	50.25%	356,566	\$ 695,438	100%	50.25%	349,467
154	39900	39900-Other Tangible Property	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
155	39901	39901-Oth Tang Prop - Servers - H/W	\$ (34,804)	-	(34,804)	100%	50.25%	(17,490)	\$ (34,804)	100%	50.25%	(17,490)
156	39902	39902-Oth Tang Prop - Servers - S/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
157	39903	39903-Oth Tang Prop - Network - H/W	\$ -	-	-	100%	50.25%	-	\$ -	100%	50.25%	-
158	39906	39906-Oth Tang Prop - PC Hardware	\$ 74,208	-	74,208	100%	50.25%	37,291	\$ 74,208	100%	50.25%	37,291
159	39907	39907-Oth Tang Prop - PC Software	\$ 24,099	-	24,099	100%	50.25%	12,110	\$ 22,152	100%	50.25%	11,131
160	39908	39908-Oth Tang Prop - Appl Software	\$ 828,509	-	828,509	100%	50.25%	416,337	\$ 828,509	100%	50.25%	416,337
161		Retirement Work in Progress	\$ 52,517	-	-	100%	50.25%	-	\$ 52,517	100%	50.25%	26,391
162												
163		Total General Plant	\$ 2,005,151	\$ -	\$ 1,787,835			\$ 898,411	\$ 1,980,769			\$ 914,791
164												
165		Total Depr Reserves (Div 91)	\$ 2,005,151	\$ -	\$ 1,787,835			\$ 898,411	\$ 1,980,769			\$ 914,791

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
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as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)3  
Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
166												
167		<b>Shared Services General Office (Division 002)</b>										
168												
169		General Plant										
170	39000	39000-Structures & Improvements	\$ 523,453	\$ -	\$ 523,453	10.35%	50.25%	\$ 27,225	\$ 502,210	10.35%	50.25%	\$ 26,120
171	39005	39005-G-Structures & Improvements	\$ 3,769,039	-	3,769,039	100.00%	1.55%	58,448	\$ 3,631,587	100.00%	1.55%	56,317
172	39009	39009-Improv. to Leased Premises	\$ 9,748,264	-	9,748,264	10.35%	50.25%	507,009	\$ 9,588,019	10.35%	50.25%	498,674
173	39020	Struct & Improv AEAM	\$ (0)	-	(0)	100.00%	6.44%	(0)	\$ (0)	100.00%	6.44%	(0)
174	39029	Improv-Leased AEAM	\$ (0)	-	(0)	100.00%	6.44%	(0)	\$ (0)	100.00%	6.44%	(0)
175	39100	39100-Office Furniture & Equipment	\$ 1,995,593	-	1,995,593	10.35%	50.25%	-	\$ 1,893,904	10.35%	50.25%	-
176	39102	39102-Remittance Processing Equipment	\$ 1	-	1	10.35%	50.25%	-	\$ 1	10.35%	50.25%	-
177	39103	39103-Office Furn. - Copiers & Type	\$ 0	-	0	10.35%	50.25%	-	\$ 0	10.35%	50.25%	-
178	39104	39104-G-Office Furniture & Equip.	\$ 47,254	-	47,254	100.00%	1.55%	\$ 42,040	\$ 42,040	100.00%	1.55%	\$ 42,040
179	39120	Off Furn & Equip-AEAM	\$ 92,098	-	92,098	100.00%	6.44%	\$ 91,957	\$ 91,957	100.00%	6.44%	\$ 91,957
180	39200	39200-Transportation Equipment	\$ 4,474	-	4,474	10.35%	50.25%	-	\$ 4,474	10.35%	50.25%	-
181	39300	39300-Stores Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
182	39400	39400-Tools, Shop, & Garage Equip.	\$ 70,649	-	70,649	10.35%	50.25%	-	\$ 51,880	10.35%	50.25%	-
183	39420	Tools And Garage-AEAM	\$ (16,427)	-	(16,427)	100.00%	6.44%	\$ (16,427)	\$ (16,427)	100.00%	6.44%	\$ (16,427)
184	39500	39500-Laboratory Equipment	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
185	39700	39700-Communication Equipment	\$ 1,232,148	-	1,232,148	10.35%	50.25%	-	\$ 1,231,890	10.35%	50.25%	-
186	39720	Commun Equip AEAM	\$ 9,260	-	9,260	100.00%	6.44%	\$ 9,260	\$ 9,260	100.00%	6.44%	\$ 9,260
187	39800	39800-Miscellaneous Equipment	\$ 41,061	-	41,061	10.35%	50.25%	-	\$ 40,865	10.35%	50.25%	-
188	39820	Misc Equip - AEAM	\$ 7,752	-	7,752	100.00%	6.44%	\$ 7,697	\$ 7,697	100.00%	6.44%	\$ 7,697
189	39900	39900-Other Tangible Equipm	\$ 164,784	-	164,784	10.35%	50.25%	8,570	\$ 164,784	10.35%	50.25%	8,570
190	39901	39901-Oth Tang Prop - Servers - H/W	\$ 21,470,637	-	21,470,637	10.35%	50.25%	1,116,691	\$ 20,569,773	10.35%	50.25%	1,069,637
191	39902	39902-Oth Tang Prop - Servers - S/W	\$ 16,339,315	-	16,339,315	10.35%	50.25%	849,810	\$ 16,180,854	10.35%	50.25%	841,569
192	39903	39903-Oth Tang Prop - Network - H/W	\$ 2,251,878	-	2,251,878	10.35%	50.25%	117,121	\$ 2,251,878	10.35%	50.25%	117,121
193	39904	39904-Oth Tang Prop - CPU	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
194	39905	39905-Oth Tang Prop - MF Hardware	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
195	39906	39906-Oth Tang Prop - PC Hardware	\$ 1,065,059	-	1,065,059	10.35%	50.25%	55,394	\$ 1,017,108	10.35%	50.25%	52,900
196	39907	39907-Oth Tang Prop - PC Software	\$ 2,485,988	-	2,485,988	10.35%	50.25%	129,297	\$ 2,485,988	10.35%	50.25%	129,297
197	39908	39908-Oth Tang Prop - Appl Software	\$ 29,232,700	-	29,232,700	10.35%	50.25%	1,520,397	\$ 29,230,839	10.35%	50.25%	1,520,301
198	39909	39909-Oth Tang Prop - Mainframe S/W	\$ 42,122	-	42,122	10.35%	50.25%	2,191	\$ 42,122	10.35%	50.25%	2,191
199	39921	Servers-Hardware-AEAM	\$ 1,142,766	-	1,142,766	100.00%	6.44%	73,562	\$ 1,109,170	100.00%	6.44%	71,400
200	39922	Servers-Software-AEAM	\$ 405,152	-	405,152	100.00%	6.44%	26,080	\$ 400,372	100.00%	6.44%	25,773
201	39923	Network Hardware-AEAM	\$ 39,029	-	39,029	100.00%	6.44%	2,512	\$ 39,029	100.00%	6.44%	2,512
202	39924	39924-Oth Tang Prop - Gen.	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
203	39926	Pc Hardware-AEAM	\$ 488,023	-	488,023	100.00%	6.44%	31,415	\$ 488,023	100.00%	6.44%	31,415
204	39928	Application SW-AEAM	\$ 11,269,680	-	11,269,680	100.00%	6.44%	725,452	\$ 11,256,107	100.00%	6.44%	724,578
205	39931	ALGN-Servers-Hardware	\$ 66,078	-	66,078	100.00%	0.00%	-	\$ 54,531	100.00%	0.00%	-
206	39932	ALGN-Servers-Software	\$ 18,755	-	18,755	100.00%	0.00%	-	\$ 18,755	100.00%	0.00%	-
207	39938	ALGN-Application SW	\$ 2,305,884	-	2,305,884	100.00%	0.00%	-	\$ 2,305,884	100.00%	0.00%	-
208		Retirement Work in Progress	\$ -	-	-	10.35%	50.25%	-	\$ -	10.35%	50.25%	-
209												
210		Total Depr Reserves (Div 2)	\$ 106,312,469	\$ -	\$ 102,828,605			\$ 5,251,175	\$ 104,694,574			\$ 5,178,574

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Jurisdictional Accumulated Depreciation & Amortization  
as of March 31, 2019

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Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s).

FR 16(8)(b)3  
Schedule B-3 F  
Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	Ending Balance	Adjustments	Adjusted Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	13 Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
211												
212		<b>Shared Services Customer Support (Division 012)</b>										
213												
214		<b>General Plant</b>										
215	38900	38900-Land	\$ -	\$ -	\$ -	10.93%	51.88%	\$ -	\$ -	10.93%	51.88%	\$ -
216	38910	38910-CKV-Land & Land Rights	\$ -	-	-	100.00%	2.33%	-	\$ -	100.00%	2.33%	-
217	39000	39000-Structures & Improvements	\$ 2,084,561	-	2,084,561	10.93%	51.88%	118,214	\$ 1,894,620	10.93%	51.88%	107,442
218	39009	39009-Improv. to Leased Premises	\$ 1,705,842	-	1,705,842	10.93%	51.88%	96,737	\$ 1,660,007	10.93%	51.88%	94,137
219	39010	39010-CKV-Structures & Improvements	\$ 3,318,656	-	3,318,656	100.00%	2.33%	77,405	\$ 2,982,735	100.00%	2.33%	69,570
220	39100	39100-Office Furniture & Equipment	\$ 896,442	-	896,442	10.93%	51.88%	50,836	\$ 847,930	10.93%	51.88%	48,085
221	39101	Office Furniture And	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
222	39102	Remittance Processing	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
223	39103	39103-Office Furn. - Copiers & Type	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
224	39110	CKV-Office Furn & Eq	\$ 127,815	-	127,815	100.00%	2.33%	2,981	\$ 82,372	100.00%	2.33%	1,921
225	39210	CKV-Transportation Eq	\$ 96,927	-	96,927	100.00%	2.33%	2,261	\$ 96,773	100.00%	2.33%	2,257
226	39410	CKV-Tools Shop Garage	\$ 136,665	-	136,665	100.00%	2.33%	3,188	\$ 122,111	100.00%	2.33%	2,848
227	39510	CKV-Laboratory Equip	\$ 18,123	-	18,123	100.00%	2.33%	423	\$ 16,936	100.00%	2.33%	395
228	39700	39700-Communication Equipment	\$ 1,121,209	-	1,121,209	10.93%	51.88%	63,583	\$ 1,065,251	10.93%	51.88%	60,409
229	39710	39710-CKV-Communication Equipment	\$ 166,250	-	166,250	100.00%	2.33%	3,878	\$ 157,641	100.00%	2.33%	3,677
230	39800	39800-Miscellaneous Equipment	\$ 16,465	-	16,465	10.93%	51.88%	934	\$ 14,613	10.93%	51.88%	829
231	39810	CKV-Misc Equipment	\$ 171,516	-	171,516	100.00%	2.33%	4,000	\$ 158,045	100.00%	2.33%	3,686
232	39900	39900-Other Tangible Property	\$ 518,954	-	518,954	10.93%	51.88%	29,429	\$ 477,870	10.93%	51.88%	27,100
233	39901	39901-Oth Tang Prop - Servers - H/W	\$ 5,465,022	-	5,465,022	10.93%	51.88%	309,916	\$ 5,023,620	10.93%	51.88%	284,885
234	39902	39902-Oth Tang Prop - Servers - S/W	\$ 1,272,256	-	1,272,256	10.93%	51.88%	72,148	\$ 1,187,816	10.93%	51.88%	67,360
235	39903	39903-Oth Tang Prop - Network - H/W	\$ 377,508	-	377,508	10.93%	51.88%	21,408	\$ 355,517	10.93%	51.88%	20,161
236	39906	39906-Oth Tang Prop - PC Hardware	\$ 608,919	-	608,919	10.93%	51.88%	34,531	\$ 559,761	10.93%	51.88%	31,744
237	39907	39907-Oth Tang Prop - PC Software	\$ 140,410	-	140,410	10.93%	51.88%	7,962	\$ 134,103	10.93%	51.88%	7,605
238	39908	39908-Oth Tang Prop - Appl Software	\$ 33,301,290	-	33,301,290	10.93%	51.88%	1,888,485	\$ 30,357,683	10.93%	51.88%	1,721,556
239	39910	39910-CKV-Other Tangible Property	\$ 149,901	-	149,901	100.00%	2.33%	3,496	\$ 131,374	100.00%	2.33%	3,064
240	39916	39916-CKV-Oth Tang Prop-PC Hardware	\$ 264,414	-	264,414	100.00%	2.33%	6,167	\$ 248,725	100.00%	2.33%	5,801
241	39917	39917-CKV-Oth Tang Prop-PC Software	\$ 79,730	-	79,730	100.00%	2.33%	1,860	\$ 75,562	100.00%	2.33%	1,762
242	39918	CKV-Oth Tang Prop-App	\$ 11,375	-	11,375	100.00%	2.33%	265	\$ 10,705	100.00%	2.33%	250
243	39924	Oth Tang Prop - Gen.	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
244		Retirement Work in Progress	\$ -	-	-	10.93%	51.88%	-	\$ -	10.93%	51.88%	-
245												
246		Total Depr Reserves (Div 12)	\$ 52,050,249	\$ -	\$ 52,050,249			\$ 2,800,108	\$ 47,661,769			\$ 2,566,545
247												
248		Total Accumulated Depreciation & Amortization (Div 009, 091, 002, 012)	\$ 351,366,739	\$ -	\$ 347,665,559			\$ 199,948,564	\$ 337,523,341			\$ 191,846,139

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Depreciation Expense  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(b)3.1  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule B-3.1  
Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12 Months Ending 3/31/2019	O&M Expense Factor	Kentucky- Mic States Divisor Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>Kentucky Direct (Division 009)</b>							
1		<u>Intangible Plant</u>					
2	30100	Organization	\$ -	100.00%	100%	100%	\$ -
3	30200	Franchises & Consents	\$ -	100.00%	100%	100%	-
4							
5		Total Intangible Plant Amort.	\$ -				\$ -
6							
7		<u>Natural Gas Production Plant</u>					
8	32540	Rights of Ways	\$ -	100.00%	100%	100%	-
9	33202	Tributary Lines	\$ -	100.00%	100%	100%	-
10	33400	Field Meas. & Reg. Sta. Equip	\$ -	100.00%	100%	100%	-
11							
12		Total Natural Gas Production Plant Depr	\$ -				\$ -
13							
14		<u>Storage Plant</u>					
15	35010	Land	\$ -	100.00%	100%	100%	\$ -
16	35020	Rights of Way	\$ 12	100.00%	100%	100%	12
17	35100	Structures and Improvements	\$ 299	100.00%	100%	100%	299
18	35102	Compression Station Equipment	\$ 1,931	100.00%	100%	100%	1,931
19	35103	Meas. & Reg. Sta. Structures	\$ 213	100.00%	100%	100%	213
20	35104	Other Structures	\$ 1,787	100.00%	100%	100%	1,787
21	35200	Wells \ Rights of Way	\$ 143,405	100.00%	100%	100%	143,405
22	35201	Well Construction	\$ 25,670	100.00%	100%	100%	25,670
23	35202	Well Equipment	\$ -	100.00%	100%	100%	-
24	35203	Cushion Gas	\$ 30,507	100.00%	100%	100%	30,507
25	35210	Leaseholds	\$ 625	100.00%	100%	100%	625
26	35211	Storage Rights	\$ 481	100.00%	100%	100%	481
27	35301	Field Lines	\$ 1,446	100.00%	100%	100%	1,446
28	35302	Tributary Lines	\$ 1,697	100.00%	100%	100%	1,697
29	35400	Compressor Station Equipment	\$ 16,622	100.00%	100%	100%	16,622
30	35500	Meas & Reg. Equipment	\$ 2,268	100.00%	100%	100%	2,268
31	35600	Purification Equipment	\$ 8,501	100.00%	100%	100%	8,501
32							
33		Total Storage Plant Depr	\$ 235,463				\$ 235,463
34							
35		<u>Transmission Plant</u>					
36	36510	Land	\$ -	100.00%	100%	100%	\$ -
37	36520	Rights of Way	\$ 11,541	100.00%	100%	100%	11,541
38	36602	Structures & Improvements	\$ 872	100.00%	100%	100%	872
39	36603	Other Structures	\$ 1,083	100.00%	100%	100%	1,083
40	36700	Mains Cathodic Protection	\$ 7,946	100.00%	100%	100%	7,946
41	36701	Mains - Steel	\$ 522,461	100.00%	100%	100%	522,461
42	36900	Meas. & Reg. Equipment	\$ 15,653	100.00%	100%	100%	15,653
43	36901	Meas. & Reg. Equipment	\$ 48,568	100.00%	100%	100%	48,568
44							
45		Total Production Plant - (LPG) Depr	\$ 608,126				\$ 608,126
46							
47		<u>Distribution Plant</u>					
48	37400	Land & Land Rights	\$ -	100.00%	100%	100%	\$ -
49	37401	Land	\$ -	100.00%	100%	100%	-
50	37402	Land Rights	\$ 47,619	100.00%	100%	100%	47,619
51	37403	Land Other	\$ -	100.00%	100%	100%	-
52	37500	Structures & Improvements	\$ 6,925	100.00%	100%	100%	6,925
53	37501	Structures & Improvements T.B.	\$ 2,056	100.00%	100%	100%	2,056
54	37502	Land Rights	\$ 953	100.00%	100%	100%	953
55	37503	Improvements	\$ 83	100.00%	100%	100%	83
56	37600	Mains Cathodic Protection	\$ 1,035,250	100.00%	100%	100%	1,035,250
57	37601	Mains - Steel	\$ 2,937,275	100.00%	100%	100%	2,937,275
58	37602	Mains - Plastic	\$ 2,634,237	100.00%	100%	100%	2,634,237
59	37800	Meas & Reg. Sta. Equip - General	\$ 397,764	100.00%	100%	100%	397,764
60	37900	Meas & Reg. Sta. Equip - City Gate	\$ 144,584	100.00%	100%	100%	144,584
61	37905	Meas & Reg. Sta. Equipment T.B.	\$ 81,544	100.00%	100%	100%	81,544
62	38000	Services	\$ 4,883,872	100.00%	100%	100%	4,883,872
63	38100	Meters	\$ 3,498,398	100.00%	100%	100%	3,498,398
64	38200	Meter Installaitons	\$ 2,355,880	100.00%	100%	100%	2,355,880
65	38300	House Regulators	\$ 369,153	100.00%	100%	100%	369,153
66	38400	House Reg. Installations	\$ 5,908	100.00%	100%	100%	5,908
67	38500	Ind. Meas. & Reg. Sta. Equipment	\$ 142,017	100.00%	100%	100%	142,017
68							
69		Total Distribution Plant Depr	\$ 18,543,517				\$ 18,543,517
70							
71		<u>General Plant</u>					
72	38900	38900-Land & Land Rights	\$ -	100.00%	100%	100%	\$ -
73	39000	39000-Structures & Improvements	\$ 268,781	100.00%	100%	100%	268,781
74	39002	39002-Structures - Brick	\$ 6,509	100.00%	100%	100%	6,509

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Depreciation Expense  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period X Forecasted Period \_\_\_\_\_ FR 16(8)(b)3.1  
Type of Filing: X Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule B-3.1  
Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12 Months Ending 3/31/2019	O&M Expense Factor	Kentucky- Mic States Divisor Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
75	39003	39003-Improvements	\$ 26,666	100.00%	100%	100%	26,666
76	39004	39004-Air Conditioning Equipment	\$ 487	100.00%	100%	100%	487
77	39009	39009-Improv. to Leased Premises	\$ 97,151	100.00%	100%	100%	97,151
78	39100	39100-Office Furniture & Equipment	\$ 119,701	100.00%	100%	100%	119,701
79	39103	Office Machines	\$ -	100.00%	100%	100%	-
80	39200	39200-Transportation Equipment	\$ 33,457	100.00%	100%	100%	33,457
81	39202	39202-WKG Trailers	\$ -	100.00%	100%	100%	-
82	39400	39400-Tools, Shop, & Garage Equip.	\$ 345,698	100.00%	100%	100%	345,698
83	39603	39603-Ditchers	\$ 3,213	100.00%	100%	100%	3,213
84	39604	39604-Backhoes	\$ 5,090	45.71%	100%	100%	2,327
85	39605	39605-Welders	\$ 3,152	45.71%	100%	100%	1,441
86	39700	39700-Communication Equipment	\$ 23,943	45.67%	100%	100%	10,934
87	39701	Communication Equip.	\$ -	2.00%	100%	100%	-
88	39702	Communication Equip.	\$ -	2.00%	100%	100%	-
89	39705	39705-Comm. Equip. - Telemetering	\$ -	100.00%	100%	100%	-
90	39800	39800-Miscellaneous Equipment	\$ 189,434	100.00%	100%	100%	189,434
91	39901	Servers Hardware	\$ 1,439	100.00%	100%	100%	1,439
92	39902	Servers Software	\$ -	100.00%	100%	100%	-
93	39903	39903-Oth Tang Prop - Network - HW	\$ 13,460	100.00%	100%	100%	13,460
94	39906	39906-Oth Tang Prop - PC Hardware	\$ 357,344	100.00%	100%	100%	357,344
95	39907	39907-Oth Tang Prop - PC Software	\$ -	100.00%	100%	100%	-
96	39908	39908-Oth Tang Prop - Appl Software	\$ 2,060	100.00%	100%	100%	2,060
97		AR 15 general plant amortization	\$ -	100.00%	100%	100%	-
98							
99		Total General Plant Depr	\$ 1,497,586				\$ 1,480,102
100							
101		Total Depreciation Expense (Div 9)	\$ 20,884,691				\$20,867,207
102							
103							
104							
105		<b>Kentucky-Mid-States General Office (Division 091)</b>					
106							
107		<u>Intangible Plant</u>					
108	30100	Organization	\$ -	100.00%	100%	50.25%	\$ -
109	30300	Misc Intangible Plant	\$ -	100.00%	100%	50.25%	-
110							
111		Total Intangible Plant Depr	\$ -				\$ -
112							
113		<u>Distribution Plant</u>					
114	37400	Land & Land Rights	\$ -	100.00%	100%	50.25%	\$ -
115	35010	Land	-	100.00%	100%	50.25%	-
116	37402	Land Rights	-	100.00%	100%	50.25%	-
117	37403	Land Other	-	100.00%	100%	50.25%	-
118	36602	Structures & Improvements	-	100.00%	100%	50.25%	-
119	37501	Structures & Improvements T.B.	-	100.00%	100%	50.25%	-
120	37402	Land Rights	-	100.00%	100%	50.25%	-
121	37503	Improvements	-	100.00%	100%	50.25%	-
122	36700	Mains Cathodic Protection	-	100.00%	100%	50.25%	-
123	36701	Mains - Steel	-	100.00%	100%	50.25%	-
124	37602	Mains - Plastic	-	100.00%	100%	50.25%	-
125	37800	Meas & Reg. Sta. Equip - General	-	100.00%	100%	50.25%	-
126	37900	Meas & Reg. Sta. Equip - City Gate	-	100.00%	100%	50.25%	-
127	37905	Meas & Reg. Sta. Equipment T.b.	-	100.00%	100%	50.25%	-
128	38000	Services	-	100.00%	100%	50.25%	-
129	38100	Meters	-	100.00%	100%	50.25%	-
130	38200	Meter Installaitons	-	100.00%	100%	50.25%	-
131	38300	House Regulators	-	100.00%	100%	50.25%	-
132	38400	House Reg. Installations	-	100.00%	100%	50.25%	-
133	38500	Ind. Meas. & Reg. Sta. Equipment	-	100.00%	100%	50.25%	-
134	38600	Other Prop. On Cust. Prem	-	100.00%	100%	50.25%	-
135							
136		Total Distribution Plant Depr	\$ -				\$ -
137							
138		<u>General Plant</u>					
139	39001	39001-Structures - Frame	\$ 4,806	100.00%	100%	50.25%	\$ 2,415
140	39004	39004-Air Conditioning Equipment	\$ 1,128	100.00%	100%	50.25%	567
141	39009	39009-Improv. to Leased Premises	\$ -	100.00%	100%	50.25%	-
142	39100	39100-Office Furniture & Equipment	\$ -	100.00%	100%	50.25%	-
143	39101	Office Furniture And	\$ -	100.00%	100%	50.25%	-
144	39103	Office Machines	\$ -	100.00%	100%	50.25%	-
145	39200	39200-Trans Equip- Group	\$ 1,820	45.67%	100%	50.25%	418
146	39300	Stores Equipment	\$ -	100.00%	100%	50.25%	-
147	39400	39400-Tools, Shop, & Garage Equip.	\$ 6,184	45.67%	100%	50.25%	1,419
148	39600	39600-Power Operated Equipment	\$ 894	2.00%	100%	50.25%	9
149	39700	39700-Communication Equipment	\$ 1,704	100.00%	100%	50.25%	856
150	39701	Communication Equip.	\$ -	100.00%	100%	50.25%	-

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Depreciation Expense  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(b)3.1  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule B-3.1  
Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12 Months Ending 3/31/2019	O&M Expense Factor	Kentucky- Mic States Divisor Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
151	39702	Communication Equip.	\$ -	100.00%	100%	50.25%	-
152	39800	39800-Miscellaneous Equipment	\$ 28,252	100.00%	100%	50.25%	14,197
153	39900	39900-Other Tangible Property	\$ -	100.00%	100%	50.25%	-
154	39901	39901-Oth Tang Prop - Servers - H/W	\$ -	100.00%	100%	50.25%	-
155	39902	39902-Oth Tang Prop - Servers - S/W	\$ -	100.00%	100%	50.25%	-
156	39903	39903-Oth Tang Prop - Network - H/W	\$ -	100.00%	100%	50.25%	-
157	39906	39906-Oth Tang Prop - PC Hardware	\$ -	100.00%	100%	50.25%	-
158	39907	39907-Oth Tang Prop - PC Software	\$ 3,896	100.00%	100%	50.25%	1,958
159	39908	39908-Oth Tang Prop - Appl Software	\$ -	100.00%	100%	50.25%	-
160							
161							
162		Total General Plant Depr	\$ 48,684				\$ 21,838
163							
164		Total Depreciation Expense (Div 91)	\$ 48,684				\$ 21,838
165							
166		<b>Shared Services General Office (Division 002)</b>					
167							
168		<u>General Plant</u>					
169	39000	39000-Structures & Improvements	\$ 42,485	100%	10.35%	50.25%	\$ 2,210
170	39005	39005-G-Structures & Improvements	\$ 274,904	100%	100.00%	1.55%	4,263
171	39009	39009-Improv. to Leased Premises	\$ 318,540	100%	10.35%	50.25%	16,567
172	39020	Struct & Improv AEAM	\$ -	100%	100.00%	6.44%	-
173	39029	Improv-Leased AEAM	\$ -	100%	100.00%	6.44%	-
174	39100	39100-Office Furniture & Equipment	\$ 203,100	100%	10.35%	50.25%	10,563
175	39102	39102-Remittance Processing Equipment	\$ -	100%	10.35%	50.25%	-
176	39103	39103-Office Furn. - Copiers & Type	\$ -	100%	10.35%	50.25%	-
177	39104	39104-G-Office Furniture & Equip.	\$ 10,428	100%	100.00%	1.55%	162
178	39120	Off Furn & Equip-AEAM	\$ 282	100%	100.00%	6.44%	18
179	39200	39200-Transportation Equipment	\$ -	100%	10.35%	50.25%	-
180	39300	39300-Stores Equipment	\$ -	100%	10.35%	50.25%	-
181	39400	39400-Tools, Shop, & Garage Equip.	\$ 33,859	100%	10.35%	50.25%	1,761
182	39420	Tools And Garage-AEAM	\$ -	100%	100.00%	6.44%	-
183	39500	39500-Laboratory Equipment	\$ -	100%	10.35%	50.25%	-
184	39700	39700-Communication Equipment	\$ 516	100%	10.35%	50.25%	27
185	39720	Commun Equip AEAM	\$ -	100%	100.00%	6.44%	-
186	39800	39800-Miscellaneous Equipment	\$ 391	100%	10.35%	50.25%	20
187	39820	Misc Equip - AEAM	\$ 715	100%	100.00%	6.44%	46
188	39900	39900-Other Tangible Equipm	\$ -	100%	10.35%	50.25%	-
189	39901	39901-Oth Tang Prop - Servers - H/W	\$ 1,801,728	100%	10.35%	50.25%	93,708
190	39902	39902-Oth Tang Prop - Servers - S/W	\$ 316,922	100%	10.35%	50.25%	16,483
191	39903	39903-Oth Tang Prop - Network - H/W	\$ -	100%	10.35%	50.25%	-
192	39904	39904-Oth Tang Prop - CPU	\$ -	100%	10.35%	50.25%	-
193	39905	39905-Oth Tang Prop - MF Hardware	\$ -	100%	10.35%	50.25%	-
194	39906	39906-Oth Tang Prop - PC Hardware	\$ 95,920	100%	10.35%	50.25%	4,989
195	39907	39907-Oth Tang Prop - PC Software	\$ -	100%	10.35%	50.25%	-
196	39908	39908-Oth Tang Prop - Appl Software	\$ 3,721	100%	10.35%	50.25%	194
197	39909	39909-Oth Tang Prop - Mainframe S/W	\$ -	100%	10.35%	50.25%	-
198	39921	Servers-Hardware-AEAM	\$ 67,192	100%	100.00%	6.44%	4,325
199	39922	Servers-Software-AEAM	\$ 9,561	100%	100.00%	6.44%	615
200	39923	Network Hardware-AEAM	\$ -	100%	100.00%	6.44%	-
201	39924	39924-Oth Tang Prop - Gen.	\$ -	100%	10.35%	50.25%	-
202	39926	Pc Hardware-AEAM	\$ -	100%	100.00%	6.44%	-
203	39928	Application SW-AEAM	\$ 27,081	100%	100.00%	6.44%	1,743
204	39931	ALGN-Servers-Hardware	\$ 23,034	100%	100.00%	0.00%	-
205	39932	ALGN-Servers-Software	\$ -	100%	100.00%	0.00%	-
206	39938	ALGN-Application SW	\$ -	100%	100.00%	0.00%	-
207							
208							
209		Total Depreciation Expense (Div 2)	\$ 3,230,380				\$ 157,695
210							
211		<b>Shared Services Customer Support (Division 012)</b>					
212							
213		<u>General Plant</u>					
214	38900	38900-Land	\$ -	100%	10.93%	51.88%	\$ -
215	38910	38910-CKV-Land & Land Rights	\$ -	100%	100.00%	2.33%	-
216	39000	39000-Structures & Improvements	\$ 379,882	100%	10.93%	51.88%	21,543
217	39009	39009-Improv. to Leased Premises	\$ 91,670	100%	10.93%	51.88%	5,199
218	39010	39010-CKV-Structures & Improvements	\$ 637,304	100%	100.00%	2.33%	14,865
219	39100	39100-Office Furniture & Equipment	\$ 96,658	100%	10.93%	51.88%	5,481
220	39101	Office Furniture And	\$ -	100%	10.93%	51.88%	-
221	39102	Remittance Processing	\$ -	100%	10.93%	51.88%	-
222	39103	39103-Office Furn. - Copiers & Type	\$ -	100%	10.93%	51.88%	-
223	39110	CKV-Office Furn & Eq	\$ 81,919	100%	100.00%	2.33%	1,911
224	39210	CKV-Transportation Eq	\$ 1,338	100%	100.00%	2.33%	31
225	39410	CKV-Tools Shop Garage	\$ 29,109	100%	100.00%	2.33%	679
226	39510	CKV-Laboratory Equip	\$ 2,375	100%	100.00%	2.33%	55

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Depreciation Expense  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period X Forecasted Period          FR 16(8)(b)3.1  
Type of Filing: X Original          Updated          Revised          Schedule B-3.1  
Workpaper Reference No(s):          Witness: Waller

Line No.	Acct. No.	Account / SubAccount Titles	12 Months Ending 3/31/2019	O&M Expense Factor	Kentucky- Mic States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
227	39700	39700-Communication Equipment	\$ 111,917	100%	10.93%	51.88%	6,347
228	39710	39710-CKV-Communication Equipment	\$ 17,218	100%	100.00%	2.33%	402
229	39800	39800-Miscellaneous Equipment	\$ 3,704	100%	10.93%	51.88%	210
230	39810	CKV-Misc Equipment	\$ 26,941	100%	100.00%	2.33%	628
231	39900	39900-Other Tangible Property	\$ 82,169	100%	10.93%	51.88%	4,660
232	39901	39901-Oth Tang Prop - Servers - H/W	\$ 882,786	100%	10.93%	51.88%	50,062
233	39902	39902-Oth Tang Prop - Servers - S/W	\$ 168,879	100%	10.93%	51.88%	9,577
234	39903	39903-Oth Tang Prop - Network - H/W	\$ 43,983	100%	10.93%	51.88%	2,494
235	39906	39906-Oth Tang Prop - PC Hardware	\$ 97,404	100%	10.93%	51.88%	5,524
236	39907	39907-Oth Tang Prop - PC Software	\$ 12,613	100%	10.93%	51.88%	715
237	39908	39908-Oth Tang Prop - Appl Software	\$ 5,873,180	100%	10.93%	51.88%	333,063
238	39910	39910-CKV-Other Tangible Property	\$ 34,650	100%	100.00%	2.33%	808
239	39916	39916-CKV-Oth Tang Prop-PC Hardware	\$ 30,687	100%	100.00%	2.33%	716
240	39917	39917-CKV-Oth Tang Prop-PC Software	\$ 8,170	100%	100.00%	2.33%	191
241	39918	CKV-Oth Tang Prop-App	\$ 1,341	100%	100.00%	2.33%	31
242	39924	Oth Tang Prop - Gen.	\$ -	100%	10.93%	51.88%	-
243							
244							
245		Total Depreciation Expense (Div 12)	<u>\$ 8,715,897</u>				<u>\$ 465,191</u>
246							
247		Total Accumulated Depreciation & Amortization (Div 009, 091, 002, 012)	<u>\$ 32,879,652</u>				<u>\$21,511,931</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Allowance For Working Capital  
as of December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s).

FR 16(8)(b)4  
Schedule B-4 B  
Witness: Waller

Line No.	Working Capital Component	Description of methodology used to determine Jurisdictional Requirement	Workpaper Reference No.	Total Company
1	Cash Working Capital	1 / 8 O & M Method	B-4.2	\$ 3,370,236
2	Material & Supplies	13 Month Average Balance	B-4.1	214,652
3	Gas Stored Underground	13 Month Average Balance	B-4.1	8,607,714
4	Prepayments	13 Month Average Balance	B-4.1	<u>1,759,394</u>
5	Total Working Capital Requirements			<u>\$ 13,951,998</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Allowance For Working Capital  
as of March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(b)4  
Schedule B-4 F  
Witness: Waller

Line No.	Working Capital Component	Description of methodology used to determine Jurisdictional Requirement	Workpaper Reference No.	Total Company
1	Cash Working Capital	1 / 8 O & M Method	B-4.2	\$ 3,270,504
2	Material & Supplies	13 Month Average Balance	B-4.1	243,022
3	Gas Stored Underground	13 Month Average Balance	B-4.1	8,259,601
4	Prepayments	13 Month Average Balance	B-4.1	<u>1,729,944</u>
5	Total Working Capital Requirements			<u>\$ 13,503,071</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Working Capital Components  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(b)4.1  
Schedule B-4.1 B  
Witness: Waller

Line No.	Description	Base Period Ending Balance			13 Month Average				
		12/31/2017 Ending Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	12/31/2017 13 Month Avg	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
1	Material & Supplies (Account 1540 & 1630)								
2	Kentucky Direct (Div 009)	\$ (270,522)	100%	100%	\$ (270,522)	\$ (254,109)	100%	100%	\$ (254,109)
3	KY/Mid-States General Office (Div 091)	955,451	100%	50.25%	480,127	932,833	100%	50.25%	468,761
4	Shared Services General Office (Div 002)	-	10.35%	50.25%	-	-	10.35%	50.25%	-
5	Shared Services Customer Support (Div 012)	-	10.93%	51.88%	-	-	10.93%	51.88%	-
6	Total	\$ 684,929			\$ 209,605	\$ 678,724			\$ 214,652
7									
8	Gas Stored Underground (Account 1641)								
9	Kentucky Direct (Div 009)	\$ 12,337,277	100%	100%	\$ 12,337,277	\$ 8,607,714	100%	100%	\$ 8,607,714
10	KY/Mid-States General Office (Div 091)	-	100%	50.25%	-	-	100%	50.25%	-
11	Shared Services General Office (Div 002)	-	10.35%	50.25%	-	-	10.35%	50.25%	-
12	Shared Services Customer Support (Div 012)	-	10.93%	51.88%	-	-	10.93%	51.88%	-
13	Total	\$ 12,337,277			\$ 12,337,277	\$ 8,607,714			\$ 8,607,714
14									
15	Prepayments (Account 1650)								
16	Kentucky Direct (Div 009)	\$ 68,933	100%	100%	\$ 68,933	\$ 76,356	100%	100%	\$ 76,356
17	KY/Mid-States General Office (Div 091)	3,673	100%	50.25%	1,846	3,825	100%	50.25%	1,922
18	Shared Services General Office (Div 002)	30,135,179	10.35%	50.25%	1,567,335	30,428,207	10.35%	50.25%	1,582,576
19	Shared Services Customer Support (Div 012)	1,610,328	10.93%	51.88%	91,320	1,737,648	10.93%	51.88%	98,540
20	Total	\$ 31,818,113			\$ 1,729,434	\$ 32,246,036			\$ 1,759,394
21									
22	Total Other Working Capital Allowances	\$ 44,840,320			\$ 14,276,317	\$ 41,532,475			#####

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Working Capital Components  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(b)4.1  
Schedule B-4.1 F  
Witness: Waller

Line No.	Description	Forecasted Period Ending Balance				13 Month Average			
		3/31/2019 Ending Balance	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount	3/31/2019 13 Month Avg	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
1	Material & Supplies (Account 1540 & 1630)								
2	Kentucky Direct (Div 009)	\$ (270,522)	100%	100%	\$ (270,522)	\$ (270,522)	100%	100%	\$ (270,522)
3	KY/Mid-States General Office (Div 091)	1,819,949	100%	50.25%	914,549	1,021,951	100%	50.25%	513,544
4	Shared Services General Office (Div 002)	-	10.35%	50.25%	-	-	10.35%	50.25%	-
5	Shared Services Customer Support (Div 012)	-	10.93%	51.88%	-	-	10.93%	51.88%	-
6	Total	\$ 1,549,427			\$ 644,027	\$ 751,429			\$ 243,022
7									
8	Gas Stored Underground (Account 1641)								
9	Kentucky Direct (Div 009)	\$ (4,156,777)	100%	100%	\$ (4,156,777)	\$ 8,259,601	100%	100%	\$ 8,259,601
10	KY/Mid-States General Office (Div 091)	-	100%	50.25%	-	-	100%	50.25%	-
11	Shared Services General Office (Div 002)	-	10.35%	50.25%	-	-	10.35%	50.25%	-
12	Shared Services Customer Support (Div 012)	-	10.93%	51.88%	-	-	10.93%	51.88%	-
13	Total	\$ (4,156,777)			\$ (4,156,777)	\$ 8,259,601			\$ 8,259,601
14									
15	Prepayments (Account 1650)								
16	Kentucky Direct (Div 009)	\$ 68,933	100%	100%	\$ 68,933	\$ 68,933	100%	100%	\$ 68,933
17	KY/Mid-States General Office (Div 091)	16,870	100%	50.25%	8,477	4,688	100%	50.25%	2,356
18	Shared Services General Office (Div 002)	30,135,179	10.35%	50.25%	1,567,335	30,135,179	10.35%	50.25%	1,567,335
19	Shared Services Customer Support (Div 012)	1,610,328	10.93%	51.88%	91,320	1,610,328	10.93%	51.88%	91,320
20	Total	\$ 31,831,310			\$ 1,736,066	\$ 31,819,128			\$ 1,729,944
21									
22	Total Other Working Capital Allowances	\$ 29,223,960			\$ (1,776,684)	\$ 40,830,159			\$ 10,232,568

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Cash Working Capital Components - 1 / 8 O&M Expenses  
 as of December 31, 2017

Data:  Base Period  Forecasted PeriodType of Filing:  Original  Updated  Revised

Workpaper Reference No(s).

FR 16(8)(b)4.2  
Schedule B-4.2 B  
Witness: Waller

Line No.	Description	Total Company (1)	1 / 8 Method Percent (2)	Jurisdictional Amount (3)
1	Cash Working Capital			
2	Production O&M Expense	\$ -	12.50%	\$ -
3	Storage O&M Expense	402,609	12.50%	50,326
4	Transmission O&M Expense	267,885	12.50%	33,486
5	Distribution O&M Expense	6,643,818	12.50%	830,477
6	Customer Accting. & Collection	3,218,091	12.50%	402,261
7	Customer Service & Information	134,412	12.50%	16,802
8	Sales Expense	410,953	12.50%	51,369
9	Admin. & General Expense	<u>15,884,124</u>	12.50%	<u>1,985,515</u>
10	Total O & M Expenses	<u>\$ 26,961,891</u>		<u>\$ 3,370,236</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Cash Working Capital Components - 1 / 8 O&M Expenses  
as of March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period

Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised

Workpaper Reference No(s).

FR 16(8)(b)4.2  
Schedule B-4.2 F  
Witness: Waller

Line No.	Description	Total Company (1)	1 / 8 Method Percent (2)	Jurisdictional Amount (3)
1	Cash Working Capital			
2	Production O&M Expense	\$ -	12.50%	\$ -
3	Storage O&M Expense	404,981	12.50%	50,623
4	Transmission O&M Expense	270,673	12.50%	33,834
5	Distribution O&M Expense	6,775,544	12.50%	846,943
6	Customer Accting. & Collection	3,376,766	12.50%	422,096
7	Customer Service & Information	133,614	12.50%	16,702
8	Sales Expense	357,069	12.50%	44,634
9	Admin. & General Expense	<u>14,845,383</u>	12.50%	<u>1,855,673</u>
10	Total O & M Expenses	<u>\$ 26,164,029</u>		<u>\$ 3,270,504</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Deferred Credits and Accumulated Deferred Income Taxes  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s).

FR 16(8)(b)5  
Sch. B-5 B  
Witness: Waller

Line No.	Account	Period End	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Jurisdictional Period ending Balance	13-Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>DIVISION 09</b>									
1	Account 190 - Accumulated Deferred Income Taxes (1)	\$ 2,480,404	100%	100%	\$ 2,480,404	\$ 2,501,455	100%	100%	\$ 2,501,455
2									
3	Account 282 - Accumulated Deferred Income Taxes	(114,467,338)	100%	100%	(114,467,338)	(104,026,654)	100%	100%	(104,026,654)
4									
5	Account 283 - Accumulated Deferred Income Taxes - Other	(103,015)	100%	100%	(103,015)	(495,349)	100%	100%	(495,349)
6									
7	Div 09 Accumulated Deferred Income Taxes	#####			\$ (112,089,949)	#####			\$ (102,020,549)
8									
<b>DIVISION 02</b>									
9									
10	Account 190 - Accumulated Deferred Income Taxes	\$ 822,699,628	10.35%	50.25%	\$ 42,788,738	\$ 821,894,800	10.35%	50.25%	\$ 42,746,879
11									
12	Account 282 - Accumulated Deferred Income Taxes	(24,433,131)	10.35%	50.25%	(1,270,771)	(25,367,923)	10.35%	50.25%	(1,319,390)
13									
14	Account 283 - Accumulated Deferred Income Taxes - Other	25,919,297	10.35%	50.25%	1,348,067	22,060,557	10.35%	50.25%	1,147,373
15									
16	Div 02 Accumulated Deferred Income Taxes	\$ 824,185,793			\$ 42,866,034	\$ 818,587,434			\$ 42,574,862
17									
<b>DIVISION 12</b>									
18	Account 190 - Accumulated Deferred Income Taxes	\$ (574,777)	10.93%	51.88%	\$ (32,595)	\$ (265,282)	10.93%	51.88%	\$ (15,044)
19									
20	Account 282 - Accumulated Deferred Income Taxes	(26,366,045)	10.93%	51.88%	(1,495,194)	(27,430,874)	10.93%	51.88%	(1,555,579)
21									
22	Account 283 - Accumulated Deferred Income Taxes - Other	0	10.93%	51.88%	0	(309,496)	10.93%	51.88%	(17,551)
23									
24	Div 012 Accumulated Deferred Income Taxes	\$ (26,940,822)			\$ (1,527,789)	\$ (28,005,652)			\$ (1,588,174)
25									
<b>DIVISION 91</b>									
26									
27	Account 190 - Accumulated Deferred Income Taxes	\$ 6,309,382	100%	50.25%	\$ 3,170,550	\$ 5,993,892	100%	50.25%	\$ 3,012,012
28									
29	Account 255 - Accumulated Deferred Investment Tax Credits	(1)	100%	50.25%	(1)	(1)	100%	50.25%	(1)
30									
31	Account 282 - Accumulated Deferred Income Taxes	5,688,006	100%	50.25%	2,858,300	(3,253,086)	100%	50.25%	(1,634,720)
32									
33	Account 283 - Accumulated Deferred Income Taxes - Other	(1,597,357)	100%	50.25%	(802,694)	(1,627,681)	100%	50.25%	(817,932)
34									
35	Div 91 Accumulated Deferred Income Taxes	\$ 10,400,030			\$ 5,226,156	\$ 1,113,124			\$ 559,360
36									
37	<b>Total Deferred Inc. Taxes and Investment Tax Credits</b>	<b>\$ 695,555,052</b>			<b>\$ (65,525,547)</b>	<b>\$ 689,674,357</b>			<b>\$ (60,474,501)</b>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Deferred Credits and Accumulated Deferred Income Taxes  
 as of March 31, 2019

CASE NO. 2017-00349  
 FR 16(8)(b)  
 ATTACHMENT 1

Data: \_\_\_ Base Period \_\_\_ X \_\_\_ Forecasted Period  
 Type of Filing: \_\_\_ X \_\_\_ Original \_\_\_ Updated  
 Workpaper Reference No(s).

FR 16(8)(b)5  
 Sch. B-5 F  
 Witness: Waller

Line No.	Account	Period End	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Jurisdictional Period ending Balance	13-Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>DIVISION 09</b>									
1	Account 190 - Accumulated Deferred Income Taxes	\$ 2,480,404	100%	100%	\$ 2,480,404	\$ 2,480,404	100%	100%	\$ 2,480,404
2									
3	Account 282 - Accumulated Deferred Income Taxes	(127,528,305)	100%	100%	(127,528,305)	(123,986,274)	100%	100%	(123,986,274)
4									
5	Account 283 - Accumulated Deferred Income Taxes - Other	(103,015)	100%	100%	(103,015)	(103,015)	100%	100%	(103,015)
6									
7	Div 09 Accumulated Deferred Income Taxes	#####			\$ (125,150,916)	\$ (121,608,885)			\$ (121,608,885)
8									
<b>DIVISION 02</b>									
10	Account 190 - Accumulated Deferred Income Taxes	\$822,699,628	10.35%	50.25%	\$ 42,788,738	\$ 822,699,628	10.35%	50.25%	\$ 42,788,738
11									
12	Account 282 - Accumulated Deferred Income Taxes	(25,837,739)	10.35%	50.25%	(1,343,825)	(24,883,174)	10.35%	50.25%	(1,294,178)
13									
14	Account 283 - Accumulated Deferred Income Taxes - Other	25,919,297	10.35%	50.25%	1,348,067	25,919,297	10.35%	50.25%	1,348,067
15									
16	Div 02 Accumulated Deferred Income Taxes	\$822,781,186			\$ 42,792,980	\$ 823,735,751			\$ 42,842,627
17									
<b>DIVISION 12</b>									
18	Account 190 - Accumulated Deferred Income Taxes	\$ (574,777)	10.93%	51.88%	\$ (32,595)	\$ (574,777)	10.93%	51.88%	\$ (32,595)
19									
20	Account 282 - Accumulated Deferred Income Taxes	(23,828,557)	10.93%	51.88%	(1,351,295)	(24,869,504)	10.93%	51.88%	(1,410,326)
21									
22	Account 283 - Accumulated Deferred Income Taxes - Other	0	10.93%	51.88%	0	0	10.93%	51.88%	0
23									
24	Div 012 Accumulated Deferred Income Taxes	\$ (24,403,334)			\$ (1,383,890)	\$ (25,444,281)			\$ (1,442,921)
25									
<b>DIVISION 91</b>									
26	Account 190 - Accumulated Deferred Income Taxes	\$ 6,309,382	100%	50.25%	\$ 3,170,550	\$ 6,309,382	100%	50.25%	\$ 3,170,550
27									
28	Account 255 - Accumulated Deferred Investment Tax Credits	(1)	100%	50.25%	(1)	(1)	100%	50.25%	(1)
29									
30	Account 282 - Accumulated Deferred Income Taxes	5,709,565	100%	50.25%	2,869,134	5,699,565	100%	50.25%	2,864,109
31									
32	Account 283 - Accumulated Deferred Income Taxes - Other	(1,597,357)	100%	50.25%	(802,694)	(1,597,357)	100%	50.25%	(802,694)
33									
34	Div 91 Accumulated Deferred Income Taxes	\$ 10,421,589			\$ 5,236,990	\$ 10,411,589			\$ 5,231,965
35									
36									
37	<b>Total Deferred Inc. Taxes and Investment Tax Credits</b>	<b>\$683,648,525</b>			<b>\$ (78,504,836)</b>	<b>\$ 687,094,174</b>			<b>\$ (74,977,214)</b>
38	<i>(excluding forecasted change in NOLC)</i>								
39	<b>Forecasted Change in NOLC</b>								<b>(322,598)</b>
40									
41	<b>Forecasted 13-month Average ADIT in Rate Base</b>								<b>(75,299,812)</b>
42									

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Deferred Credits and Accumulated Deferred Income Taxes  
 as of March 31, 2019

CASE NO. 2017-00349  
 FR 16(8)(b)  
 ATTACHMENT 1

Data: \_\_\_ Base Period \_\_\_ X \_\_\_ Forecasted Period  
 Type of Filing: \_\_\_ X \_\_\_ Original \_\_\_ Updated  
 Workpaper Reference No(s).

FR 16(8)(b)5  
 Sch. B-5 F  
 Witness: Waller

Line No.	Account	Period End	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Jurisdictional Period ending Balance	13-Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
43	<b>Calculation of Change in NOLC</b>								
44	<b>(from 13-month average Base Period to 13-month average Forecasted Period</b>								
45				Schedule					
46	Forecasted Test Period			Reference					
47	<hr/>								
48	13-month average Rate Base			B.1 F		430,095,330			
49									
50	Required Operating Income			A.1		33,246,369			
51									
52	Interest Deduction			E.1		9,960,341			
53									
54	Return on Equity Portion of Rate Base			line 50 - line 52		23,286,028			
55									
56	Return, grossed up for Income Tax	38.90%		Line 54 / (1-tax rate)		38,111,338			
57									
58	Tax Expense on Return	38.90%		Line 56 x tax rate		<u>14,825,311</u>			
59									
60	Change In ADIT, excluding forecasted change in NOLC			Line 37; B.5 B		(14,502,713)			
61	Required Change in NOLC					<u>(322,598)</u>		0	
62									
63	<b>Total Required Change in Accumulated Deferred Income Taxes<sup>1</sup></b>			<b>B.1 F; B.1 B</b>		<b><u>(14,825,311)</u></b>			
64									
65									
66	<b>ADIT Reconciliation</b>								
67	13-Month Average ADIT, Base Period			B.5 B		(60,474,501)			
68									
69	13-Month Average ADIT, Forecasted Period, excl, Change in NOLC			Line 37		(74,977,214)			
70	Change in NOLC			Line 39		<u>(322,598)</u>			
71	<b>Forecasted 13-month Average ADIT in Rate Base</b>					<b><u>(75,299,812)</u></b>			
72									
73	<b>Total Required Change in Accumulated Deferred Income Taxes</b>			Line 71 - Line 67		<b><u>(14,825,311)</u></b>			
74									
75									
76	<sup>1</sup> Because the Company is in a NOLC position, the total change in ADIT must equal the tax expenses included in revenue requirement								

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Customer Advances For Construction  
as of December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s).

FR 16(8)(b)6  
Sch. B-6 B  
Witness: Waller

Line No.	Account	Period End	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Jurisdictional Period ending Balance	13-Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
1	<b>DIVISION 09</b> 15560 Account 252 - Customer Advances For Construction	\$(1,437,537)	100%	100%	\$(1,437,537)	\$(1,455,773)	100%	100%	\$ (1,455,773)
2									
3	<b>DIVISION 02</b>								
4	15560 Account 252 - Customer Advances For Construction	-	10.35%	50.25%	-	-	10.35%	50.25%	-
5									
6	<b>DIVISION 12</b>								
7	15560 Account 252 - Customer Advances For Construction	-	10.93%	51.88%	-	-	10.93%	51.88%	-
8									
9	<b>DIVISION 91</b>								
10	15560 Account 252 - Customer Advances For Construction	-	100%	50.25%	-	-	100%	50.25%	-
11									
12	Total Account 252 - Customer Advances For Construction	<u>\$(1,437,537)</u>			<u>\$(1,437,537)</u>	<u>\$(1,455,773)</u>			<u>\$ (1,455,773)</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Customer Advances For Construction  
as of March 31, 2019

Data: \_\_\_ Base Period \_\_\_ X \_\_\_ Forecasted Period  
Type of Filing: \_\_\_ X \_\_\_ Original \_\_\_ Updated  
Workpaper Reference No(s).

FR 16(8)(b)6  
Sch. B-6 F  
Witness: Waller

Line No.	Account	Period End	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Jurisdictional Period ending Balance	13-Month Average	Kentucky- Mid States Division Allocation	Kentucky Jurisdiction Allocation	Allocated Amount
<b>DIVISION 09</b>									
1	15560 Account 252 - Customer Advances For Construction	\$(1,437,537)	100%	100%	\$ (1,437,537)	\$(1,437,537)	100%	100%	\$ (1,437,537)
2									
3	<b>DIVISION 02</b>								
4	15560 Account 252 - Customer Advances For Construction	-	10.35%	50.25%	-	-	10.35%	50.25%	-
5									
6	<b>DIVISION 12</b>								
7	15560 Account 252 - Customer Advances For Construction	-	10.93%	51.88%	-	-	10.93%	51.88%	-
8									
9	<b>DIVISION 91</b>								
10	15560 Account 252 - Customer Advances For Construction	0	100%	50.25%	0	0	100%	50.25%	0
11									
12	Total Account 252 - Customer Advances For Construction	<u>\$(1,437,537)</u>			<u>\$ (1,437,537)</u>	<u>\$(1,437,537)</u>			<u>\$ (1,437,537)</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Forecasted Test Period: Twelve Months Ended March 31, 2019  
Working Capital Components

FR 16(8)(b)4.1

Line No.	Description	Budgeted Mar-18	Budgeted Apr-18	Budgeted May-18	Budgeted Jun-18	Budgeted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	13 Month Average
1	<b>Materials &amp; Supplies</b>														
2															
3	<b>Kentucky Direct (Div 009)</b>														
4	Account 1540- Plant Materials and Operating Suppl	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Account 1630- Stores Expense Undistributed	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)
6	Total Materials & Supplies	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)
7															
8	<b>KY/Mid-States General Office (Div 091)</b>														
9	Account 1540- Plant Materials and Operating Suppl	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075
10	Account 1630- Stores Expense Undistributed	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 1,743,874
11	Total Materials & Supplies	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 1,819,949
12															\$ 1,021,951
13	<b>Shared Services General Office (Div 002)</b>														
14	Account 1540- Plant Materials and Operating Suppl	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Account 1630- Stores Expense Undistributed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Total Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17															
18	<b>Shared Services Customer Support (Div 012)</b>														
19	Account 1540- Plant Materials and Operating Suppl	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Account 1630- Stores Expense Undistributed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Total Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22															
23	<b>Gas Stored Underground- Account 1641</b>														
24															
25	Kentucky Direct (Div 009)	\$ (5,040,825)	\$ (1,178,144)	\$ 2,639,752	\$ 6,490,578	\$ 10,375,650	\$ 14,285,991	\$ 18,124,720	\$ 22,008,475	\$ 19,939,491	\$ 14,923,261	\$ 8,081,738	\$ 800,906	\$ (4,156,777)	\$ 8,259,601
26															
27	KY/Mid-States General Office (Div 091)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28															
29	Shared Services General Office (Div 002)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30															
31	Shared Services Customer Support (Div 012)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32															
33	<b>Prepayments- Account 1650</b>														
34															
35	Kentucky Direct (Div 009)	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933
36															
37	KY/Mid-States General Office (Div 091)	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 16,870
38															\$ 4,688
39	Shared Services General Office (Div 002)	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179	\$ 30,135,179
40															
41	Shared Services Customer Support (Div 012)	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Base Period: Twelve Months Ended December 31, 2017  
Working Capital Components

FR 16(8)(b)4.1

Line No.	Description	actual Dec-16	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	forecasted Jul-17	Budgeted Aug-17	Budgeted Sep-17	Budgeted Oct-17	Budgeted Nov-17	Budgeted Dec-17	13 Month Average
1	<b>Materials &amp; Supplies</b>														
2															
3	Kentucky Direct (Div 009)														
4	Account 1540- Plant Materials and Operating Suppl	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Account 1630- Stores Expense Undistributed	\$ (57,155)	\$ (62,146)	\$ (86,325)	\$ (278,877)	\$ (351,177)	\$ (398,764)	\$ (445,843)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)
6	Total Materials & Supplies	\$ (57,155)	\$ (62,146)	\$ (86,325)	\$ (278,877)	\$ (351,177)	\$ (398,764)	\$ (445,843)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (270,522)	\$ (254,109)
7															
8	KY/Mid-States General Office (Div 091)														
9	Account 1540- Plant Materials and Operating Suppl	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075	\$ 76,075
10	Account 1630- Stores Expense Undistributed	\$ 585,343	\$ 656,725	\$ 760,358	\$ 853,998	\$ 913,350	\$ 1,012,172	\$ 1,079,654	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376	\$ 879,376
11	Total Materials & Supplies	\$ 661,418	\$ 732,800	\$ 836,434	\$ 930,071	\$ 989,425	\$ 1,088,248	\$ 1,155,729	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 955,451	\$ 932,833
12															
13	Shared Services General Office (Div 002)														
14	Account 1540- Plant Materials and Operating Suppl	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Account 1630- Stores Expense Undistributed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Total Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17															
18	Shared Services Customer Support (Div 012)														
19	Account 1540- Plant Materials and Operating Suppl	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Account 1630- Stores Expense Undistributed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Total Materials & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22															
23	<b>Gas Stored Underground- Account 1641</b>														
24															
25	Kentucky Direct (Div 009)	\$14,824,455	\$ 6,741,671	\$ 2,380,329	\$ (1,585,227)	\$ 1,123,327	\$ 2,873,790	\$ 5,812,076	\$ 8,272,784	\$11,340,754	\$ 14,331,314	\$ 17,779,376	\$15,668,363	\$12,337,277	\$ 8,607,714
26															
27	KY/Mid-States General Office (Div 091)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28															
29	Shared Services General Office (Div 002)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30															
31	Shared Services Customer Support (Div 012)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32															
33	<b>Prepayments- Account 1650</b>														
34															
35	Kentucky Direct (Div 009)	\$ 165,439	\$ 137,866	\$ 110,292	\$ 82,719	\$ 55,146	\$ 27,573	\$ -	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 68,933	\$ 76,356
36															
37	KY/Mid-States General Office (Div 091)	\$ 5,642	\$ 4,329	\$ 3,017	\$ 1,704	\$ 392	\$ (921)	\$ 13,517	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,673	\$ 3,825
38															
39	Shared Services General Office (Div 002)	\$33,944,542	\$32,452,354	\$28,243,166	\$31,839,499	\$29,643,340	\$31,033,018	\$27,599,696	\$30,135,179	\$30,135,179	\$30,135,179	\$30,135,179	\$30,135,179	\$30,135,179	\$30,428,207
40															
41	Shared Services Customer Support (Div 012)	\$ 1,968,032	\$ 1,848,566	\$ 2,174,650	\$ 1,879,184	\$ 1,607,140	\$ 1,839,555	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,610,328	\$ 1,737,648

Almos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Deferred Credits and Accumulated Deferred Income Taxes

Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Worksheet Reference No(s).

FR 16(8)(b)5  
WP B-5 B

Line No.	Sub Acct	actual Dec-16	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	forecast Jul-17	forecast Aug-17	forecast Sep-17	forecast Oct-17	forecast Nov-17	forecast Dec-17	13 month Average	
<b>DIVISION 09</b>																
1	Account 190 - Accumulated Deferred Income Taxes	\$ 2,519,498	2,519,498	2,519,498	2,519,498	2,519,498	2,519,498	2,519,498	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	\$ 2,501,455	
2																
3	Account 282 - Accumulated Deferred Income Taxes	(98,603,126)	(98,603,126)	(98,603,126)	(98,603,126)	(98,603,126)	(98,603,126)	(98,603,126)	(103,048,108)	(107,448,678)	(111,222,300)	(112,327,775)	(113,610,420)	(114,467,338)	(104,026,654)	
4																
5	Account 283 - Accumulated Deferred Income Taxes - Other	(831,636)	(831,636)	(831,636)	(831,636)	(831,636)	(831,636)	(831,636)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(495,349)	
6																
7	Div 09 Accumulated Deferred Income Taxes	\$ (96,915,264)	\$ (96,915,264)	\$ (96,915,264)	\$ (96,915,264)	\$ (96,915,264)	\$ (96,915,264)	\$ (96,915,264)	\$ (100,670,719)	\$ (105,071,286)	\$ (108,844,911)	\$ (109,950,386)	\$ (111,233,031)	#####	\$ (102,020,549)	
8																
9	<b>DIVISION 02</b>															
10	Account 190 - Accumulated Deferred Income Taxes	\$838,601,729	\$838,601,729	\$838,601,729	\$803,309,841	\$803,309,841	\$803,309,841	\$822,699,828	\$ 822,699,828	\$ 822,699,828	\$ 822,699,828	\$ 822,699,828	\$ 822,699,828	\$822,699,828	\$ 821,894,800	
11																
12	Account 282 - Accumulated Deferred Income Taxes	823,198	823,198	823,198	(49,976,379)	(49,976,379)	(49,976,379)	(35,492,391)	(25,934,176)	(24,332,153)	(23,867,676)	(24,031,553)	(24,232,375)	(24,433,131)	(25,367,923)	
13																
14	Account 283 - Accumulated Deferred Income Taxes - Other	17,050,406	14,870,058	13,358,460	13,989,961	21,420,144	27,053,646	23,528,779	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	22,060,557	
15																
16	Div 02 Accumulated Deferred Income Taxes	\$ 856,475,333	\$ 854,294,985	\$ 852,793,389	\$ 787,323,523	\$ 774,753,707	\$ 780,387,209	\$ 810,736,016	\$ 822,694,749	\$ 824,286,772	\$ 824,751,248	\$ 824,587,372	\$ 824,386,549	\$ 824,185,793	\$ 818,587,434	
17																
18	<b>DIVISION 12</b>															
19	Account 190 - Accumulated Deferred Income Taxes	\$ (0)	(0)	(0)	(0)	(0)	(0)	(0)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	\$ (265,282)	
20																
21	Account 282 - Accumulated Deferred Income Taxes	(27,916,937)	(27,916,937)	(27,916,937)	(27,916,937)	(27,916,937)	(27,916,937)	(27,916,937)	(27,561,938)	(27,203,402)	(26,841,707)	(26,684,131)	(26,525,577)	(26,366,045)	(27,430,874)	
22																
23	Account 283 - Accumulated Deferred Income Taxes - Other	(574,779)	(574,779)	(574,779)	(574,779)	(574,779)	(574,779)	(574,779)	0	0	0	0	0	0	(309,496)	
24																
25	Div 012 Accumulated Deferred Income Taxes	\$ (28,491,717)	\$ (28,491,717)	\$ (28,491,717)	\$ (28,491,717)	\$ (28,491,717)	\$ (28,491,717)	\$ (28,491,717)	\$ (28,138,713)	\$ (27,778,179)	\$ (27,416,484)	\$ (27,258,608)	\$ (27,100,354)	\$ (26,940,822)	\$ (28,005,652)	
26																
27	<b>DIVISION 91</b>															
28	Account 190 - Accumulated Deferred Income Taxes	\$ 5,723,472	5,723,472	5,723,472	5,723,472	5,723,472	5,723,472	5,723,472	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	\$ 5,993,892	
29																
30	Account 282 - Accumulated Deferred Income Taxes	(4,004,703)	(4,004,703)	(4,004,703)	(10,319,370)	(10,319,370)	(10,319,370)	(13,731,308)	(7,447,384)	(881,994)	5,883,375	5,684,919	5,668,482	5,688,006	(3,253,086)	
31																
32	Account 283 - Accumulated Deferred Income Taxes - Other	(1,653,672)	(1,653,672)	(1,653,672)	(1,653,672)	(1,653,672)	(1,653,672)	(1,653,672)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,627,681)	
33																
34	Account 255 - Accumulated Deferred Investment Tax Credits	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
35																
36	Div 91 Accumulated Deferred Income Taxes	\$ 65,096	\$ 65,096	\$ 65,096	\$ (6,249,571)	\$ (6,249,571)	\$ (6,249,571)	\$ (9,661,509)	\$ (2,735,340)	\$ 3,830,030	\$ 10,395,399	\$ 10,386,943	\$ 10,398,486	\$ 10,400,030	\$ 1,113,124	
37	Total	\$ 731,133,448	\$ 728,953,100	\$ 727,441,502	\$ 635,686,971	\$ 643,087,155	\$ 648,730,657	\$ 675,667,525	\$ 691,141,976	\$ 695,287,333	\$ 698,885,252	\$ 697,775,021	\$ 696,451,651	\$ 695,555,052	\$ 689,674,357	

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Deferred Credits and Accumulated Deferred Income Taxes  
Base Period: Twelve Months Ended December 31, 2017

Data: \_\_\_\_\_ Base Period X Forecasted Period  
Type of Filing: X Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Worksheet Reference No(s): \_\_\_\_\_

FR 16(8)(b)5  
Schd. B-6

Line No.	Sub Acct	Budgeted Mar-18	Budgeted Apr-18	Budgeted May-18	Budgeted Jun-18	Budgeted Jul-18	Forecast Aug-18	Forecast Sep-18	Forecast Oct-18	Forecast Nov-18	Forecast Dec-18	Forecast Jan-19	Forecast Feb-19	Forecast Mar-19	13 month Average	
<b>DIVISION 09</b>																
1	Account 190 - Accumulated Deferred Income Taxes	\$ 2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	2,480,404	\$ 2,480,404	
2																
3	Account 282 - Accumulated Deferred Income Taxes	(117,214,674)	(118,465,808)	(120,007,414)	(121,336,067)	(122,987,829)	(124,445,342)	(125,483,705)	(126,012,304)	(126,697,423)	(127,022,712)	(127,280,134)	(127,339,839)	(127,528,305)	(123,986,274)	
4																
5	Account 283 - Accumulated Deferred Income Taxes - Other	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	(103,015)	
6																
7	Div 09 Accumulated Deferred Income Taxes	\$ (114,837,285)	\$ (116,088,419)	\$ (117,630,025)	\$ (118,958,678)	\$ (120,610,440)	\$ (122,067,953)	\$ (123,106,316)	\$ (123,634,915)	\$ (124,320,034)	\$ (124,645,323)	\$ (124,902,745)	\$ (124,962,450)	\$ (125,150,916)	\$ (121,608,885)	
8																
9	<b>DIVISION 02</b>															
10	Account 190 - Accumulated Deferred Income Taxes	\$ 822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	822,699,628	\$ 822,699,628	
11																
12	Account 282 - Accumulated Deferred Income Taxes	(25,934,176)	(24,332,153)	(23,867,676)	(24,031,553)	(24,232,375)	(24,433,131)	(24,633,822)	(24,834,446)	(25,035,004)	(25,235,657)	(25,436,417)	(25,637,111)	(25,837,739)	(24,883,174)	
13																
14	Account 283 - Accumulated Deferred Income Taxes - Other	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	25,919,297	
15																
16	Div 02 Accumulated Deferred Income Taxes	\$ 822,684,749	\$ 824,286,772	\$ 824,751,248	\$ 824,587,372	\$ 824,386,549	\$ 824,185,793	\$ 823,985,103	\$ 823,784,478	\$ 823,583,920	\$ 823,383,267	\$ 823,182,607	\$ 822,981,814	\$ 822,781,186	\$ 823,735,751	
17																
18	Account 190 - Accumulated Deferred Income Taxes	\$ (574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	(574,777)	
19																
20	Account 282 - Accumulated Deferred Income Taxes	(25,881,584)	(25,717,164)	(25,551,766)	(25,385,623)	(25,218,502)	(25,050,404)	(24,881,328)	(24,707,854)	(24,533,585)	(24,358,520)	(24,182,661)	(24,006,006)	(23,828,557)	(24,869,504)	
21																
22	Account 283 - Accumulated Deferred Income Taxes - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23																
24	Div 012 Accumulated Deferred Income Taxes	\$ (28,456,351)	\$ (28,291,941)	\$ (28,126,543)	\$ (27,960,400)	\$ (27,793,279)	\$ (27,625,181)	\$ (27,456,105)	\$ (27,282,531)	\$ (27,108,362)	\$ (26,933,287)	\$ (26,757,438)	\$ (26,580,783)	\$ (26,403,334)	\$ (25,444,281)	
25																
26	<b>DIVISION 91</b>															
27	Account 190 - Accumulated Deferred Income Taxes	\$ 6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	6,309,382	\$ 6,309,382	
28																
29	Account 282 - Accumulated Deferred Income Taxes	5,689,607	5,691,168	5,692,730	5,694,292	5,695,854	5,697,416	5,698,978	5,701,121	5,703,265	5,705,409	5,707,553	5,707,393	5,709,565	5,899,565	
30																
31	Account 283 - Accumulated Deferred Income Taxes - Other	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	(1,597,357)	
32																
33	Account 255 - Accumulated Deferred Investment Tax Credits	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
34																
35	Div 91 Accumulated Deferred Income Taxes	\$ 10,401,631	\$ 10,403,192	\$ 10,404,754	\$ 10,406,316	\$ 10,407,878	\$ 10,409,440	\$ 10,411,002	\$ 10,413,145	\$ 10,415,289	\$ 10,417,433	\$ 10,419,577	\$ 10,421,721	\$ 10,423,865	\$ 10,411,589	
36																
37	Total	\$ 691,792,734	\$ 692,309,604	\$ 691,399,434	\$ 690,074,910	\$ 688,390,708	\$ 686,902,099	\$ 685,833,684	\$ 685,280,078	\$ 684,570,814	\$ 684,222,080	\$ 683,941,901	\$ 683,657,897	\$ 683,648,525	\$ 687,094,174	

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Deferred Credits  
 Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s).

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 Sched. B-6

Line No.	Sub Acct	actual Dec-16	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	Budgeted Jul-17	Budgeted Aug-17	Budgeted Sep-17	Budgeted Oct-17	Budgeted Nov-17	Budgeted Dec-17	13 month Average
	<b>DIVISION 09</b>														
1	Account 252 - Customer Advances For Construction	(1,674,613)	(1,744,327)	(1,740,195)	(1,623,599)	(1,304,467)	(1,194,207)	(1,018,425)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,455,773)
2															
3	<b>DIVISION 02</b>														
4	15560 Account 252 - Customer Advances For Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5															
6	<b>DIVISION 12</b>														
7	15580 Account 252 - Customer Advances For Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8															
9	<b>DIVISION 91</b>														
10	15580 Account 252 - Customer Advances For Construction	0	0	0	0	0	0	0	-	-	-	-	-	-	-

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Deferred Credits  
 Base Period: Twelve Months Ended December 31, 2017

Data: \_\_\_\_\_ Base Period  \_\_\_\_\_ Forecasted Period  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
 Workpaper Reference No(s).

FR 16(8)(b)5  
 Sched. B-5

Line No.	Sub Acct	Budgeted Mar-18	Budgeted Apr-18	Budgeted May-18	Budgeted Jun-18	Budgeted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	13 month Average
<b>DIVISION 09</b>															
1	Account 252 - Customer Advances For Construction	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)	(1,437,537)
2															
<b>DIVISION 02</b>															
4	15560 Account 252 - Customer Advances For Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	0
5															
<b>DIVISION 12</b>															
7	15560 Account 252 - Customer Advances For Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	0
8															
<b>DIVISION 91</b>															
10	15560 Account 252 - Customer Advances For Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	0



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(c)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (c) A jurisdictional operating income summary for both the base period and the forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account;

**RESPONSE:**

Please see attachment FR\_16(8)(c)\_Att1, Schedules C.1 - C.2.3.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(c)\_Att1 - Schedules C.1 - C.2.3.xlsx, 24 Pages.

Respondents: Greg Waller, Mark Martin and Laura Gillham

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

**FR 16(8)(c)                      SCHEDULE C**

**Operating Income Summary**

Schedule	Pages	Description
C-1	1	Operating Income Summary
C-2	1	Adjusted Operating Income
C-2.1	10	Operating Revenue and Expenses by FERC Account
C-2.2	10	Monthly Operating Income by FERC Account
C-2.3	2	Taxes Other than Income Tax by Sub-Account

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Income Summary  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period FR 16(8)(c)1  
Type of Filing:  Original  Updated  Revised Schedule C-1  
Workpaper Reference No(s). Witness: Waller, Martin

Line No.	Description	Base Return at Current Rates	Forecasted Return at Current Rates	Proposed Increase	Forecasted Return at Proposed Rates
1	Operating Revenue	\$ 156,713,247	\$ 170,729,276	\$ 10,416,375	\$ 181,145,651
2	Operating Expenses				
3	Purchased Gas Cost	65,546,014	78,709,117		78,709,117
4	Other O & M Expenses	26,961,891	26,164,029	52,082	26,216,111
5	Depreciation Expense	18,899,316	21,561,512		21,561,512
6	Taxes Other than Income	4,830,375	6,566,445	20,791	6,587,236
7					
8	State & Federal Income Taxes	12,513,987	10,801,686	4,023,622	14,825,308
9	Total Operating Expenses	<u>\$ 128,751,584</u>	<u>\$ 143,802,790</u>	<u>\$ 4,096,495</u>	<u>\$ 147,899,285</u>
10	Operating Income	<u>\$ 27,961,663</u>	<u>\$ 26,926,486</u>	<u>\$ 6,319,880</u>	<u>\$ 33,246,366</u>
11	Rate Base	369,386,897	430,095,330		430,095,330
12	Rate of Return	7.57%	6.26%		7.73%

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Adjusted Operating Income Statement  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s):

FR 16(8)(c)2  
Schedule C-2  
Witness: Waller, Martin

Line No.	Major Group Classification	Base Year Revenue & Expenses	Utility budget Adjustments	Sched Ref.	SSU Billing Adjs	Sched Ref.	Forecasted Revenue & Expenses	Ratemaking Adjustments	Sched Ref.	Test Year Rev. & Exp. Adjusted
1	Operating Revenue	\$ 156,713,247	\$ 14,016,029	D-1			\$ 170,729,276	\$ -		\$ 170,729,276
2										
3	Operating Expenses									
4	Purchased Gas Cost	65,546,014	13,163,103	D-1			78,709,117	-		78,709,117
5	Production O&M Expense	-	-	D-1			-	-		-
6	Storage O&M Expense	402,609	2,373	D-1			404,981	-		404,981
7	Transmission O&M Expense	267,885	2,788	D-1			270,673	-		270,673
8	Distribution O&M Expense	6,643,818	131,726	D-1		*	6,775,544	-		6,775,544
9	Customer Accting. & Collection	3,218,091	158,675	D-1		*	3,376,766	-		3,376,766
10	Customer Service & Information	134,412	(799)	D-1		*	133,614	-		133,614
11	Sales Expense	410,953	32,782	D-1		*	443,735	(86,665)	F-4	357,069
12	Admin. & General Expense	15,884,124	274,798	D-1		*	16,158,922	(1,313,539)	F-6,F-8,F-9, F-10	14,845,383
13	Depreciation Expense	18,899,316	2,662,197	D-1			21,561,512	-		21,561,512
14	Taxes - Other	4,830,375	1,736,070	D-1			6,566,445	-		6,566,445
15	Income Taxes	12,513,987	(1,712,300)				10,801,686	-		10,801,686
16										
17										
18	Total Operating Expenses	\$ 128,751,584	\$ 16,451,411				\$ 145,202,995	\$(1,400,204)		\$ 143,802,790
19										
20	Net Operating Income	\$ 27,961,663	\$ (2,435,382)				\$ 25,526,281	\$ 1,400,204		\$ 26,926,486

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Revenue and Expenses by FERC Account  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 B  
Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
1		<u>OPERATING REVENUE</u>	
2		<u>Sales of Gas</u>	
3	4800	Residential	\$ 92,003,988
4	4805	Unbilled Residential	(4,036,098)
5	4811	Commercial	38,443,048
6	4812	Industrial	6,816,386
7	4815	Unbilled Commercial	(1,524,311)
8	4816	Unbilled Industrial	(99,395)
9	4820	Other - Public Authority	6,397,243
10	4825	Unbilled Public Authority	(329,425)
11		Total Sales of Gas	\$ 137,671,435
12			
13		<u>Other Operating Income</u>	
14	4870	Forfeited Discounts	\$ 1,231,452
15	4880	Misc. Service Revenues	805,992
16	4893	Revenue From Transportation of Gas of Others	15,830,894
17	4950	Other Gas Revenue	1,173,474
18		Total Other Operating Income	\$ 19,041,812
19			
20		TOTAL OPERATING REVENUE	\$ 156,713,247
21			
22		<u>OPERATING EXPENSES</u>	
23		<u>Production Expense - Operation</u>	
24	7560	Ng. Field Meas. & Reg. Station	-
25	7590	Production and gathering-Other	-
26		Total Production Expense - Operation	\$ -
27			
28		<u>Production Expense - Maintenance</u>	
29	7610	Ng Main. Supervision & Engineering	\$ -
30			\$ -
31		<u>Natural Gas Storage Expense - Operation</u>	
32	8140	Operation Supervision & Engineering	\$ -
33	8150	Maps and Records	-
34	8160	Wells Expense	128,970

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Revenue and Expenses by FERC Account  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 B  
Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
35	8170	Lines Expense	35,012
36	8180	Compressor Station Expense	34,838
37	8190	Compressor Station Expense Fuel & Power	1,123
38	8200	Measuring & Regulating Station Expense	3,667
39	8210	Purification	25,635
40	8240	Other	-
41	8250	Storage Well Royalties	13,498
42		Total Nat. Gas Storage Expense - Operation	\$ 242,743
43			
44		<u>Natural Gas Storage Expense - Maintenance</u>	
45	8310	Structure & Improvements	\$ 15,145
46	8320	Reservoirs & Wells	-
47	8340	Compressor Station Equip.	11,248
48	8350	Measuring & Regulating Station Equip.	-
49	8360	Purification Equipment	-
50	8370	Maintenance of other equipment	-
51	840/847	Other Storage Exp. - LNG	133,473
52		Total Nat. Gas Storage Expense - Maintenance	\$ 159,866
53			
54		<u>Transmission Expense - Operation</u>	
55	8500	Operation Supervision & Engineering	\$ -
56	8520	Communication system expenses	-
57	8550	Other fuel & power for compression	332
58	8560	Mains Expense	252,640
59	8570	Measuring & Regulating Station Exp.	11,618
60	8590	Other Exp.	-
61	8600	Rents	-
62		Total Transmission Expense - Operation	\$ 264,589
63			
64		<u>Transmission Expense - Maintenance</u>	
65	8620	Structures and Improvements	\$ -
66	8630	Mains	2,900
67	8640	Compressor Station Equipment	-
68	8650	Measuring & Reg Station Equip.	396

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Revenue and Expenses by FERC Account  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 B  
Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility (1)
69	8670	Other Equipment	-
70		Total Transmission Expense - Maintenance	\$ 3,296
71			
72		<u>Purchased Gas Cost - Operation</u>	
73	8001	Intercompany Gas Well-head Purchases	\$ -
74	8010	Natural gas field line purchases	73,969
75	8040	Natural Gas City Gate Purchases	51,863,463
76	8045	Transportation to City Gate	-
77	8050	Transmission-Operation supervision and engineering	(16,803)
78	8051	Other Gas Purchases / Gas Cost Adjustments	36,547,884
79	8052	PGA for Commercial	19,322,136
80	8053	PGA for Industrial	4,914,402
81	8054	PGA for Public Authority	3,720,082
82	8057	PGA for Transportation Sales	-
83	8058	Unbilled PGA Costs	1,061,715
84	8059	PGA Offset to Unrecovered Gas Cost	(74,730,668)
85	8060	Exchange Gas	1,872,117
86	8081	Gas Withdrawn From Storage - Debit	10,862,930
87	8082	Gas Delivered to Storage	(17,187,952)
88	8110	Gas used for products extraction-Credit	-
89	8120	Gas Used for Other Utility Operations	(20,205)
90	8130	Gas Used for Other Utility Operations	-
91	8580	Transmission and compression of gas by others	27,262,943
92		<u>Total Purchased Gas Cost</u>	\$ 65,546,014
93			
94		<u>Distribution Expenses - Operation</u>	
95	8700	Supervision and Engineering	\$ 1,193,065
96	8710	Distribution Load Dispatching	1,103
97	8711	Odorization	2,545
98	8720	Compressor Station Labor & Expenses	-
99	8740	Mains & Services	3,300,059
100	8750	Measuring and Regulating Station Exp. - Gen	478,055
101	8760	Measuring and Regulating Station Exp. - Ind.	30,154
102	8770	Measuring and Regulating Sta. Exp. - City Gate	22,074

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Revenue and Expenses by FERC Account  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period FR 16(8)(c)2.1  
Type of Filing:  Original  Updated  Revised Schedule C-2.1 B  
Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
103	8780	Meters and House Regulator Expense	934,416
104	8790	Customer Installations Expense	4,014
105	8800	Other Expense	149,633
106	8810	Rents	383,108
107		Total Distribution Expenses - Operation	\$ 6,498,226
108			
109		<u>Distribution Expenses - Maintenance</u>	
110	8850	Supervision and Engineering	\$ 1,623
111	8860	Structures and Improvements	300
112	8870	Mains	29,455
113	8890	Measuring and Regulating Station Exp. - Gen	36
114	8900	Measuring and Regulating Station Exp. - Ind.	8,796
115	8910	Measuring and Regulating Sta. Exp. - City Gate	4,281
116	8920	Services	102
117	8930	Meters and House Regulators	89,917
118	8940	Other Equipment	11,083
119	8950	Maintenance of Other Plant	-
120		Total Distribution Expenses - Maintenance	\$ 145,592
121			
122		<u>Customer Accounts Expenses - Operation</u>	
123	9010	Supervision	\$ 406
124	9020	Meter Reading Expenses	1,186,802
125	9030	Customer Records & Collections	1,660,972
126	9040	Uncollectible Accounts	369,911
127		Total Customer Accounts Expense	\$ 3,218,091
128			
129		<u>Customer Service &amp; Information - Operation</u>	
130	9070	Supervision	\$ -
131	9080	Customer Assistance Expenses	-
132	9090	Informational and Instructional Advertising Expenses	134,412
133	9100	Misc Cust Serv & Informational Exp	-
134		Total Customer Accounts Expenses - Operation	\$ 134,412
135			
136		<u>Sales Expense</u>	

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Operating Revenue and Expenses by FERC Account  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period FR 16(8)(c)2.1  
Type of Filing:  Original  Updated  Revised Schedule C-2.1 B  
Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
137	9110	Supervision	\$ 255,129
138	9120	Demonstrating and Selling Expenses	117,086
139	9130	Advertising Expenses	38,737
140	9160	Miscellaneous Sales Expenses	-
141		Total Sales Expenses	<u>\$ 410,953</u>
142			
143		<u>Administrative and General Expenses - Operation</u>	
144	9200	Administrative and General Salaries	\$ 141,985
145	9210	Office Supplies and Expenses	1,380
146	9220	Administrative Expense Transferred	13,526,080
147	9230	Outside Services Employed	64,811
148	9240	Property Insurance	88,982
149	9250	Injuries and Damages	18,681
150	9260	Employee Pensions and Benefits	1,947,365
151	9270	Franchise Requirements	6,390
152	9280	Regulatory Commission Expense	-
153	930.2	Miscellaneous General Expense	74,162
154	9310	A&G-Rents	<u>\$ 14,287</u>
155		Total Administrative and General Exp. - Operation	<u>\$ 15,884,124</u>
156			
157		<u>Administrative and General Expense - Maintenance</u>	
158	9320	Maintenance of general plant	\$ -
159		Total Administrative and Gen. Exp. - Maintenance	<u>\$ -</u>
160			
161		<u>Total Operation and Maintenance Expense</u>	<u>\$ 92,507,906</u>
162			
163	403-406	Depreciation and Amortization	\$ 18,899,316
164	4081	Taxes Other than Income Taxes	4,830,375
165	4091-4101	Provision for Federal & State Income Taxes	<u>12,513,987</u>
166			
167		TOTAL OPERATING EXPENSE (incl Gas Cost)	<u>\$ 128,751,584</u>
168			
169		NET OPERATING INCOME	<u>\$ 27,961,663</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Operating Revenue and Expenses by FERC Account  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 F  
 Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
1		<u>OPERATING REVENUE</u>	
2		<u>Sales of Gas</u>	
3	4800	Residential	\$ 98,377,919
4	4811	Commercial	40,637,064
5	4812	Industrial	5,286,755
6	4820	Other - Public Authority	6,847,372
7		Total Sales of Gas	<u>\$ 151,149,111</u>
8			
9		<u>Other Operating Income</u>	
10	4870	Forfeited Discounts	\$ 1,297,964
11	4880	Misc. Service Revenues	806,054
12	4893-4896	Revenue From Transportation of Gas of Others	15,202,087
13	4950	Other Gas Revenue	2,274,060
14		Total Other Operating Income	<u>\$ 19,580,165</u>
15			
16		TOTAL OPERATING REVENUE	\$ 170,729,276
17			
18		<u>OPERATING EXPENSES</u>	
19		<u>Production Expense - Operation</u>	
20	7560	Ng. Field Meas. & Reg. Station	-
21	7590	Production and gathering-Other	0
22		Total Production Expense - Operation	<u>\$ -</u>
23			
24		<u>Production Expense - Maintenance</u>	
25	7610	Ng. Main. Supervision & Engineering	\$ -
26			\$ -
27		<u>Natural Gas Storage Expense - Operation</u>	
28	8140	Operation Supervision & Engineering	\$ -
29	8150	Maps and Records	-
30	8160	Wells Expense	135,950
31	8170	Lines Expense	35,014
32	8180	Compressor Station Expense	35,633
33	8190	Compressor Station Expense Fuel & Power	1,003
34	8200	Measuring & Regulating Station Expense	3,485
35	8210	Purification	25,974
36	8240	Other	-
37	8250	Storage Well Royalties	9,388
38		Total Nat. Gas Storage Expense - Operation	<u>\$ 246,447</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Operating Revenue and Expenses by FERC Account  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 F  
 Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility
			(1)
39			
40		<u>Natural Gas Storage Expense - Maintenance</u>	
41	8310	Structure & Improvements	\$ 16,248
42	8320	Reservoirs & Wells	-
43	8340	Compressor Station Equip.	11,889
44	8350	Measuring & Regulating Station Equip.	-
45	8360	Purification Equipment	-
46	8370	Maintenance of other equipment	-
47	841/847	Other Storage Exp. - LNG	130,397
48		Total Nat. Gas Storage Expense - Maintenance	\$ 158,534
49			
50		<u>Transmission Expense - Operation</u>	
51	8500	Operation Supervision & Engineering	\$ -
52	8520	Communication system expenses	-
53	8550	Other Fuel & Power for Compression	297
54	8560	Mains Expense	255,790
55	8570	Measuring & Regulating Station Exp.	11,082
56	8590	Other Exp.	0
57	8600	Rents	0
58		Total Transmission Expense - Operation	\$ 267,169
59			
60		<u>Transmission Expense - Maintenance</u>	
61	8620	Structures and Improvements	\$ -
62	8630	Mains	3,091
63	8640	Compressor Station Equipment	-
64	8650	Measuring & Reg Station Equip.	412
65	8670	Other Equipment	-
66		Total Transmission Expense - Maintenance	\$ 3,504
67			
68		<u>Purchased Gas Cost - Operation</u>	
69	8001	Intercompany Gas Well-head Purchases	\$ -
70	8010	Natural gas field line purchases	81,272
71	8040	Natural Gas City Gate Purchases	56,991,988
72	8045	Transportation to City Gate	0
73	8050	Transmission-Operation supervision and engineering	(17,552)
74	8051	Other Gas Purchases / Gas Cost Adjustments	45,436,442
75	8052	PGA for Commercial	23,451,445
76	8053	PGA for Industrial	6,473,398
77	8054	PGA for Public Authority	4,552,018
78	8057	PGA for Transportation Sales	0
79	8058	Unbilled PGA Costs	(1,182,255)
80	8059	PGA Offset to Unrecovered Gas Cost	(92,651,831)
81	8060	Exchange Gas	6,250,360
82	8081	Gas Withdrawn From Storage - Debit	15,070,639
83	8082	Gas Delivered to Storage	(17,546,751)
84	8110	Gas used for products extraction-Credit	0
85	8120	Gas Used for Other Utility Operations	(21,930)
86	8130	Other Gas Supply Expenses	0
87	8580	Transmission and compression of gas by others	31,821,875
88		Total Purchased Gas Cost	\$ 78,709,117

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Operating Revenue and Expenses by FERC Account  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 F  
 Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility (1)
89			
90		<u>Distribution Expenses - Operation</u>	
91	8700	Supervision and Engineering	\$ 1,207,940
92	8710	Distribution Load Dispatching	986
93	8711	Odorization	2,670
94	8720	Compressor Station Labor & Expenses	0
95	8740	Mains & Services	3,444,978
96	8750	Measuring and Regulating Station Exp. - Gen	484,494
97	8760	Measuring and Regulating Station Exp. - Ind.	30,793
98	8770	Measuring and Regulating Sta. Exp. - City Gate	22,313
99	8780	Meters and House Regulator Expense	940,679
100	8790	Customer Installations Expense	4,184
101	8800	Other Expense	145,791
102	8810	Rents	344,255
103		Total Distribution Expenses - Operation	\$ 6,629,083
104			
105		<u>Distribution Expenses - Maintenance</u>	
106	8850	Supervision and Engineering	\$ 1,399
107	8860	Structures and Improvements	309
108	8870	Mains	30,023
109	8890	Measuring and Regulating Station Exp. - Gen	38
110	8900	Measuring and Regulating Station Exp. - Ind.	9,170
111	8910	Measuring and Regulating Sta. Exp. - City Gate	4,225
112	8920	Services	106
113	8930	Meters and House Regulators	90,413
114	8940	Other Equipment	10,779
115	8950	Maintenance of Other Plant	0
116		Total Distribution Expenses - Maintenance	\$ 146,461
117			
118		<u>Customer Accounts Expenses - Operation</u>	
119	9010	Supervision	\$ 421
120	9020	Meter Reading Expenses	1,251,833
121	9030	Customer Records & Collections	1,762,399
122	9040	Uncollectible Accounts	362,112
123		Total Customer Accounts Expense	\$ 3,376,766
124			
125		<u>Customer Service &amp; Information - Operation</u>	
126	9070	Supervision	\$ -
127	9080	Customer Assistance Expenses	0
128	9090	Informational and Instructional Advertising Expense:	133,614
129	9100	Misc Cust Serv & Informational Exp	0
130		Total Customer Accounts Expenses - Operation	\$ 133,614
131			
132		<u>Sales Expense</u>	
133	9110	Supervision	\$ 266,962
134	9120	Demonstrating and Selling Expenses	131,290
135	9130	Advertising Expenses	45,483
136	9160	Miscellaneous Sales Expenses	0
137		Total Sales Expenses	\$ 443,735
138			

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Operating Revenue and Expenses by FERC Account  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period \_\_\_\_\_ FR 16(8)(c)2.1  
 Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_ Schedule C-2.1 F  
 Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

Line No.	Account No. (s)	Account Title	Unadjusted Total Utility (1)
139		<u>Administrative and General Expenses - Operation</u>	
140	9200	Administrative and General Salaries	\$ 142,768
141	9210	Office Supplies and Expenses	3,249
142	9220	Administrative Expense Transferred	14,012,401
143	9230	Outside Services Employed	69,850
144	9240	Property Insurance	5,560
145	9250	Injuries and Damages	17,941
146	9260	Employee Pensions and Benefits	1,843,199
147	9270	Franchise Requirements	1,483
148	9280	Regulatory Commission Expense	0
149	930.2	Miscellaneous General Expense	49,701
150	9310	A&G-Rents	12,771
151		Total Administrative and General Exp. - Operation	\$ 16,158,922
152			
153		<u>Administrative and General Expense - Maintenance</u>	
154	9320	Maintenance of General Plant	0
155		Total Administrative and Gen. Exp. - Maintenance	\$ -
156			
157		<u>Total Operation and Maintenance Expense</u>	\$ 106,273,351
158			
159	403-406	Depreciation and Amortization	\$ 21,561,512
160	4081	Taxes Other than Income Taxes	6,566,445
161	4091	Provision for Federal & State Income Taxes	10,801,686
162			
163		TOTAL OPERATING EXPENSE	<u>\$ 145,202,995</u>
164			
165		NET OPERATING INCOME	<u>\$ 25,526,281</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Monthly Jurisdictional Operating Income by FERC Account  
 Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Worksheet Reference No(s):

FR 16(B)(c)2.2  
 Schedule C-2.2  
 Witness: Waller, Martin

Line No.	Acct No.	Account Description	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	Forecasted Jul-17	Forecasted Aug-17	Forecasted Sep-17	Budgeted Oct-17	Budgeted Nov-17	Budgeted Dec-17	Total
1	4091-4101	Provision for income taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,085,664	\$ 2,085,664	\$ 2,085,664	\$ 2,085,664	\$ 2,085,664	\$ 2,085,664	\$ 12,513,987
2															
3	4030	Depreciation Expense	1,539,524	1,543,651	1,562,817	1,562,448	1,569,260	1,584,165	1,559,465	1,604,120	1,642,424	1,557,417	1,565,605	1,569,038	18,849,735
4	4060	Amortization of gas plant acquisition adjustments	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	49,581
5	4081	Taxes other than income taxes, utility operating incoor	430,926	346,632	374,617	250,216	471,465	399,331	368,367	325,373	400,973	486,263	520,531	465,882	4,830,375
6	4800	Residential sales	(14,513,203)	(12,401,756)	(9,837,265)	(7,970,175)	(5,001,330)	(4,280,264)	(3,977,883)	(3,985,744)	(3,950,372)	(5,098,864)	(8,426,387)	(12,560,924)	(92,003,988)
7	4805	Unbilled Residential Revenue	(469,640)	1,575,634	970,698	1,251,101	548,262	160,043							4,036,098
8	4811	Commercial Revenue	(6,015,710)	(4,997,094)	(3,975,391)	(3,087,843)	(2,175,017)	(1,875,289)	(1,891,638)	(1,890,232)	(1,870,520)	(2,242,327)	(3,481,019)	(4,940,967)	(38,443,048)
9	4812	Industrial Revenue	(879,115)	(863,109)	(978,760)	(585,027)	(578,725)	(688,370)	(390,261)	(292,706)	(327,152)	(257,902)	(308,686)	(666,572)	(6,816,386)
10	4815	Unbilled Comm Revenue	(312,723)	758,593	351,238	584,894	122,836	39,474							1,524,311
11	4816	Unbilled Industrial Revenue	(193,638)	(209,628)	243,165	33,560	(179,298)	405,234							99,395
12	4820	Other Sales to Public Authorities	(1,046,459)	(877,900)	(710,313)	(551,379)	(335,451)	(257,582)	(248,275)	(257,557)	(247,986)	(345,624)	(607,277)	(911,441)	(6,397,243)
13	4825	Unbilled Public Authority Revenue	(27,855)	138,141	61,310	110,081	34,779	12,969							329,425
14	4870	Forfeited discounts	(164,679)	(178,264)	(212,874)	(110,474)	(89,244)	(73,990)	(59,150)	(54,439)	(54,579)	(54,004)	(68,404)	(111,351)	(1,231,452)
15	4880	Miscellaneous service revenues	(58,143)	(54,426)	(74,827)	(49,906)	(53,615)	(55,356)	(45,327)	(57,173)	(55,395)	(88,176)	(126,545)	(87,101)	(805,992)
16	4893	Revenue-Transportation Distribution	(1,601,632)	(1,516,343)	(1,462,849)	(1,288,496)	(1,321,435)	(1,287,338)	(1,031,165)	(1,125,835)	(1,137,039)	(1,217,907)	(1,335,583)	(1,335,583)	(15,830,984)
17	4950	Other Gas Revenue	0	0	0	0	0	0	(183,287)	(180,802)	(183,628)	(198,677)	(196,959)	(230,122)	(1,173,474)
18	7560	Field measuring and regulating station expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
19	7590	Production and gathering-Other	0	0	0	0	0	0	0	0	0	0	0	0	0
20	8001	Intercompany Gas Well-head Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
21	8010	Natural gas field line purchases	5,269	4,114	3,199	3,575	6,495	4,693	5,900	14,766	8,198	6,511	7,310	3,918	73,969
22	8040	Natural gas city gate purchases	5,595,688	4,352,529	337,619	768,369	5,923,129	4,115,123	4,142,482	6,203,886	4,932,799	6,045,127	8,174,615	1,272,096	51,863,463
23	8050	Other purchases	(866)	(311)	(228)	(69)	(1,818)	(783)	(799)	(951)	(785)	(4,437)	(683)	(5,052)	(16,803)
24	8051	PGA for Residential	8,024,574	6,235,593	4,547,479	3,361,822	1,534,503	1,025,911	805,444	824,795	772,208	1,045,039	2,609,623	5,780,892	36,547,884
25	8052	PGA for Commercial	3,677,988	2,844,533	2,136,551	1,547,232	990,664	790,859	778,887	815,143	827,697	1,149,290	1,306,034	2,457,290	19,322,136
26	8053	PGA for Industrial	672,135	664,048	769,253	453,327	452,238	558,552	287,356	242,254	235,833	208,565	370,839	370,839	4,914,402
27	8054	PGA for Public Authorities	701,686	553,878	435,084	330,097	195,998	141,164	107,805	130,175	144,256	164,351	304,318	511,471	3,720,082
28	8058	Unbilled PGA Cost	323,891	(1,619,983)	(833,284)	(1,158,008)	(390,752)	(478,920)	69,059	(57,345)	(808)	813,560	2,209,350	2,384,955	1,061,715
29	8059	PGA Offset to Unrecovered Gas Cost	(11,327,381)	(12,335,696)	(8,878,999)	(7,684,524)	(4,221,492)	(3,604,184)	(2,987,148)	(4,898,780)	(3,004,681)	(3,823,107)	(5,832,416)	(6,132,259)	(74,730,668)
30	8060	Exchange gas	994,734	3,043,458	3,568,544	2,130,911	(1,903,717)	(551,573)	(1,322,055)	(608,681)	(1,597,141)	(1,628,393)	(1,753,460)	1,497,389	1,672,117
31	8081	Gas withdrawn from storage-Debit	2,255,745	2,376,726	2,699,948	2,442,279	9,858	10,009	0	0	0	0	0	1,068,366	10,862,930
32	8082	Gas delivered to storage-Credit	(22,775)	(5,574)	(10,705)	(98,792)	(1,863,095)	(1,635,911)	(1,848,190)	(3,003,139)	(2,164,048)	(2,727,391)	(3,806,303)	(2,029)	(17,187,952)
33	8120	Gas used for other utility operations-Credit	(5,263)	(1,034)	1,053	(2,338)	(107)	(1,520)	1,191	(2,344)	755	95	(1,990)	(8,702)	(20,205)
34	8580	Transmission and compression of gas by others	2,499,585	2,564,754	2,280,623	2,438,251	2,050,640	1,662,627	2,009,809	2,290,799	1,825,658	2,131,692	3,210,936	2,297,571	27,262,943
35	8140	Storage-Operation supervision and engineering	0	0	0	0	0	0	-	-	-	-	-	-	0
36	8160	Wells expenses	20,628	30,052	6,702	9,490	2,729	1,519	9,872	9,764	9,609	10,150	10,595	8,060	128,970
37	8170	Lines expenses	4,630	4,715	4,105	2,533	1,936	(164)	2,842	3,046	2,794	2,880	2,904	2,791	35,012
38	8180	Compressor station expenses	4,238	2,653	292	2,998	3,433	3,947	3,291	3,257	2,813	2,495	2,648	2,772	34,838
39	8190	Compressor station fuel and power	104	112	109	0	215	68	90	90	86	81	89	78	1,123
40	8200	Storage-Measuring and regulating station expenses	701	(62)	541	139	507	93	294	307	286	286	300	275	3,667
41	8210	Storage-Purification expenses	6,913	1,672	1,080	1,727	1,414	157	2,444	2,399	2,067	1,801	1,931	2,030	25,635
42	8240	Storage-Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
43	8250	Storage well royalties	1,750	1,282	1,435	610	380	206	1,881	1,864	1,845	735	802	688	13,498
44	8310	Storage-Maintenance of structures and improvement	421	966	436	1,452	2,170	3,133	1,142	1,106	1,103	1,140	1,219	857	15,145
45	8340	Maintenance of compressor station equipment	157	6,645	(629)	0	16	0	877	869	841	859	907	706	11,248
46	8350	Maintenance of measuring and regulating station eq.	0	0	0	0	0	0	0	0	0	0	0	0	0
47	8360	Processing-Maintenance of purification equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
48	8370	Maintenance of other equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
49	8410	Other storage expenses-Operation labor and expens	17,878	2,112	9,049	11,668	15,077	13,540	10,403	11,260	10,370	10,847	10,844	10,424	133,473
50	8520	Communication system expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
51	8550	Other fuel and power for Compression	31	31	30	30	30	28	27	27	25	24	26	23	332
52	8560	Mains expenses	9,552	31,997	28,224	15,086	22,350	21,291	21,247	22,067	20,182	20,148	20,531	19,963	252,640
53	8570	Transmission-Measuring and regulating station expen	842	707	868	932	1,815	915	998	1,002	911	847	913	867	11,618
54	8630	Transmission-Maintenance of mains	(678)	0	0	2,122	(144)	338	207	207	211	229	240	166	2,900
55	8640	Transmission-Maintenance of compressor sta equipr	0	0	0	0	0	0	0	0	0	0	0	0	0
56	8650	Transmission-Maintenance of measuring and regulat	0	0	0	186	11	0	44	40	32	24	27	32	396
57	8700	Distribution-Operation supervision and engineering	121,488	66,762	96,607	95,123	107,406	97,613	104,735	107,296	107,652	95,062	98,127	95,293	1,193,065

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349

Monthly Jurisdictional Operating Income by FERC Account

Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Worksheet Reference No(s)

FR 16(8)(c)2.2

Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	Forecasted Jul-17	Forecasted Aug-17	Forecasted Sep-17	Budgeted Oct-17	Budgeted Nov-17	Budgeted Dec-17	Total
58	8710	Distribution load dispatching	\$ 50	\$ 48	\$ 59	\$ 27	\$ 61	\$ 352	\$ 88	\$ 89	\$ 84	\$ 80	\$ 88	\$ 77	\$ 1,103
59	8711	Odorization	59	0	0	1,204	0	0	276	258	210	158	177	206	2,545
60	8720	Distribution-Compressor station labor and expenses	0	0	0	0	0	0	-	-	-	-	-	-	0
61	8740	Mains and Services Expenses	225,559	356,356	331,227	248,101	307,976	220,157	279,763	281,764	266,055	262,780	266,350	252,970	3,300,059
62	8750	Distribution-Measuring and regulating station expens	61,862	19,205	28,782	39,929	50,495	41,511	39,810	42,028	38,315	38,733	39,245	38,140	478,055
63	8760	Distribution-Measuring and regulating station expens	2,604	3,728	2,853	3,280	2,719	(32)	2,781	2,795	2,438	2,232	2,334	2,422	30,154
64	8770	Distribution-Measuring and regulating station expens	487	1,111	1,391	97	511	7,619	2,287	2,139	1,784	1,372	1,557	1,720	22,074
65	8780	Meter and house regulator expenses	98,618	50,225	78,582	75,637	88,113	80,622	75,744	81,468	74,854	77,591	77,860	75,102	934,416
66	8790	Customer installations expenses	27	1,976	0	0	0	0	442	407	329	239	273	322	4,014
67	8800	Distribution-Other expenses	4,559	9,769	25,807	9,218	12,897	11,840	13,061	13,994	13,046	11,953	11,929	11,560	149,633
68	8810	Distribution-Rents	37,613	31,577	33,008	30,694	34,123	40,751	30,538	30,678	29,217	27,789	30,544	26,577	383,108
69	8850	Distribution-Maintenance supervision and engineering	312	168	21	0	238	174	107	105	96	135	133	133	1,823
70	8860	Distribution-Maintenance of structures and improvem	0	13	48	22	0	68	32	30	24	18	21	24	300
71	8870	Distribution-Maint of mains	2,052	1,615	2,274	1,692	2,720	4,890	2,339	2,480	2,313	2,411	2,444	2,225	29,455
72	8890	Maintenance of measuring and regulating station eq	0	0	0	18	0	0	4	3	2	2	2	3	36
73	8900	Maintenance of measuring and regulating station eq	4,090	299	0	0	0	0	968	892	722	523	598	705	8,796
74	8910	Maintenance of measuring and regulating station eq	114	1,285	53	170	0	583	423	400	342	275	310	326	4,281
75	8920	Maintenance of services	0	0	0	0	51	0	11	10	8	6	7	8	102
76	8930	Maintenance of meters and house regulators	3,598	17,018	12,171	1,369	1,323	9,942	7,219	7,819	7,189	7,522	7,522	7,226	89,917
77	8940	Distribution-Maintenance of other equipment	876	813	1,735	992	526	239	1,379	1,292	1,097	614	701	819	11,083
78	9010	Customer accounts-Operation supervision	0	49	(18)	172	0	0	43	40	33	28	29	33	406
79	9020	Customer accounts-Meter reading expenses	110,785	105,089	126,664	97,026	108,769	104,421	86,779	88,256	88,537	94,815	99,284	76,385	1,186,802
80	9030	Customer accounts-Customer records and collection	23,155	39,749	501,984	102,686	138,342	123,055	120,508	121,314	122,157	131,566	137,492	98,963	1,660,972
81	9040	Customer accounts-Uncollectible accounts	49,058	39,838	32,057	27,877	23,175	21,912	21,694	21,263	21,604	29,384	35,250	46,799	369,911
82	9090	Customer service-Operating informational and instruk	10,133	9,038	11,220	9,708	12,366	12,062	12,032	12,762	12,253	11,131	11,031	10,676	134,412
83	9100	Customer service-Miscellaneous customer service	0	0	0	0	0	0	-	-	-	-	-	-	0
84	9110	Sales-Supervision	22,301	16,763	23,243	19,799	21,408	21,585	20,675	21,999	21,360	22,375	22,088	21,533	255,129
85	9120	Sales-Demonstrating and selling expenses	16,390	8,111	12,044	10,478	6,937	6,607	7,021	9,167	10,818	12,910	6,570	10,033	117,086
86	9130	Sales-Advertising expenses	1,111	7,084	2,368	2,627	3,105	3,025	2,446	3,237	3,877	4,172	2,318	3,367	38,737
87	9200	A&G-Administrative & general salaries	13,291	9,983	13,407	10,433	12,197	12,402	11,399	12,347	11,353	11,877	11,877	11,410	141,985
88	9210	A&G-Office supplies & expense	213	(50)	141	398	623	376	(413)	(366)	(316)	309	195	270	1,380
89	9220	A&G-Administrative expense transferred-Credit	1,165,024	1,094,817	946,832	1,026,190	1,198,876	640,902	1,221,425	1,112,542	1,754,788	1,108,456	1,140,910	1,115,316	13,526,080
90	9230	A&G-Outside services employed	7,268	5,263	0	10,119	9,741	5,020	4,524	4,436	4,625	5,046	5,349	3,419	64,811
91	9240	A&G-Property insurance	13,991	13,922	14,167	13,939	14,231	13,802	1,439	946	1,361	394	394	394	88,982
92	9250	A&G-Injuries & damages	1,848	784	2,141	5,524	488	314	1,117	1,138	1,282	1,404	1,574	1,068	18,681
93	9260	A&G-Employee pensions and benefits	174,539	152,250	185,191	160,524	188,457	160,943	161,709	175,132	163,500	142,796	145,700	136,625	1,947,385
94	9270	A&G-Franchise requirements	0	0	842	0	14	0	1,775	1,775	1,775	63	78	48	6,390
95	9280	A&G-Regulatory commission expenses	0	0	0	0	0	0	-	-	-	-	-	-	0
96	9302	Miscellaneous general expenses	12,347	7,382	8,449	4,277	14,490	4,482	1,736	2,012	1,724	10,935	684	5,643	74,162
97	9310	A&G-Rents	1,283	1,283	1,283	1,283	1,305	1,305	1,144	1,148	1,089	1,032	1,139	994	14,287
98	9320	A&G-Maintenance of general plant	0	0	0	0	0	0	-	-	-	-	-	-	0
99															
100		Operating (Income)Loss*	(\$7,658,332)	(\$5,898,687)	(\$4,089,591)	(\$3,275,127)	(\$1,785,228)	(\$2,193,180)	(1,550,563)	(\$1,735,769)	(\$978,425)	(\$2,104,038)	(\$3,817,094)	(\$5,389,617)	(\$27,961,663)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

\*\*Note: Provision for income Taxes is not a component of Operating Income but is included on this schedule to develop the 12 month total for use elsewhere in the model

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account, Div 002 Only  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Worksheet Reference No(s):

FR 16(8)(c)2.2  
Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	actual	actual	actual	actual	actual	actual	Forecasted	Forecasted	Forecasted	Budgeted	Budgeted	Budgeted	Total
			Jan-17	Mar-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
1	4030	Depreciation Expense	0	0	0	(0)	0	(0)	0	0	0	0	0	0	(0)
2	4081	Taxes other than income taxes, utility operating ir	0	0	0	(2,327,847)	2,327,847	180,544	0	0	0	0	0	0	180,544
	8210	Storage-Purification expenses	0	1,500	0	0	0	0	424	412	477	471	415	452	4,150
3	8560	Mains expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
4	8700	Distribution-Operation supervision and engineerir	281	365	156	156	156	616	517	507	509	514	507	507	4,790
5	8740	Mains and Services Expenses	1,954	(7,921)	4,035	4,414	17	10,987	5,379	5,378	5,384	4,744	4,744	4,744	43,861
6	8780	Meter and house regulator expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
7	8800	Distribution-Other expenses	90	7	0	0	0	0	18	17	236	19	19	20	426
8	8900	Maintenance of measuring and regulating station	0	0	248	0	0	0	51	51	50	52	52	52	557
9	9010	Customer accounts-Operation supervision	0	0	0	4,879	0	0	1,357	1,300	1,501	1,489	1,319	1,434	13,279
10	9030	Customer accounts-Customer records and collec	123,042	78,423	(46,798)	5,338	4,231	5,819	24,390	26,732	24,568	26,940	26,811	25,705	325,201
11	9100	Customer service-Miscellaneous customer servic	10,825	0	144	0	0	0	2,090	1,986	26,396	2,142	2,144	2,252	47,978
12	9120	Sales-Demonstrating and selling expenses	0	0	704	0	0	32	173	173	195	214	173	220	1,862
13	9200	A&G-Administrative & general salaries	(538,447)	2,507,034	(5,517,790)	(564,879)	(1,149,809)	(3,208,564)	(1,639,619)	(705,126)	(683,098)	(1,269,482)	(1,302,283)	(1,431,836)	(15,483,699)
14	9210	A&G-Office supplies & expense	1,879,092	1,803,283	1,780,994	1,994,426	2,051,435	1,876,271	2,607,274	2,449,388	4,666,067	2,947,347	2,478,371	2,661,407	29,185,355
15	9220	A&G-Administrative expense transferred-Credit	(9,503,163)	(10,347,931)	(8,779,191)	(8,550,668)	(11,459,071)	(3,001,890)	(9,254,552)	(7,991,396)	(20,713,014)	(8,551,321)	(8,530,737)	(8,603,954)	(115,286,889)
16	9230	A&G-Outside services employed	706,893	754,578	661,737	848,669	797,263	885,258	881,858	835,743	11,036,676	904,989	902,452	947,970	20,144,084
17	9240	A&G-Property insurance	49,862	13,328	11,426	11,426	11,426	20,336	20,275	20,366	22,659	20,757	20,757	21,456	234,743
18	9250	A&G-Injuries & damages	1,862,084	1,665,651	(465,577)	1,612,257	1,654,706	648,483	1,715,473	1,716,521	1,715,473	1,729,365	1,744,077	1,743,543	17,142,055
19	9260	A&G-Employee pensions and benefits	4,593,478	2,675,101	6,938,585	3,861,947	7,562,287	1,252,928	4,909,090	2,916,522	2,750,997	3,367,422	3,867,345	3,631,247	48,326,930
20	9301	A&G-General advertising expense	0	0	0	0	0	0	0	0	0	0	0	0	0
21	9302	Miscellaneous general expenses	595,053	449,837	3,023,947	394,237	187,445	257,865	259,226	255,562	595,799	258,850	236,089	475,499	6,987,408
22	9310	A&G-Rents	428,690	449,036	438,477	474,773	453,250	212,237	436,384	436,007	520,141	516,850	516,229	485,351	5,367,424
23	9320	A&G-Maintenance of general plant	16,630	4,065	41,242	22,521	33,626	28,693	30,132	29,950	21,279	38,737	31,517	33,730	332,121
24		Operating (Income)Loss*	\$26,363	\$46,367	(\$1,907,660)	(\$2,208,352)	\$2,474,769	(\$859,294)	\$0	\$0	\$0	(\$0)	\$0	(\$0)	(\$2,427,798)
25															
26	9220	A&G-Administrative expense transferred-Credit	(9,503,163)	(10,347,931)	(8,779,191)	(8,550,668)	(11,459,071)	(3,001,890)	(9,254,552)	(7,991,396)	(20,713,014)	(8,551,321)	(8,530,737)	(8,603,954)	(115,286,889)
27		Allocation Factor to Kentucky	5.82%	5.67%	5.80%	5.82%	5.63%	7.10%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.47%
28		Total Allocated Amount	(552,948)	(576,175)	(509,115)	(497,436)	(645,110)	(213,202)	(481,331)	(415,634)	(1,077,267)	(444,756)	(443,685)	(447,493)	(6,304,170)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Monthly Jurisdictional Operating Income by FERC Account, Div 012 Only  
 Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(c)2.2  
 Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	actual	actual	actual	actual	actual	actual	Forecasted	Forecasted	Forecasted	Budgeted	Budgeted	Budgeted	Total
			Jan-17	Mar-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
1	4030	Depreciation Expense	\$ (0)	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2	4081	Taxes other than income taxes, utility operating income	(0)	0	0	0	0	0	0	0	0	0	0	0	0
3	8700	Distribution-Operation supervision and engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
4	8740	Mains and Services Expenses	2,021	1,303	1,296	1,673	1,951	1,636	2,109	2,109	2,105	1,700	1,700	1,700	21,302
5	8800	Distribution-Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
6	9010	Customer accounts-Operation supervision	345,789	325,501	371,262	315,777	363,031	355,088	408,249	439,922	403,566	414,715	409,418	393,912	4,546,230
7	9020	Customer accounts-Meter reading expenses	2,827	2,493	3,252	2,427	2,434	2,599	3,130	3,420	3,130	3,207	3,207	3,062	35,188
8	9030	Customer accounts-Customer records and collections expenses	1,596,482	1,399,178	1,619,284	1,395,506	1,567,812	1,532,666	1,809,632	1,919,968	1,758,654	1,850,067	1,798,551	1,719,696	19,967,898
9	9200	A&G-Administrative & general salaries	445,376	369,763	424,768	278,912	332,812	307,847	421,548	460,652	421,548	431,938	431,938	412,432	4,739,554
10	9210	A&G-Office supplies & expense	744,503	642,805	706,185	673,818	750,437	967,834	189,092	187,377	166,380	206,587	197,708	202,318	5,637,044
11	9220	A&G-Administrative expense transferred-Credit	(4,104,410)	(3,692,373)	(4,255,880)	(3,697,685)	(4,192,144)	(4,117,575)	(3,924,137)	(4,180,993)	(3,839,066)	(3,962,203)	(3,907,270)	(3,760,953)	(47,634,690)
12	9230	A&G-Outside services employed	1,420	69,054	109,044	110,712	79,853	53,126	32,098	33,983	25,103	36,366	37,068	36,457	624,402
13	9240	A&G-Property insurance	9,999	9,999	8,106	8,106	8,106	8,106	0	0	0	0	0	0	52,421
14	9250	A&G-Injuries & damages	0	0	0	18	17	17	0	0	0	0	0	0	52
15	9260	A&G-Employee pensions and benefits	801,818	713,977	658,462	672,241	835,509	734,230	925,073	1,004,152	927,170	882,490	893,033	850,376	10,088,532
16	9310	A&G-Rents	153,534	154,543	153,236	153,107	153,618	154,426	133,003	129,406	129,406	135,099	134,643	140,992	1,725,012
17	9320	A&G-Maintenance of general plant	642	3,738	984	323	5	0	4	4	5	15	4	8	5,733
18															
19		Operating (Income)Loss*	(\$0)	\$0	\$0	(\$85,065)	(\$96,457)	\$0	\$0	(\$0)	\$0	\$0	(\$0)	(\$0)	(\$181,522)
20															
21	9220	A&G-Administrative expense transferred-Credit	(4,104,410)	(3,692,373)	(4,255,880)	(3,697,685)	(4,192,144)	(4,117,575)	(3,924,137)	(4,180,993)	(3,839,066)	(3,962,203)	(3,907,270)	(3,760,953)	(47,634,690)
22		Allocation Factor to Kentucky	4.74%	4.80%	4.65%	4.67%	4.78%	4.50%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.16%
23		Total Allocated Amount	(194,375)	(169,811)	(197,911)	(172,668)	(199,745)	(185,164)	(222,534)	(237,100)	(217,710)	(224,693)	(221,578)	(213,280)	(2,456,569)
24															

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account, Div 091 Only  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(c)2.2  
Schedule C-2.2  
Witness: Waller, Martin

Line No.	Acct No.	Account Description	actual	actual	actual	actual	actual	Forecasted	Forecasted	Forecasted	Budgeted	Budgeted	Budgeted	Total	
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17		Dec-17
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1	4030	Depreciation Expense	(0)	0	0	(0)	(0)	0	0	0	0	0	0	(0)	
2	4060	Amortization of gas plant acquisition adjustment	0	0	0	0	0	0	0	0	0	0	0	0	
3	4081	Taxes other than income taxes, utility operating	(0)	0	(0)	240,932	(240,932)	(0)	0	0	0	0	0	0	
4	8170	Lines expenses	39	41	42	40	41	47	48	47	47	41	41	514	
5	8180	Compressor station expenses	41	43	44	41	42	49	50	49	49	42	43	536	
6	8190	Compressor station fuel and power	128	845	139	10	12	1,763	552	547	548	473	481	5,975	
7	8210	Storage-Purification expenses	542	412	340	176	119	129	327	324	325	281	285	3,542	
8	8240	Storage-Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	
9	8250	Storage well royalties	2,034	(180)	1,203	2,817	1,847	709	1,607	1,591	1,594	1,377	1,400	17,384	
	8500	Transmission-Operation supervision and engine	4	30	0	0	8,378	0	6,320	6,417	6,659	6,696	6,860	48,352	
10	8560	Mains expenses	52	55	(6)	115	189	62	71	89	100	79	84	957	
11	8570	Transmission-Measuring and regulating station	78	83	84	80	82	93	95	94	94	81	83	1,029	
12	8650	Transmission-Maintenance of me - Non-Inventor	0	0	0	5,333	0	0	4,024	4,085	4,239	4,264	4,363	30,757	
13	8700	Distribution-Operation supervision and engineer	284,070	213,574	232,793	266,021	223,521	229,137	277,586	309,508	315,310	259,992	304,991	3,180,061	
14	8711	Odorization	11,656	3,070	19,230	4,461	0	6,558	2,574	8,732	12,188	8,128	9,599	89,881	
15	8740	Mains and Services Expenses	10,200	9,564	4,078	7,526	11,353	9,117	2,307	2,556	3,566	1,749	2,213	66,063	
16	8750	Distribution-Measuring and regulating station ex	7,224	9,360	10,705	9,178	17,656	10,259	15,440	19,028	19,050	17,436	18,735	152,886	
17	8760	Distribution-Measuring and regulating station ex	5,810	(6,412)	0	0	0	(34)	(117)	(183)	(109)	(109)	(129)	(1,204)	
18	8770	Distribution-Measuring and regulating station ex	0	0	21	155	198	(20)	20	69	96	64	76	707	
19	8800	Distribution-Other expenses	7	0	202	0	0	44	52	51	42	75	48	518	
20	8810	Distribution-Rents	26,102	39,904	7,662	22,114	23,130	22,122	26,876	26,617	26,664	23,040	23,420	290,828	
21	9010	Customer accounts-Operation supervision	2,225	2,129	2,393	2,131	2,375	1,986	2,027	2,227	2,042	1,877	1,950	25,167	
	9020	Customer accounts-Meter reading expenses	0	0	0	0	(90)	0	(68)	(69)	(72)	(72)	(74)	(519)	
22	9030	Customer accounts-Customer records and collec	258,815	236,244	(219,998)	155,499	160,888	154,333	297,002	306,785	309,333	305,778	311,451	2,589,722	
23	9100	Customer service-Miscellaneous customer servit	204	151	130	109	10	0	54	188	160	104	103	1,295	
24	9110	Sales-Supervision	9,137	9,791	8,776	15,140	7,193	12,704	10,348	11,701	10,923	9,687	12,086	127,103	
25	9120	Sales-Demonstrating and selling expenses	395	0	0	0	0	35	123	98	68	67	61	847	
26	9130	Sales-Advertising expenses	93	0	0	206	0	27	93	74	51	51	46	641	
27	9200	A&G-Administrative & general salaries	(4,731)	(25,368)	(6,326)	(4,896)	(26,383)	(5,663)	271	(65)	(69)	9,232	8,908	(46,219)	
28	9210	A&G-Office supplies & expense	0	1,332	8	0	10	0	236	359	332	261	412	3,220	
29	9220	A&G-Administrative expense transferred-Credit	(831,246)	(694,192)	(477,225)	(708,629)	(704,520)	(482,659)	(1,029,942)	(915,017)	(914,982)	(873,624)	(946,537)	(9,483,115)	
30	9230	A&G-Outside services employed	6,769	4,064	5,669	7,466	8,922	12,966	34,605	35,127	36,456	36,673	37,525	34,263	
31	9240	A&G-Property insurance	(1,253)	(959)	(971)	(1,170)	(1,134)	(1,172)	(16,584)	(16,374)	(16,515)	(15,235)	(15,472)	(102,607)	
32	9250	A&G-Injuries & damages	21,555	27,631	21,838	21,427	21,367	5,987	58,530	59,768	58,374	50,209	50,712	448,134	
33	9260	A&G-Employee pensions and benefits	190,049	168,789	389,171	194,652	237,285	21,493	285,829	114,742	110,595	145,657	160,395	168,296	
34	9302	Miscellaneous general expenses	0	0	0	0	7,500	0	19,726	20,727	12,853	5,657	5,801	79,607	
35	9310	A&G-Rents	0	0	0	0	0	0	0	0	0	0	0	0	
37		Operating (Income)Loss*	(\$0)	\$0	(\$0)	\$240,932	(\$240,932)	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$16,339,656	
39	9220	A&G-Administrative expense transferred-Credit	(831,246)	(694,192)	(477,225)	(949,562)	(463,587)	(482,659)	(1,029,942)	(915,017)	(914,982)	(873,624)	(946,537)	(904,542)	(9,483,115)
40		Allocation Factor to Kentucky	50.25%	50.25%	50.25%	37.50%	76.37%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	
41		Total Allocated Amount	(417,701)	(348,831)	(239,806)	(356,086)	(354,021)	(242,536)	(517,560)	(459,808)	(459,791)	(439,008)	(475,648)	(4,765,341)	

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Worksheet Reference No(s): \_\_\_\_\_

FR 16(8)(c)2.2  
Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	Forecasted Apr-18	Forecasted May-18	Forecasted Jun-18	Forecasted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	Total
1	4091	Provision for Federal & State Income Taxes	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	\$ 900,141	10,801,686
2															
3	4030	Depreciation Expense	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	1,792,661	21,511,931
4	4060	Amortization of gas plant acquisition adjustments	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	4,132	49,581
5	4081	Taxes other than income taxes, utility operating incor	550,587	530,195	568,735	547,943	504,176	580,632	523,734	559,394	502,876	612,476	528,447	557,251	6,566,445
6	4800	Residential sales	(8,441,559)	(5,661,644)	(4,284,846)	(3,943,265)	(3,962,200)	(3,926,560)	(5,042,314)	(8,401,388)	(12,512,630)	(14,998,861)	(15,393,652)	(11,809,002)	(98,377,919)
7	4805	Unbilled Residential Revenue													
8	4811	Commercial Revenue	(3,482,514)	(2,514,683)	(1,993,667)	(1,848,367)	(1,858,090)	(1,838,613)	(2,198,265)	(3,461,162)	(4,909,965)	(5,849,828)	(5,979,382)	(4,702,526)	(40,637,064)
9	4812	Industrial Revenue	(333,870)	(336,504)	(257,495)	(367,480)	(280,518)	(313,148)	(248,256)	(306,059)	(660,778)	(961,517)	(661,148)	(560,002)	(5,286,755)
10	4815	Unbilled Comm Revenue													
11	4816	Unbilled Industrial Revenue													
12	4820	Other Sales to Public Authorities	(574,641)	(377,721)	(265,145)	(241,190)	(252,076)	(242,678)	(337,345)	(603,237)	(905,038)	(1,087,494)	(1,113,252)	(847,566)	(6,847,372)
13	4825	Unbilled Public Authority Revenue													
14	4870	Forfeited discounts	(154,728)	(111,173)	(76,069)	(58,231)	(53,684)	(54,035)	(53,461)	(67,434)	(110,916)	(163,043)	(195,126)	(200,044)	(1,297,964)
15	4880	Miscellaneous service revenues	(49,919)	(53,826)	(55,397)	(45,327)	(57,173)	(55,395)	(88,176)	(126,545)	(87,101)	(58,133)	(54,439)	(74,821)	(806,054)
16	4893	Revenue-Transportation Commercial	(1,186,285)	(1,211,423)	(1,162,348)	(1,031,165)	(1,125,835)	(1,137,039)	(1,217,907)	(1,335,583)	(1,505,274)	(1,523,597)	(1,334,402)	(1,431,230)	(15,202,087)
17	4950	Other Gas Revenue	(174,644)	(170,440)	(149,119)	(183,287)	(180,802)	(183,628)	(198,677)	(196,959)	(230,122)	(221,910)	(186,722)	(197,752)	(2,274,060)
18	7560	Field measuring and regulating station expenses	-	-	-	-	-	-	-	-	-	-	-	-	0
19	7590	Production and gathering-Other	-	-	-	-	-	-	-	-	-	-	-	-	0
20	8001	Intercompany Gas Well-head Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
21	8010	Natural gas field line purchases	5,286	8,710	5,038	5,573	14,164	7,862	6,254	7,245	3,884	5,663	6,841	4,751	81,272
22	8040	Natural gas city gate purchases	1,136,067	7,942,880	4,418,216	3,912,572	5,951,211	4,730,452	5,807,070	8,102,268	1,280,829	5,991,515	7,237,555	501,353	58,991,988
23	8050	Other purchases	(102)	(2,438)	(841)	(755)	(913)	(752)	(4,263)	(677)	(5,007)	(948)	(517)	(339)	(17,552)
24	8051	PGA for Residential	4,970,598	2,057,759	1,101,473	760,742	791,202	740,531	1,003,885	2,586,528	5,709,864	8,592,215	10,368,788	6,752,855	45,436,442
25	8052	PGA for Commercial	2,287,649	1,328,475	849,109	735,659	781,943	793,744	1,104,031	1,294,476	2,435,494	3,938,158	4,730,000	3,172,707	23,451,445
26	8053	PGA for Industrial	670,264	606,449	599,692	271,408	232,388	226,169	200,352	332,932	367,555	719,880	1,104,205	1,142,315	6,473,398
27	8064	PGA for Public Authorities	486,062	262,832	151,561	101,821	124,873	138,339	157,878	301,825	506,941	751,322	920,678	646,086	4,562,018
28	8068	Unbilled PGA Cost	(1,712,164)	(523,996)	(514,194)	65,226	(55,010)	(775)	589,398	2,189,797	2,363,830	346,802	(2,693,770)	(1,237,399)	(1,182,255)
29	8069	PGA Offset to Unrecovered Gas Cost	(11,361,900)	(5,660,995)	(3,869,645)	(2,821,359)	(4,699,260)	(2,861,427)	(3,672,553)	(5,780,798)	(6,077,942)	(12,128,655)	(20,512,278)	(13,185,019)	(92,651,831)
30	8060	Exchange gas	3,150,644	(2,552,873)	(592,196)	(1,248,680)	(581,875)	(1,531,626)	(1,564,267)	(1,737,941)	1,484,126	1,065,100	5,060,781	5,299,170	6,260,360
31	8081	Gas withdrawn from storage-Debit	3,611,015	13,219	10,748	0	0	0	0	0	1,058,902	2,415,311	3,952,112	4,009,333	15,070,639
32	8082	Gas delivered to storage-Credit	(146,069)	(2,498,399)	(1,756,402)	(1,746,614)	(2,880,826)	(2,075,277)	(2,619,987)	(3,772,616)	(2,011)	(24,386)	(9,269)	(15,897)	(17,546,751)
33	8120	Gas used for other utility operations-Credit	(3,457)	(144)	(1,632)	1,125	(2,248)	724	91	(1,972)	(8,625)	(5,635)	(1,720)	1,563	(21,930)
34	8580	Transmission and compression of gas by others	3,605,059	2,749,895	1,785,065	1,898,264	2,197,498	1,750,768	2,047,746	3,182,519	2,277,220	2,676,400	4,264,773	3,388,649	31,821,875
35	8140	Storage-Operation supervision and engineering	-	-	-	-	-	-	-	-	-	-	-	-	0
36	8160	Wells expenses	10,619	10,127	19,171	17,292	11,608	11,285	10,248	10,693	8,154	9,098	8,338	9,316	135,950
37	8170	Lines expenses	2,789	3,017	2,843	2,937	3,030	2,679	2,960	2,984	2,868	3,115	2,803	2,989	35,014
38	8180	Compressor station expenses	2,667	2,938	3,401	3,490	3,193	2,697	2,537	2,690	2,813	3,158	3,168	2,881	35,633
39	8190	Compressor station fuel and power	81	85	88	80	84	76	81	89	78	87	87	85	1,003
40	8200	Storage-Measuring and regulating station expenses	280	299	291	285	297	266	291	304	280	307	288	297	3,485
41	8210	Storage-Purification expenses	1,942	2,142	2,469	2,526	2,328	1,958	1,826	1,958	2,054	2,315	2,354	2,104	25,974
42	8240	Storage-Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	0
43	8250	Storage well royalties	701	1,241	867	710	723	666	735	802	688	756	756	742	9,388
44	8310	Storage-Maintenance of structures and improvement	1,248	1,142	2,629	2,319	1,390	1,378	1,140	1,219	857	977	932	1,017	16,248
45	8340	Maintenance of compressor station equipment	917	880	1,696	1,535	1,023	983	865	913	711	801	757	808	11,889
46	8350	Maintenance of measuring and regulating station eq	-	-	-	-	-	-	-	-	-	-	-	-	0
47	8360	Processing-Maintenance of purification equipment	-	-	-	-	-	-	-	-	-	-	-	-	0
48	8370	Maintenance of other equipment	-	-	-	-	-	-	-	-	-	-	-	-	0
49	8410	Other storage expenses-Operation labor and expens	10,409	11,255	10,452	10,821	11,281	10,014	11,169	11,167	10,733	11,592	10,304	11,200	130,397
50	8520	Communication system expenses	-	-	-	-	-	-	-	-	-	-	-	-	0
51	8550	Other fuel and power for Compression	24	25	26	24	25	22	24	26	23	26	26	25	297
52	8560	Mains expenses	20,653	21,413	22,605	22,904	22,071	19,869	20,590	20,973	20,387	22,300	20,710	21,316	255,790
53	8570	Transmission-Measuring and regulating station expen	867	933	993	999	960	839	856	921	875	977	969	923	11,062
54	8630	Transmission-Maintenance of mains	242	221	483	426	262	263	230	241	167	188	170	199	3,091
55	8640	Transmission-Maintenance of compressor sta equip	-	-	-	-	-	-	-	-	-	-	-	-	0
56	8650	Transmission-Maintenance of measuring and regulat	29	33	44	46	38	31	24	27	32	37	41	32	412
57	8700	Distribution-Operation supervision and engineering	92,564	105,005	109,524	95,967	108,636	98,817	96,312	99,378	96,494	102,575	96,667	106,000	1,207,940
58	8710	Distribution load dispatching	80	89	86	79	83	75	80	88	77	86	86	83	986

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Worksheet Reference No(s): \_\_\_\_\_

FR 16(8)(c)2.2  
Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	Forecasted Apr-18	Forecasted May-18	Forecasted Jun-18	Forecasted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	Total
59	8711	Odorization	186	210	286	287	248	201	158	177	206	236	265	210	2,670
60	8720	Distribution-Compressor station labor and expenses	-	-	-	-	-	-	-	-	-	-	-	-	0
61	8740	Mains and Services Expenses	299,027	275,412	348,782	337,788	293,112	273,823	266,054	269,824	256,116	281,056	266,891	277,494	3,444,978
62	8750	Distribution-Measuring and regulating station expens	38,048	41,086	41,735	42,468	42,242	37,310	39,740	40,252	39,107	42,540	39,079	40,887	484,494
63	8760	Distribution-Measuring and regulating station expens	2,344	2,567	2,810	2,906	2,742	2,333	2,277	2,379	2,465	2,747	2,894	2,529	30,793
64	8770	Distribution-Measuring and regulating station expens	1,602	1,790	2,317	2,340	2,037	1,665	1,372	1,557	1,720	1,988	2,177	1,748	22,313
65	8780	Meter and house regulator expenses	74,919	80,951	76,193	78,630	81,482	72,231	79,816	80,085	77,239	83,572	74,939	80,623	940,679
66	8790	Customer installations expenses	292	331	450	463	389	311	239	273	322	375	418	322	4,184
67	8800	Distribution-Other expenses	11,688	13,200	11,752	12,052	12,662	11,084	12,296	12,272	11,889	13,034	11,534	12,327	145,791
68	8810	Distribution-Rents	27,812	29,146	30,784	27,983	28,877	26,234	27,789	30,544	28,577	29,748	29,746	29,015	344,255
69	8850	Distribution-Maintenance supervision and engineering	105	99	103	94	99	153	135	133	133	134	106	104	1,399
70	8860	Distribution-Maintenance of structures and improvem	22	25	33	34	29	23	18	21	24	28	31	24	309
71	8870	Distribution-Maint of mains	2,378	2,491	2,927	2,882	2,591	2,353	2,470	2,502	2,281	2,489	2,234	2,424	30,023
72	8890	Maintenance of measuring and regulating station eq	3	3	4	4	4	3	2	2	3	3	4	3	38
73	8900	Maintenance of measuring and regulating station eq	639	725	987	1,015	853	682	523	598	705	821	917	705	9,170
74	8910	Maintenance of measuring and regulating station eq	310	343	426	424	380	316	275	310	326	375	404	336	4,225
75	8920	Maintenance of services	7	8	11	12	10	8	6	7	8	10	11	8	106
76	8930	Maintenance of meters and house regulators	7,226	7,818	7,228	7,522	7,818	6,930	7,747	7,747	7,443	8,052	7,138	7,747	90,413
77	8940	Distribution-Maintenance of other equipment	740	958	1,166	1,176	985	792	614	701	819	950	1,059	818	10,779
78	9010	Customer accounts-Operation supervision	30	34	44	45	39	31	26	29	33	38	41	33	421
79	9020	Customer accounts-Meter reading expenses	98,185	94,616	169,882	152,859	107,643	104,495	95,807	100,277	77,339	85,797	77,032	87,902	1,251,833
80	9030	Customer accounts-Customer records and collection	137,946	128,420	263,488	233,867	149,630	148,460	132,540	138,466	99,899	111,479	101,274	116,932	1,762,399
81	9040	Customer accounts-Uncollectible accounts	23,762	24,525	22,208	22,173	21,872	21,676	26,561	41,416	48,377	43,272	32,334	33,937	362,112
82	9090	Customer service-Operating informational and instruc	10,350	11,829	11,320	10,422	11,551	10,573	11,397	11,296	10,931	11,375	10,621	11,949	133,614
83	9100	Customer service-Miscellaneous customer service	-	-	-	-	-	-	-	-	-	-	-	-	0
84	9110	Sales-Supervision	20,597	21,913	23,031	20,354	23,367	21,662	22,848	22,561	21,987	22,486	21,541	24,614	266,962
85	9120	Sales-Demonstrating and selling expenses	9,559	10,173	11,197	9,411	11,651	12,074	12,910	6,570	10,033	12,221	12,062	13,429	131,290
86	9130	Sales-Advertising expenses	3,475	3,622	4,043	2,838	4,176	4,393	4,172	2,318	3,367	4,041	4,283	4,757	45,483
87	9200	A&G-Administrative & General Salaries	11,410	12,345	11,410	11,877	12,345	10,943	12,234	12,234	11,752	12,715	11,271	12,234	142,768
88	9210	A&G-Office supplies & expense	276	(2)	275	213	339	345	309	195	270	312	335	382	3,249
89	9220	A&G-Administrative expense transferred-Credit	1,130,261	1,341,587	1,109,128	1,227,314	1,073,978	1,082,150	1,128,653	1,161,122	1,134,121	1,216,347	1,110,581	1,297,159	14,012,401
90	9230	A&G-Outside services employed	5,442	4,813	11,892	10,317	5,892	6,037	5,046	5,349	3,419	3,880	3,545	4,218	69,850
91	9240	A&G-Property insurance	394	592	394	532	394	394	394	394	394	394	394	394	5,560
92	9250	A&G-Injuries & damages	1,321	1,247	2,509	2,074	1,371	1,739	1,405	1,574	1,068	1,191	1,139	1,302	17,941
93	9260	A&G-Employee pensions and benefits	134,037	145,519	135,768	137,968	143,860	135,903	170,236	173,140	162,988	175,637	157,329	171,024	1,843,199
94	9270	A&G-Franchise requirements	26	824	200	54	21	43	63	78	46	33	32	42	1,483
95	9280	A&G-Regulatory commission expenses	-	-	-	-	-	-	-	-	-	-	-	-	0
96	9302	Miscellaneous general expenses	332	1,976	1,165	11,798	1,984	385	10,935	684	5,643	8,409	2,803	3,587	49,701
97	9310	A&G-Rents	1,034	1,087	1,119	1,022	1,072	967	1,032	1,139	994	1,112	1,113	1,081	12,771
98	9320	A&G-Maintenance of general plant	-	-	-	-	-	-	-	-	-	-	-	-	0
99		Operating (Income)Loss*	(\$3,147,930)	(\$1,955,732)	(\$1,207,841)	(\$901,939)	(\$1,381,490)	(\$1,324,712)	(\$1,780,155)	(\$3,156,298)	(\$5,079,759)	(\$5,774,586)	(\$6,029,070)	(\$4,688,455)	(\$25,526,281)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

\*\*Note: Provision for Income Taxes is not a component of Operating Income but is included on this schedule to develop the 12 month total for use elsewhere in the model

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Monthly Jurisdictional Operating Income by FERC Account, Div 002 Only  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period   X   Forecasted Period  
 Type of Filing:   X   Original Updated Revised  
 Workpaper Reference No(s).

FR 16(8)(c)2.2

Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	Forecasted Apr-18	Forecasted Jun-18	Forecasted Jun-18	Forecasted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	Forecasted Total
1	4030	Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
2	4081	Taxes other than income taxes, utility operating it	0	0	0	0	0	0	0	0	0	0	0	0	0
3	8210	Storage-Purification expenses	417	437	471	448	416	518	471	415	452	409	415	465	5,335
4	8560	Mains expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
5	8700	Distribution-Operation supervision and engineerin	509	540	514	527	508	519	516	509	509	514	503	515	6,183
6	8740	Mains and Services Expenses	4,744	4,744	4,744	4,744	4,744	4,744	4,744	4,744	4,744	4,744	4,744	4,744	56,935
7	8780	Meter and house regulator expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
8	8800	Distribution-Other expenses	21	18	19	19	18	21	19	19	20	19	18	19	230
9	8900	Maintenance of measuring and regulating station	52	52	52	52	52	52	52	52	52	52	52	52	623
10	9010	Customer accounts-Operation supervision	1,324	1,418	1,490	1,435	1,314	1,629	1,489	1,319	1,434	1,302	1,320	1,474	16,948
11	9030	Customer accounts-Customer records and collec	25,696	28,212	25,798	26,905	28,277	24,783	27,702	27,575	26,434	28,701	25,172	27,744	323,000
12	9100	Customer service-Miscellaneous customer servic	2,401	2,069	2,138	2,169	2,070	2,357	2,142	2,144	2,252	2,200	2,075	2,144	26,162
13	9120	Sales-Demonstrating and selling	173	193	181	173	173	203	214	173	220	211	189	207	2,309
14	9200	A&G-Administrative & general salaries	(1,510,952)	(2,048,872)	(1,401,000)	(1,599,329)	(963,123)	(1,370,313)	(1,148,299)	(1,180,629)	(1,315,705)	(1,215,814)	(1,397,857)	(1,911,773)	(17,063,667)
15	9210	A&G-Office supplies & expense	2,688,114	2,524,703	2,585,458	2,639,148	2,596,632	2,789,720	2,947,347	2,478,371	2,661,407	2,572,878	2,472,794	2,835,977	31,672,548
16	9220	A&G-Administrative expense transferred-Credit	(8,149,412)	(11,290,391)	(8,345,078)	(9,582,779)	(7,929,889)	(7,842,749)	(8,614,674)	(8,594,391)	(8,663,954)	(8,843,934)	(8,225,188)	(10,839,629)	(106,922,069)
17	9230	A&G-Outside services employed	1,011,978	870,891	898,792	913,195	872,294	891,299	904,989	902,452	947,970	927,072	873,526	901,083	11,015,542
18	9240	A&G-Property insurance	21,413	20,959	21,062	21,269	21,118	21,241	22,659	20,757	21,456	21,070	20,789	20,853	254,646
19	9250	A&G-Injuries & damages	1,744,154	1,745,185	1,744,153	1,744,670	1,745,185	1,743,637	1,728,869	1,743,579	1,743,063	1,744,059	1,742,592	1,744,183	20,913,327
20	9260	A&G-Employee pensions and benefits	3,340,907	7,254,891	3,400,034	5,038,132	2,828,316	2,651,093	3,309,325	3,809,076	3,575,065	3,876,194	3,606,056	3,710,378	46,399,467
21	9301	A&G-General advertising expense	0	0	0	0	0	0	0	0	0	0	0	0	0
22	9302	Miscellaneous general expenses	319,096	268,389	544,004	271,142	274,702	462,707	256,850	236,089	475,499	362,897	356,862	3,185,192	7,013,428
23	9310	A&G-Rents	485,861	484,564	484,825	485,005	484,626	485,628	516,850	516,229	485,351	485,061	484,538	484,780	5,883,319
24	9320	A&G-Maintenance of general plant	33,503	31,997	32,344	33,074	32,567	32,908	38,737	31,517	33,730	32,363	31,400	31,591	395,733
25		Operating (Income)Loss*	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	(\$0)	\$0	(\$0)	\$0	\$0	(\$0)	(\$0)
26															
27	9220	A&G-Administrative expense transferred-Credit	(8,149,412)	(11,290,391)	(8,345,078)	(9,582,779)	(7,929,889)	(7,842,749)	(8,614,674)	(8,594,391)	(8,663,954)	(8,843,934)	(8,225,188)	(10,839,629)	
28		Allocation Factor to Kentucky	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	
29		Total Allocated Amount	(423,852)	(587,215)	(434,029)	(498,402)	(412,435)	(407,903)	(448,051)	(448,986)	(450,614)	(459,974)	(427,793)	(563,771)	(5,561,034)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account, Div 012 Only  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(c)2.2  
Schedule C-2.2  
Witness: Waller, Martin

Line No.	Acct No.	Account Description	Forecasted Apr-18	Forecasted Jun-18	Forecasted Jun-18	Forecasted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	Total
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	4030	Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
2	4081	Taxes other than income taxes, utility operating income	0	0	0	0	0	0	0	0	0	0	0	0	0
3	8700	Distribution-Operation supervision and engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
4	8740	Mains and Services Expenses	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	20,398
5	8800	Distribution-Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
6	9010	Customer accounts-Operation supervision	407,599	436,719	402,897	418,719	432,868	380,184	426,375	421,078	405,045	452,825	397,417	432,087	5,013,614
7	9020	Customer accounts-Meter reading expenses	3,134	3,417	3,128	3,201	3,345	2,911	3,303	3,303	3,154	3,526	3,079	3,377	38,878
8	9030	Customer accounts-Customer records and collections	1,810,744	1,916,150	1,756,419	1,848,984	1,878,423	1,638,038	1,903,327	1,851,811	1,770,551	2,026,702	1,729,318	1,893,775	22,024,243
9	9200	A&G-Administrative & general salaries	422,126	460,308	421,295	431,107	450,614	392,094	444,897	444,897	424,805	474,973	414,698	454,882	5,236,696
10	9210	A&G-Office supplies & expense	220,902	217,063	251,609	214,350	204,020	204,958	206,587	197,708	202,318	204,425	204,475	221,038	2,549,453
11	9220	A&G-Administrative expense transferred-Credit	(3,907,670)	(4,194,183)	(3,893,524)	(3,977,653)	(4,067,300)	(3,611,821)	(4,091,131)	(4,036,197)	(3,884,057)	(4,330,597)	(3,793,897)	(4,140,888)	(47,928,909)
12	9230	A&G-Outside services employed	43,140	41,899	60,005	40,016	38,646	36,784	36,386	37,066	36,457	36,245	38,130	45,642	490,418
13	9240	A&G-Property insurance	0	0	0	0	0	0	0	0	0	0	0	0	0
14	9250	A&G-Injuries & damages	0	0	0	0	0	0	0	0	0	0	0	0	0
15	9260	A&G-Employee pensions and benefits	862,549	982,279	864,429	884,473	923,037	820,499	933,443	943,986	899,028	994,601	870,423	953,737	10,932,485
16	9310	A&G-Rents	135,774	134,643	132,033	135,099	134,643	134,643	135,099	134,643	140,992	135,795	134,643	134,643	1,622,651
17	9320	A&G-Maintenance of general plant	4	4	8	4	4	8	15	4	8	4	4	8	73
18															
19		Operating (Income)Loss*	(\$0)	(\$0)	(\$0)	\$0	\$0	(\$0)	\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0
20															
21	9220	A&G-Administrative expense transferred-Credit	(3,907,670)	(4,194,183)	(3,893,524)	(3,977,653)	(4,067,300)	(3,611,821)	(4,091,131)	(4,036,197)	(3,884,057)	(4,330,597)	(3,793,897)	(4,140,888)	(47,928,909)
22		Allocation Factor to Kentucky	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%	5.67%
23		Total Allocated Amount	(221,600)	(237,848)	(220,798)	(225,569)	(230,653)	(204,823)	(232,004)	(228,889)	(220,261)	(245,584)	(215,148)	(234,826)	(2,718,003)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Monthly Jurisdictional Operating Income by FERC Account, Div 091 Only  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised  
Worksheet Reference No(s): \_\_\_\_\_

FR 16(8)(c)2.2  
Schedule C-2.2

Witness: Waller, Martin

Line No.	Acct No.	Account Description	Forecasted Apr-18	Forecasted Jun-18	Forecasted Jun-18	Forecasted Jul-18	Forecasted Aug-18	Forecasted Sep-18	Forecasted Oct-18	Forecasted Nov-18	Forecasted Dec-18	Forecasted Jan-19	Forecasted Feb-19	Forecasted Mar-19	Total
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	4030	Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
2	4060	Amortization of gas plant acquisition adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
3	4081	Taxes other than income taxes, utility operating i	-	-	-	-	-	-	-	-	-	-	-	-	-
4	8170	Lines expenses	40	40	40	41	40	40	41	41	41	42	40	40	486
5	8180	Compressor station expenses	42	41	42	43	41	42	42	43	43	43	42	42	507
6	8190	Compressor station fuel and power	465	463	463	462	460	467	473	481	476	485	466	469	5,650
7	8210	Storage-Purification expenses	276	274	274	286	273	277	281	285	282	287	276	278	3,349
8	8240	Storage-Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
9	8250	Storage well royalties	1,353	1,346	1,347	1,402	1,338	1,356	1,377	1,400	1,385	1,411	1,357	1,364	16,439
10	8500	Transmission-Operation supervision and engine	8,318	6,981	6,690	6,737	6,762	8,625	6,696	6,860	6,987	7,362	7,086	7,339	86,425
11	8560	Mains expenses	75	73	77	80	81	75	79	84	66	90	59	92	930
12	8570	Transmission-Measuring and regulating station e	80	80	80	83	79	80	81	83	82	83	80	81	973
13	8650	Transmission-Maintenance of me - Non-Inventor	5,298	4,433	4,258	4,289	4,306	5,491	4,264	4,363	4,449	4,688	4,513	4,672	55,026
14	8700	Distribution-Operation supervision and engineer	275,736	297,425	290,309	266,474	279,196	290,705	263,463	308,481	266,873	303,090	283,944	302,924	3,428,600
15	8711	Odorization	7,027	6,575	7,989	8,237	9,255	7,206	8,128	9,599	3,685	11,375	1,587	12,698	93,352
16	8740	Mains and Services Expenses	2,676	1,925	2,714	2,406	2,285	3,601	1,749	2,213	1,845	2,752	1,533	2,986	28,684
17	8750	Distribution-Measuring and regulating station ex	17,298	18,560	18,391	17,506	18,750	16,580	17,611	18,911	15,454	18,709	13,381	23,177	212,328
18	8760	Distribution-Measuring and regulating station ex	(94)	(88)	(107)	(110)	(124)	(96)	(109)	(129)	(49)	(152)	(21)	(170)	(1,250)
19	8770	Distribution-Measuring and regulating station ex	55	52	63	65	73	57	64	76	29	89	12	100	734
20	8800	Distribution-Other expenses	46	40	59	49	45	62	42	75	46	49	39	55	607
21	8810	Distribution-Rents	22,637	22,513	22,534	23,450	22,377	22,731	23,040	23,420	23,179	23,603	22,703	22,823	275,010
22	9010	Customer accounts-Operation supervision	1,806	1,952	1,833	1,891	1,965	1,761	1,930	2,004	1,855	2,024	1,768	1,959	22,737
23	9020	Customer accounts-Meter reading expenses	(89)	(75)	(72)	(72)	(73)	(93)	(72)	(74)	(75)	(79)	(76)	(79)	(929)
24	9030	Customer accounts-Customer records and collec	362,214	318,244	302,627	307,187	310,922	370,510	307,622	313,296	315,355	334,765	316,176	330,982	3,889,899
25	9100	Customer service-Miscellaneous customer servit	130	203	96	102	123	122	104	103	93	96	128	99	1,398
26	9110	Sales-Supervision	9,719	9,879	10,582	10,159	10,244	10,601	9,886	12,285	9,809	10,522	9,081	10,807	123,575
27	9120	Sales-Demonstrating and selling expenses	85	132	63	67	80	79	68	67	61	63	84	65	914
28	9130	Sales-Advertising expenses	64	100	48	50	61	60	51	51	46	48	63	49	692
29	9200	A&G-Administrative & general salaries	10,841	9,041	8,689	8,865	8,791	11,358	9,232	8,908	8,870	9,564	9,215	9,505	112,880
30	9210	A&G-Office supplies & expense	296	315	334	290	288	366	261	412	270	285	264	316	3,697
31	9220	A&G-Administrative expense transferred-Credit	(964,768)	(1,027,879)	(904,057)	(1,001,651)	(857,469)	(934,152)	(892,708)	(965,621)	(921,859)	(1,016,467)	(930,602)	(992,137)	(11,409,370)
32	9230	A&G-Outside services employed	45,563	38,127	36,616	36,884	37,029	47,225	36,673	37,525	38,263	40,316	38,816	40,180	473,215
33	9240	A&G-Property insurance	(15,825)	(15,664)	(16,094)	(15,715)	(15,831)	(17,131)	(15,235)	(15,472)	(15,788)	(15,446)	(15,446)	(15,718)	(189,343)
34	9250	A&G-Injuries & damages	50,883	51,748	51,454	51,254	52,102	53,054	53,215	53,718	53,404	54,605	51,778	54,239	631,453
35	9260	A&G-Employee pensions and benefits	149,959	231,974	146,899	259,735	93,287	88,627	155,892	170,730	177,462	198,372	175,739	174,569	2,023,344
36	9302	Miscellaneous general expenses	7,794	23,190	5,760	9,435	13,247	10,310	5,657	5,801	7,343	7,326	5,922	6,192	107,979
37	9310	A&G-Rents	0	0	0	0	0	0	0	0	0	0	0	0	0
38															
39		Operating (Income)Loss*	(\$0)	\$0	\$0	(\$0)	\$0	(\$0)	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0
40															
41	9220	A&G-Administrative expense transferred-Credit	(964,768)	(1,027,879)	(904,057)	(1,001,651)	(857,469)	(934,152)	(892,708)	(965,621)	(921,859)	(1,016,467)	(930,602)	(992,137)	(11,409,370)
42		Allocation Factor to Kentucky	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%
43		Total Allocated Amount	(484,809)	(516,523)	(454,301)	(503,343)	(430,890)	(469,424)	(448,598)	(485,238)	(463,246)	(510,788)	(487,640)	(498,562)	(5,733,364)

\*Note: Debits are shown as positive, and credits are shown as negatives. Includes the Shared Services allocation.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Account 4081-Taxes Other than Income Tax by Sub-Account  
Base Period: Twelve Months Ended December 31, 2017

Data: X Base Period		Forecasted Period		FR 16(8)(c)2.3											
Type of Filing: X Original		Updated		Schedule C-2.3 B											
Worksheet Reference No(s).		Revised		Witness: Waller											
Line No.	Description	actual Jan-17	actual Feb-17	actual Mar-17	actual Apr-17	actual May-17	actual Jun-17	Forecasted Jul-17	Forecasted Aug-17	Forecasted Sep-17	Budgeted Oct-17	Budgeted Nov-17	Budgeted Dec-17	Total	
<b>Div 009</b>															
1	FICA	\$ 33,474	\$ 25,321	\$ 39,054	\$ 21,058	\$ 21,413	\$ 20,019	\$ 40,602	\$ 15,609	\$ 43,261	\$ 20,683	\$ 65,700	\$ 11,723	\$ 357,917	
2	FUTA	\$ 3,150	\$ 27	\$ (326)	\$ (4)	\$ 27	\$ 5	\$ 729	\$ 280	\$ 777	\$ 372	\$ 1,180	\$ 211	6,429	
3	SUTA	\$ 3,217	\$ 939	\$ (2,303)	\$ 239	\$ 16	\$ 4	\$ 535	\$ 206	\$ 570	\$ 273	\$ 866	\$ 154	4,716	
4	Payroll Tax Projects	\$ -	\$ 13	\$ -	\$ 47	\$ -	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	72	
5	Ad Valorem - Accrual	\$245,588	\$ 245,588	\$ 245,588	\$ 245,588	\$ 245,588	\$ 245,588	\$ 248,199	\$ 248,199	\$ 248,199	\$ 391,500	\$ 391,500	\$ 391,500	3,392,625	
6	Dot Transmission User Tax	\$ -	\$ -	\$ 30,161	\$ -	\$ -	\$ 52,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	82,281	
7	Taxes Property and Other	\$ 19,081	\$ -	\$ 159	\$ 37,107	\$ 42	\$ -	\$ 17,415	\$ 192	\$ 47,279	\$ 12,215	\$ 84	\$ 873	134,427	
8	Public Service Commission Assessment	\$ 27,573	\$ 27,573	\$ 27,573	\$ 27,573	\$ 27,573	\$ 27,573	\$ 25,193	\$ 25,193	\$ 25,193	\$ 24,523	\$ 24,523	\$ 24,523	314,587	
9	Allocation for taxes other CSC	\$ 16,599	\$ 15,182	\$ 12,466	\$ 10,993	\$ 15,016	\$ 10,886	\$ 9,047	\$ 9,047	\$ 9,047	\$ 9,841	\$ 9,841	\$ 9,841	137,807	
10	Allocation from taxes other SS	\$ 26,373	\$ 20,039	\$ 15,692	\$ (105,355)	\$ 142,731	\$ 15,677	\$ 12,839	\$ 12,839	\$ 12,839	\$ 14,655	\$ 14,655	\$ 14,655	197,639	
11	Allocation from taxes other Gen Office	\$ 55,871	\$ 11,950	\$ 6,562	\$ 12,969	\$ 19,060	\$ 17,434	\$ 13,808	\$ 13,808	\$ 13,808	\$ 12,202	\$ 12,202	\$ 12,202	201,876	
12															
13	Total	\$430,926	\$ 346,832	\$ 374,617	\$ 250,216	\$ 471,465	\$ 389,331	\$ 368,367	\$ 325,373	\$ 400,973	\$ 486,263	\$ 520,531	\$ 465,682	\$ 4,830,375	
14															
15	<b>Div 002</b>														
16	FICA	\$375,717	\$ 330,990	\$ 264,587	\$ 257,411	\$ 370,189	\$ 256,179	\$ 191,593	\$ 191,593	\$ 191,593	\$ 205,199	\$ 205,199	\$ 205,199	\$ 3,045,446	
17	FUTA	\$ 29,577	\$ (105)	\$ (1,000)	\$ 40	\$ 663	\$ 272	\$ 3,041	\$ 3,041	\$ 3,041	\$ 3,257	\$ 3,257	\$ 3,257	48,342	
18	SUTA	\$ 55,762	\$ 26,610	\$ (5,864)	\$ 489	\$ 1,662	\$ 983	\$ 8,225	\$ 8,225	\$ 8,225	\$ 8,810	\$ 8,810	\$ 8,810	130,748	
19	Ad Valorem	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 64,500	\$ 64,500	\$ 64,500	589,500	
20	Benefit Load Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	
21	Taxes Property And Other	\$ 259	\$ (16,188)	\$ -	\$ (2,327,654)	#####	\$ 160,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	164,808	
22															
23	Total Tax Other Than Income Tax	\$505,315	\$ 385,308	\$ 301,722	\$ (2,025,714)	#####	\$ 481,977	\$ 246,859	\$ 246,859	\$ 246,859	\$ 281,765	\$ 281,765	\$ 281,765	\$ 3,978,843	
24															
25	Allocation Factor to Kentucky Mid-States (Div 091)										10.35%	10.35%	10.35%		
26	Allocation Factor to Kentucky Jurisdiction (Div 009)										50.25%	50.25%	50.25%		
27															
28	Total Allocated Amount	\$ 26,373	\$ 20,039	\$ 15,692	\$ (105,355)	\$ 142,731	\$ 15,677	\$ 12,839	\$ 12,839	\$ 12,839	\$ 14,655	\$ 14,655	\$ 14,655	197,639	
29															
30	<b>Div 012</b>														
31	FICA	\$199,727	\$ 206,662	\$ 179,394	\$ 149,612	\$ 219,423	\$ 147,260	\$ 109,106	\$ 109,106	\$ 109,106	\$ 117,898	\$ 117,898	\$ 117,898	\$ 1,783,093	
32	FUTA	\$ 16,983	\$ 289	\$ (479)	\$ 12	\$ 394	\$ 156	\$ 1,718	\$ 1,718	\$ 1,718	\$ 1,857	\$ 1,857	\$ 1,857	28,078	
33	SUTA	\$ 32,014	\$ 16,791	\$ (3,067)	\$ 245	\$ 985	\$ 566	\$ 4,706	\$ 4,706	\$ 4,706	\$ 5,085	\$ 5,085	\$ 5,085	76,905	
34	Ad Valorem	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 48,700	\$ 48,700	\$ 48,700	542,100	
35															
36	Total Tax Other Than Income Tax	\$292,724	\$ 267,742	\$ 219,848	\$ 193,870	\$ 264,801	\$ 191,981	\$ 159,530	\$ 159,530	\$ 159,530	\$ 173,540	\$ 173,540	\$ 173,540	\$ 2,430,176	
37															
38	Allocation Factor to Kentucky Mid-States (Div 091)										10.93%	10.93%	10.93%		
39	Allocation Factor to Kentucky Jurisdiction (Div 009)										51.88%	51.88%	51.88%		
40															
41	Total Allocated Amount	\$ 16,599	\$ 15,182	\$ 12,466	\$ 10,993	\$ 15,016	\$ 10,886	\$ 9,047	\$ 9,047	\$ 9,047	\$ 9,841	\$ 9,841	\$ 9,841	137,807	
42															
43	<b>Div 091</b>														
44	FICA	\$102,722	\$ 18,098	\$ 9,389	\$ 20,668	\$ 32,894	\$ 29,691	\$ 22,205	\$ 22,205	\$ 22,205	\$ 23,789	\$ 23,789	\$ 23,789	\$ 351,445	
45	FUTA	\$ 1,640	\$ 44	\$ (177)	\$ (2)	\$ 15	\$ 3	\$ 158	\$ 158	\$ 158	\$ 170	\$ 170	\$ 170	2,505	
46	SUTA	\$ 1,875	\$ 542	\$ (1,258)	\$ 130	\$ 9	\$ 2	\$ 114	\$ 114	\$ 114	\$ 123	\$ 123	\$ 123	1,811	
47	Payroll Tax Projects	\$ 149	\$ 98	\$ 106	\$ 13	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	378	
48	Ad Valorem	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 200	\$ 200	\$ 200	45,600	
49	Occupational Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	
50															
51	Total Tax Other Than Income Tax	\$111,186	\$ 23,781	\$ 13,060	\$ 25,809	\$ 37,930	\$ 34,896	\$ 27,478	\$ 27,478	\$ 27,478	\$ 24,281	\$ 24,281	\$ 24,281	\$ 401,739	
52															
53	Allocation Factor to Kentucky Mid-States (Div 091)										100.00%	100.00%	100.00%		
54	Allocation Factor to Kentucky Jurisdiction (Div 009)										50.25%	50.25%	50.25%		
55															
56	Total Allocated Amount	\$ 55,871	\$ 11,950	\$ 6,562	\$ 12,969	\$ 19,060	\$ 17,434	\$ 13,808	\$ 13,808	\$ 13,808	\$ 12,202	\$ 12,202	\$ 12,202	\$ 201,876	

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Account 4081-Taxes Other than Income Tax by Sub-Account  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data: \_\_\_\_\_ Base Period  Forecasted Period  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Worksheet Reference No(s): \_\_\_\_\_

FR 16(8)(c)2.3  
Schedule C-2.3 F  
Witness: Waller

Line No.	Description	Forecasted	Total											
		Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	
<b>Div 009</b>														
1	FICA	\$ 21,690	\$ 22,055	\$ 20,620	\$ 41,820	\$ 16,077	\$ 44,559	\$ 21,303	\$ 67,671	\$ 12,075	\$ 35,513	\$ 28,863	\$ 41,432	\$ 371,678
2	FUTA	(4)	28	5	751	289	800	383	1,216	217	3,342	28	(345)	6,710
3	SUTA	246	16	5	551	212	587	281	892	159	3,413	998	(2,443)	4,915
4	Payroll Tax Projects	48	-	13	-	-	-	-	-	-	-	-	-	61
5	Ad Valorem - Accrual	423,000	423,000	423,000	423,000	423,000	423,000	423,000	423,000	423,000	423,000	423,000	423,000	5,078,000
6	Dot Transmission User Tax	-	-	52,130	-	-	-	-	-	-	-	-	30,151	82,281
7	Taxes Property and Other	37,107	42	-	17,415	192	47,279	12,215	84	873	19,081	-	159	134,427
8	Public Service Commission Assessment	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	340,776
9	Allocation for taxes other CSC	11,737	15,880	11,627	9,731	9,731	9,731	10,275	10,275	10,275	17,947	16,444	13,562	147,214
10	Allocation from taxes other SS	17,443	23,581	17,416	14,492	14,492	14,492	15,264	15,264	15,264	25,022	22,554	18,890	214,176
11	Allocation from taxes other Gen Office	10,921	17,195	15,521	11,785	11,785	11,785	12,615	12,615	12,615	58,760	10,163	4,447	188,208
12														
13	Total	\$ 550,587	\$ 530,195	\$ 568,735	\$ 547,943	\$ 504,176	\$ 580,632	\$ 523,734	\$ 559,394	\$ 502,876	\$ 612,476	\$ 528,447	\$ 557,251	\$ 6,566,445
14														
<b>Div 002</b>														
16	FICA	\$ 265,133	\$ 381,295	\$ 263,864	\$ 197,340	\$ 197,340	\$ 197,340	\$ 211,354	\$ 211,354	\$ 211,354	\$ 398,598	\$ 351,147	\$ 280,700	\$ 3,166,822
17	FUTA	41	683	280	3,132	3,132	3,132	3,355	3,355	3,355	3,456	3,456	3,456	30,833
18	SUTA	504	1,711	1,012	8,472	8,472	8,472	9,074	9,074	9,074	9,346	9,346	9,346	83,905
19	Ad Valorem	69,700	69,700	69,700	69,700	69,700	69,700	69,700	69,700	69,700	69,700	69,700	69,700	838,400
20	Benefit Load Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Taxes Property And Other	-	-	-	-	-	-	-	-	-	-	-	-	-
22														
23	Total Tax Other Than Income Tax	\$ 335,378	\$ 453,389	\$ 334,856	\$ 278,645	\$ 278,645	\$ 278,645	\$ 293,483	\$ 293,483	\$ 293,483	\$ 481,100	\$ 433,649	\$ 383,202	\$ 4,117,959
24														
25	Allocation Factor to Kentucky Mid-States (Div 091)	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	10.35%	
26	Allocation Factor to Kentucky Jurisdiction (Div 009)	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	
27														
28	Total Allocated Amount from Div 2	17,443	23,581	17,416	14,492	14,492	14,492	15,264	15,264	15,264	25,022	22,554	18,890	\$ 214,176
29														
<b>Div 012</b>														
31	FICA	\$ 154,101	\$ 226,006	\$ 151,678	\$ 112,380	\$ 112,380	\$ 112,380	\$ 121,435	\$ 121,435	\$ 121,435	\$ 211,890	\$ 219,248	\$ 190,319	\$ 1,954,686
32	FUTA	\$ 13	\$ 406	\$ 160	\$ 1,770	\$ 1,770	\$ 1,770	\$ 1,912	\$ 1,912	\$ 1,912	\$ 18,017	\$ 308	\$ (508)	29,439
33	SUTA	\$ 253	\$ 1,014	\$ 583	\$ 4,847	\$ 4,847	\$ 4,847	\$ 5,238	\$ 5,238	\$ 5,238	\$ 33,964	\$ 17,813	\$ (3,254)	80,626
34	Ad Valorem	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600	52,600	631,200
35														
36	Total Tax Other Than Income Tax	\$ 208,966	\$ 280,025	\$ 205,021	\$ 171,596	\$ 171,596	\$ 171,596	\$ 181,185	\$ 181,185	\$ 181,185	\$ 316,471	\$ 289,968	\$ 239,157	\$ 2,595,951
37														
38	Allocation Factor to Kentucky Mid-States (Div 091)	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	10.93%	
39	Allocation Factor to Kentucky Jurisdiction (Div 009)	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	51.88%	
40														
41	Total Allocated Amount from Div 12	11,737	15,880	11,627	9,731	9,731	9,731	10,275	10,275	10,275	17,947	16,444	13,562	\$ 147,214
42														
<b>Div 091</b>														
44	FICA	\$ 21,288	\$ 33,880	\$ 30,581	\$ 22,871	\$ 22,871	\$ 22,871	\$ 24,503	\$ 24,503	\$ 24,503	\$ 108,978	\$ 19,200	\$ 9,981	\$ 366,011
45	FUTA	\$ (2)	\$ 15	\$ 3	\$ 163	\$ 163	\$ 163	\$ 175	\$ 175	\$ 175	\$ 1,740	\$ 46	\$ (188)	2,827
46	SUTA	\$ 134	\$ 9	\$ 2	\$ 118	\$ 118	\$ 118	\$ 128	\$ 128	\$ 128	\$ 1,777	\$ 575	\$ (1,335)	1,895
47	Payroll Tax Projects	\$ 13	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158	\$ 104	\$ 113	400
48	Ad Valorem	300	300	300	300	300	300	300	300	300	300	300	300	3,600
49	Occupational Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-
50														
51	Total Tax Other Than Income Tax	\$ 21,734	\$ 34,218	\$ 30,886	\$ 23,452	\$ 23,452	\$ 23,452	\$ 25,104	\$ 25,104	\$ 25,104	\$ 112,952	\$ 20,225	\$ 8,850	\$ 374,534
52														
53	Allocation Factor to Kentucky Mid-States (Div 091)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
54	Allocation Factor to Kentucky Jurisdiction (Div 009)	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	50.25%	
55														
56	Total Allocated Amount from Div 91	10,921	17,195	15,521	11,785	11,785	11,785	12,615	12,615	12,615	58,760	10,163	4,447	\$ 188,208



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(d)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (d) A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors;

**RESPONSE:**

Please see attachment FR\_16(8)(d)\_Att1, Schedules D.1 - D.2.3.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(d)\_Att1 - Schedules D.1 - D.2.3.xlsx, 8 Pages.

Respondents: Greg Waller and Mark Martin

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

FR 16(8)(d) SCHEDULE D

Operating Income Summary

Schedule	Pages	Description
D-1	4	Summary of Utility Jurisdictional Adjustments to Operating Income by Account
D-2.1	1	Detailed Adjustments
D-2.2	1	Detailed Adjustments
D-2.3	1	Detailed Adjustments

Almos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Summary of Utility Jurisdictional Adjustments to  
 Operating Income by Major Accounts  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(d)1  
 Schedule D-1  
 Witness: Waller, Martin

Line No.	Account No. & Title	Base Period	Title of Adjustment					Total ADJUST.
			D-2.1 ADJ 1	D-2.1 ADJ 2	D-2.1 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	
	SALE of Gas							
1	480 Gas Rev - Residential	92,003,988	6,373,932					6,373,932
2	480 Gas Rev - Commercial	38,443,048	2,194,016					2,194,016
3	480 Gas Rev - Industrial	6,816,386	(1,529,630)					(1,529,630)
4	480 Gas Rev - Public Authority & Other	6,397,243	450,129					450,129
5								
6								
7	Total SALE of Gas	143,660,664	7,488,447	0	0	0	0	7,488,447
8								
9	Other Operating Income							
10	Forfeited discounts	1,231,452		66,512				66,512
11	488 MISC. Service Revenues	805,992		62				62
12	489 Revenue From Transporting Gas to Others	15,830,894		(628,807)				(628,807)
13	495 Other Gas Service Revenue	1,173,474		1,100,586				1,100,586
14								
15	Total Other Operating Income	19,041,812	0	538,353	0	0	0	538,353
16								
17	Total Operating Revenue	162,702,476	7,488,447	538,353	0	0	0	8,026,800
18								
19	Other Gas Supply Expenses - Operation							
20	803/804/812 Gas Purchase Costs	65,546,014			13,163,103			13,163,103
21								
22	Total Other Gas Supply Expenses - Operation	65,546,014	0	0	13,163,103	0	0	13,163,103
23								
24	Total Plant Revenue	97,156,461	7,488,447	538,353	(13,163,103)	0	0	(5,136,303)
25								
26	Blended Effective Tax Rate	38.90%	2,913,006	209,419	(5,120,447)	0	0	(1,998,022)
27								
28	NET Operating Income Impact		4,575,441	328,934	(8,042,656)	0	0	(3,138,281)

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Summary of Utility Jurisdictional Adjustments to  
 Operating Income by Major Accounts  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(d)1  
 Schedule D-1  
 Witness: Waller, Martin

Line No.	ACCOUNT No. & Title	Base Period	Title of Adjustment					GRAND Total ADJUST.
			D-2.2 ADJ 1	D-2.2 ADJ 2	D-2.2 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	
29	7590 814 Storage Supervision & Engineering	-	-	-	-	-	-	-
30	8140 814 Storage Supervision & Engineering	-	-	-	-	-	-	-
31	8150 815 Maps and records	-	-	-	-	-	-	-
32	8160 816 Storage Wells Expense	128,970	215	-	6,751	-	-	6,967
33	8170 817 Storage Lines Expense	35,012	176	(219)	45	-	-	2
34	8180 818 Storage Compressor Station	34,838	92	(64)	767	-	-	795
35	8190 819 Storage Compressor Station Fuel	1,123	-	(119)	-	-	-	(119)
36	8200 820 Storage Measuring & Regulating	3,667	10	(192)	-	-	-	(182)
37	8210 821 Storage Purification	25,635	55	(273)	557	-	-	339
38	8240 824 Storage Other Expense	-	-	-	-	-	-	-
39	8250 825 Storage Royalties	13,498	-	(1,005)	(3,106)	-	-	(4,110)
40	8310 831 Storage Maintenance Structure	15,145	-	-	1,103	-	-	1,103
41	8320 832 Storage Maintenance Res	-	-	-	-	-	-	-
42	8340 834 Storage Maintenance Compressor	11,248	13	-	628	-	-	641
43	8350 835 Storage Maintenance Meas/Reg	-	-	-	-	-	-	-
44	8360 836 Storage Maintenance Purification	-	-	-	-	-	-	-
45	8370 837 Maintenance of other equipment	-	-	-	-	-	-	-
46	8400 840 Other Storage Expense	-	-	-	-	-	-	-
47	8410 841 Storage Operation	133,473	707	-	182	-	-	890
48	8470 847 Storage Maintenance	-	-	-	-	-	-	-
49	8500 850 Trsm Supervision & Engineering	-	-	-	-	-	-	-
50	8520 852 Communication system expenses	-	-	-	-	-	-	-
51	8550 855 Other Fuel & Power Comp	332	-	(35)	-	-	-	-
52	8560 856 Trsm Mains Expense	252,640	969	(941)	3,122	-	-	3,151
53	8570 857 Trsm Measuring & Regulating	11,618	18	(649)	96	-	-	(536)
54	8590 859 Trsm Other Exp	-	-	-	-	-	-	-
55	8600 860 Rents	-	-	-	-	-	-	-
56	8620 862 Trsm Structure & Improvements	-	-	-	-	-	-	-
57	8630 863 Trsm Maint of Mains	2,900	3	-	189	-	-	191
58	8640 864 Trsm Maint Comp Sta Equip	-	-	-	-	-	-	-
59	8650 865 Trsm Maint Meas/Reg Sta	396	-	-	17	-	-	17
60	8670 867 Trsm Maint Other Eq	-	-	-	-	-	-	-
61	8700 870 Dist Supervision & Engineering	1,193,065	2,745	(6,317)	14,308	-	-	10,737
62	8710 871 Dist Load Dispatching	1,103	-	(117)	-	-	-	(117)
63	8711 8711 Odorization	2,545	-	-	125	-	-	125
64	8720 872 Dist Comp Sta	-	-	-	-	-	-	-
65	8740 874 Dist Main/Ser Exp	3,300,059	7,189	(8,582)	146,412	-	-	145,018
66	8750 875 Dist Meas/Reg Sta-Gen	478,055	2,211	(301)	4,529	-	-	6,439
67	8760 876 Dist Meas/Reg Sta-Ind	30,154	98	-	541	-	-	639
68	8770 877 Dist Meas/Reg Sta-Cty.	22,074	-	(499)	738	-	-	239
69	8780 878 Dist Mtr/House Reg	934,416	4,886	(1,288)	2,665	-	-	6,263
70	8790 879 Dist Cust Install	4,014	-	-	171	-	-	171
71	8800 880 Dist Other Exp	149,633	753	(3)	(4,443)	-	-	(3,693)
72	8810 881 Dist Rents	383,108	-	(39,619)	616	-	-	(39,003)
73	8850 885 Dist Maint Super/Eng	1,623	-	-	(225)	-	-	(225)
74	8860 886 Dist Maint Struc/Improv	300	-	(3)	12	-	-	9

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Summary of Utility Jurisdictional Adjustments to  
 Operating Income by Major Accounts  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(d)1  
 Schedule D-1  
 Witness: Waller, Martin

Line No.	Account No. & Title	Base Period	Title of Adjustment					GRAND Total ADJUST.
			D-2.2 ADJ 1	D-2.2 ADJ 2	D-2.2 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	
75	8870 887 Dist Maint of Mains	29,455	129	-	440	-	-	568
76	8890 889 Dist Maint Meas/Reg Sta-Gen	36	-	-	2	-	-	2
77	8900 890 Dist Maint Meas/Reg Sta-Ind	8,796	-	-	374	-	-	374
78	8910 891 Dist Maint Meas/Reg Sta-City	4,281	-	(170)	114	-	-	(56)
79	8920 892 Dist Maint of Ser	102	-	-	4	-	-	4
80	8930 893 Dist Maint Mtr/House Reg	89,917	495	-	-	-	-	495
81	8940 894 Dist Maint Other Eq	11,083	-	-	(304)	-	-	(304)
82	8950 895 Maintenance of Other Plant	-	-	-	-	-	-	-
83	9010 901 Cust Accts Supervision	406	0	-	15	-	-	15
84	9020 902 Cust Accts Mtr Exp	1,186,802	2,179	(257)	63,109	-	-	65,031
85	9030 903 Cust Accts Records/Collections	1,660,972	2,138	-	99,289	-	-	101,428
86	9040 904 Cust Accts Uncoil Accts	369,911	-	-	-	(7,799)	-	(7,799)
87	9070 907 Cust Accts Supervision	-	-	-	-	-	-	-
88	9080 908 Customer Assistance Expenses	-	-	-	-	-	-	-
89	9090 909 Cust Ser Supervision	134,412	583	-	(1,067)	-	-	(484)
90	9100 910 Cust Ser Assist Exp	-	-	-	-	-	-	-
91	9110 911 Cust Ser Info Adv Exp	255,129	1,039	-	10,794	-	-	11,832
92	9120 912 Demonstrating and Selling Expenses	117,086	-	(148)	14,352	-	-	14,204
93	9130 913 Advertising Expenses	38,737	-	-	6,746	-	-	6,746
94	9160 916 Sales Promo Demo/Selling	-	-	-	-	-	-	-
95	9200 920 Administrative and General Salaries	141,985	782	-	-	-	-	782
96	9210 921 Adm Gen Office Supply	1,380	-	-	1,869	-	-	1,869
97	9220 922 Administrative Expense Transferred	13,526,080	-	-	-	-	486,321	486,321
98	9230 923 Adm Gen Outside Services Empl	64,811	-	-	5,039	-	-	5,039
99	9240 924 Property Insurance	88,982	-	-	(83,423)	-	-	(83,423)
100	9250 925 Adm Gen Injuries/Damages	18,681	(2)	-	(738)	-	-	(740)
101	9260 926 Adm Gen Empl Pen/Ben	1,947,365	(75,498)	-	(28,668)	-	-	(104,166)
102	9270 927 Adm Gen Franchise Req	6,390	-	-	(4,907)	-	-	(4,907)
103	9280 928 Adm Gen Reg Comm Exp	-	-	-	-	-	-	-
104	9290 929 Uniforms capitalized	-	-	-	-	-	-	-
105	9301 9301 Adm Gen Goodwill Adv	-	-	-	-	-	-	-
106	9302 9302 Adm Gen Gen Exp	74,162	-	-	(24,461)	-	-	(24,461)
107	9310 931 A&G-Rents	14,287	-	(1,516)	-	-	-	(1,516)
108	9320 932 Adm Gen Maint Gen Plant	-	-	-	-	-	-	-
109	Total	<u>28,961,891</u>	<u>(48,013)</u>	<u>(62,318)</u>	<u>234,380</u>	<u>(7,799)</u>	<u>486,321</u>	<u>602,606</u>
110	Labor and Benefits	6,804,939	(48,013)	-	-	-	-	(48,013)
111	Rent, Maintenance and Utilities	586,728	-	(62,318)	-	-	-	(62,318)
112	Other O&M	5,674,233	-	-	234,380	-	-	234,380
113	Bad Debt	369,911	-	-	-	(7,799)	-	(7,799)
114	Costs allocated from SSU and KY-MDS General Office	13,526,080	(0)	42	(271)	-	486,321	486,092
115	Total	<u>28,961,891</u>	<u>(48,013)</u>	<u>(62,276)</u>	<u>234,109</u>	<u>(7,799)</u>	<u>486,321</u>	<u>602,342</u>
116	Blended Effective Tax Rate	38.90%	18.677	24.225	(91.068)	3.034	(189.179)	(234.311)
117	NET Operating Income Impact	-	(29,336)	(38,051)	143,040	(4,765)	297,142	368,031

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Summary of Utility Jurisdictional Adjustments to  
 Operating Income by Major Accounts  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(b)(d)1  
 Schedule D-1  
 Witness: Waller, Martin

Line No.	Account No. & Title	Base Period	Title of Adjustment					Total ADJUST.
			D-2.3 ADJ 1	D-2.3 ADJ 2	D-2.1 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	
118	403 DEPRECIATION Expense	18,899,316	2,662,197					2,662,197
119	404 Amortization Expense	0						0
120	406 AMORT. - Gas Plant AQUIST.	49,581						0
121								
122	Total DEPRECIATION and Amortization	<u>18,948,897</u>	<u>2,662,197</u>					<u>2,662,197</u>
123								
124	Blended Effective Tax Rate	38.90%	<u>1,035,594</u>					<u>1,035,594</u>
125								
126	NET Operating Income Impact		<u>1,626,602</u>					<u>1,626,602</u>
127								
128								
129								
130								
131	408 Taxes, Other than income	<u>4,830,375</u>		<u>1,736,070</u>				<u>1,736,070</u>
132								
133	Blended Effective Tax Rate	38.90%		<u>675,331</u>				<u>675,331</u>
134								
135	NET Operating Income Impact			<u>1,060,739</u>				<u>1,060,739</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Detailed Adjustments  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  
 Workpaper Reference No(s).

FR 16(8)(d)2.1  
 Schedule D-2.1  
 Witness: Waller, Martin

LN NO	Purpose and Description		Amount
1	<b>ADJ1</b>		
2	SALE of Gas-Residential - the purpose of this Adjustment is to reflect the normalization of volumes	Forecasted	\$98,377,919
3	due to warm weather in base period, and changes in gas costs between the periods	Base	<u>92,003,988</u>
4		Adjustment	\$6,373,932
5			6.9%
6			
7	SALE of Gas-Commercial - the purpose of this Adjustment is to reflect the normalization of volumes	Forecasted	\$40,637,064
8	due to warm weather in base period, and changes in gas costs between the periods	Base	<u>38,443,048</u>
9		Adjustment	\$2,194,016
10			5.7%
11			
12	SALE of Gas-Industrial - the purpose of this Adjustment is to reflect known and measurable changes,	Forecasted	\$5,286,755
13	increases and reductions, shifts from base period to test year and changes in gas costs	Base	<u>6,816,386</u>
14	between the periods.	Adjustment	(\$1,529,630)
15			-22.4%
16			
17	SALE of Gas-Public Authority - The purpose of this Adjustment is to reflect the normalization of	Forecasted	\$6,847,372
18	volumes due to warm weather in base period, and changes in gas costs between the periods	Base	<u>6,397,243</u>
19		Adjustment	\$450,129
20			7.0%
21			
22	SALE of Gas - Unbilled - no adjustment.	Forecasted	\$0
23		Base	<u>0</u>
24		Adjustment	\$0
25			0.0%
26	<b>ADJ2</b>		
27	Forfeited discounts - the purpose of this adjustment is to reflect anticipated changes in the billed late	Forecasted	\$1,297,964
28	payment fees from the base period to the test year.	Base	<u>1,231,452</u>
29		Adjustment	\$66,512
30			5.4%
31			
32	Misc Service Revenues - the purpose of this adjustment is to reflect modest reduction in service charge	Forecasted	\$806,054
33	revenues for the base period.	Base	<u>805,992</u>
34		Adjustment	\$62
35			0.0%
36			
37	Revenue from Transportation - the purpose of this Adjustment is to reflect known and measurable	Forecasted	\$15,202,087
38	changes in demand for existing industries and account for migration to/from transportation service	Base	<u>15,830,894</u>
39		Adjustment	(\$628,807)
40			-4.0%
41			
42	Other gas service revenues - the purpose of this adjustment is to reflect pro forma adjustments for	Forecasted	\$2,274,060
43	individual customers and special contract reformations	Base	<u>1,173,474</u>
44		Adjustment	\$1,100,586
45			93.8%
46	<b>ADJ3</b>		
47	Gas Purchase Costs - The purpose of this Adjustment is to reflect the purchase quantities	Forecasted	\$78,709,117
48	for sales service. The Base Period includes Unbilled Gas Costs that will zero out by the end	Base	<u>65,546,014</u>
49	of the base period when replaced by actuals. Gas Costs in the Base Period were lower due to	Adjustment	\$13,163,103
50	lower usage associated with warmer than normal temperature		20.1%
51			
52			
53			
54	Summary of Revenue Adjustments.		
55	Base Year Revenues		162,702,476
56	Base Year Gas Costs		<u>65,546,014</u>
57	Base Year Gross Profit		97,156,461
58			
59	Test Year Revenues		170,729,276
60	Test Year Gas costs		<u>78,709,117</u>
61	Test Year Gross Profit		92,020,159

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Detailed Adjustments  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  
 Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(d)2.2  
 Schedule D-2.2

Witness: Waller, Martin

LN	NO	Purpose and Description		Amount
1		<b>ADJ 1</b>		
2		Labor and Benefits - The purpose of this adjustment is to account for forecasted labor and benefits expense	Forecasted	6,756,926
3		Benefits are projected as a fixed benefit load percentage of labor expense plus an amount for workers' comp	Base	6,804,939
4		insurance. This adjustment pertains to labor and benefits for Kentucky operations.	Adjustment	(48,013)
5				-0.7%
6				
7		<b>ADJ 2</b>		
8		Rent, Maintenance and Utilities - The purpose of this adjustment is to account for forecasted rent, maintenance	Forecasted	524,452
9		and utilities. Unlike other O&M categories that are likely to increase with normal inflation, our building rents are	Base	586,728
10		driven by leases already in place and can therefore be projected with a high level of accuracy.	Adjustment	(\$62,276)
11		This adjustment pertains to expenses for Kentucky operations.		-10.6%
12				
13				
14		<b>ADJ 3</b>		
15		Other O&M - The purpose of this adjustment is to account for projected changes in O&M expenses other than	Forecasted	5,908,342
16		labor, benefits, rent, and bad debt.	Base	5,674,233
17		This adjustment pertains to expenses for Kentucky operations.	Adjustment	\$234,109
18				4.1%
19				
20		<b>ADJ 4</b>		
21		Bad Debt - The purpose of this adjustment is to account for anticipated bad debt costs due to uncollectible	Forecasted	362,112
22		accounts. The projection is made by calculating 0.50% of residential, commercial and public authority	Base	369,911
23		margins from the revenues projection.	Adjustment	(\$7,799)
24				-2.2%
25		<b>ADJ 5</b>		
26		Costs allocated from Shared Services and Kentucky-Mid States General Office - The purpose of this	Forecasted	14,012,401
27		adjustment is to account for the forecasted amount of expenses that are allocated to Kentucky from the	Base	13,526,080
28		Shared Services Unit and Division General Office.	Adjustment	\$486,321
29				3.6%
30				
31		<u>Summary of O &amp; M adjustments.</u>	Forecasted	27,564,234
32			Base	26,961,891
33			Adjustment	\$602,342
34				2.2%

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Detailed Adjustments  
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period FR 16(8)(d)2.3  
 Type of Filing:  Original  Updated  Revised Schedule D-2.3  
 Workpaper Reference No(s): \_\_\_\_\_ Witness: Waller, Martin

LN	NO Purpose and Description		Amount
1	<b>ADJ1</b>		
2	Depreciation Expense - The purpose of this adjustment is to reflect the change in	Forecasted	\$21,511,931
3	depreciation expense due to the increased level of depreciable plant investment.	Base	<u>18,849,735</u>
4		Adjustment	\$2,662,197
5			14.1%
6	<b>ADJ2</b>		
7	Taxes Other - The purpose of this adjustment is to account for anticipated	Forecasted	\$6,566,445
8	changes in Taxes, Other than Income Taxes	Base	<u>4,830,375</u>
9		Adjustment	\$1,736,070
10			35.9%



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(e)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (e) A jurisdictional federal and state income tax summary for both the base period and the forecasted period with all supporting schedules of the various components of jurisdictional income taxes;

**RESPONSE:**

Please see attachment FR\_16(8)(e)\_Att1, Schedule E.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(e)\_Att1 - Schedule E.xlsx, 2 Pages.

Respondent: Greg Waller

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

FR 16(8)(e) SCHEDULE E

**Income Tax Calculation**

Schedule	Pages	Description
E	1	Income Tax Calculation

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Computation of State & Federal Income Tax  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s): \_\_\_\_\_  
FR 16(8)(e)  
Schedule E  
Witness: Waller

Line No.	Description	Base Period Unadjusted (1)	Adjustments (2)	Test Period Fully Adjusted (3)	Sched. Ref.
1	Operating Income before Income Tax & Interest	\$ 40,475,650	\$ (2,747,478)	\$ 37,728,172	C-2
2	Interest Deduction	8,306,019	1,654,323	9,960,341	*
3	Taxable Income	\$ 32,169,631	\$ (4,401,801)	\$ 27,767,831	
4	Composite Tax Rate (state & federal)	38.900%		38.900%	**
5	<b>State &amp; Federal Income Tax</b>	<b>\$ 12,513,987</b>	<b>\$ (1,712,300)</b>	<b>\$ 10,801,686</b>	
<u>* Interest Expense Calculation:</u>					
6	13 Month Average Rate Base	\$369,386,897		\$430,095,330	B-1
7	Weighted cost of Debt	2.25%		2.32%	J-1
8	Interest Expense	\$ 8,306,019		\$ 9,960,341	
9	<u>2015 ** Composite Tax Rate Calculation: 6.00% + 35%(100% - 6.00%) = 38.900%</u>				
10	State Tax Rate	6.00%			
11	Federal Tax Rate	35.00%			



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(f)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (f) Summary schedules for both the base period and the forecasted period (the utility may also provide a summary segregating those items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses;

**RESPONSE:**

Please see attachment FR\_16(8)(f)\_Att1, Schedules F-1 through F-10.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(f)\_Att1 - Schedules F-1 - F-10.xlsx, 14 Pages.

Respondent: Greg Waller

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

FR 16(8)(f)

SCHEDULE F

Schedule	Pages	Description
F-1	2	Social and Service Club Dues
F-2.1	1	Charitable Contributions
F-2.2	1	Initiation Fees/Country Club Expenses
F-2.3	1	Employee Party, Outing and Gift Expenses
F-3	1	Sales and Advertising Expenses
F-4	1	Advertising
F-5	1	Professional Service Expenses
F-6	1	Projected Rate Case Expense
F-7	1	Civic, Political and Related Activities
F-8	1	Expense Reports
F-9	1	Leases
F-10	1	Incentive Compensation Expense

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
SOCIAL and Service CLUB DUES  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period FR 16(8)(f)  
Type of Filing:  Original  Updated  Revised Schedule F-1  
Workpaper Reference No(s). Witness: Waller

Line	No.	Account No	Social Organization/Service Club	Total Utility	Jurisdictional %	Jurisdiction
<b>BASE PERIOD</b>						
1	Various		JOURNAL ENTRY	0	100%	0
2	Various		AGA	37,502		
3	Various		ANDERSON COUNTY CHAMBER OF COMMERCE	3,307		3,307
4	Various		BOWLING GREEN CHAMBER OF COMMERCE	7,500		7,500
5	Various		BRECKINRIDGE COUNTY CHAMBER OF COMMERCE	125		125
6	Various		CADIZ ROTARY CLUB	100		100
7	Various		CADIZ TRIGG COUNTY ECONOMIC DEVELOP COMM	500		500
8	Various		CAMPBELLSVILLE - TAYLOR COUNTY CHAMBER OF COMMERCE	100		100
9	Various		CAVE CITY CHAMBER OF COMMERCE	150		150
10	Various		CHRISTIAN COUNTY CHAMBER OF COMMERCE	1,348		1,348
11	Various		CRITTENDEN COUNTY ECONOMIC	250		250
12	Various		DANVILLE-BOYLE COUNTY CHAMBER OF COMMERCE	370		370
13	Various		FRANKLIN-SIMPSON CHAMBER OF COMMERCE	800		800
14	Various		GARRARD COUNTY CHAMBER	300		300
15	Various		GLASGOW BARREN COUNTY CHAMBER OF COMMERCE	3,825		3,825
16	Various		GRAND RIVERS CHAMBER OF COMMERCE	100		100
17	Various		GREATER MUHLENBERG CHAMBER OF COMMERCE	175		175
18	Various		GREATER OWENSBORO CHAMBER OF COMMERCE	760		760
19	Various		GREATER OWENSBORO ECONOMIC DEVELOPMENT CORP	10,000		10,000
20	Various		GREATER OWENSBORO REALTOR ASSOCIATION	256		256
21	Various		GREENSBURG - GREEN CO. CHAMBER	200		200
22	Various		HART COUNTY CHAMBER OF COMMERCE	200		200
23	Various		HOME BUILDERS ASSOCIATION OF OWENSBORO	420		420
24	Various		HOME BUILDERS ASSOCIATION OF THE BLUEGRASS	335		335
25	Various		HOME BUILDERS ASSOCIATION OF WESTERN KY	1,200		1,200
26	Various		HOPKINS CO. REGIONAL CHAMBER OF COMMERCE	305		305
27	Various		HOPKINS COUNTY HOME BUILDERS ASSOCIATION	295		295
28	Various		HOPKINSVILLE CHRISTIAN AND TODD COUNTY ASSN OF REALTC	150		150
29	Various		HOPKINSVILLE HOME BUILDERS ASSOCIATION	415		415
30	Various		KENTUCKY ASSOCIATION FOR ECONOMIC DEVELOPMENT	5,000		5,000
31	Various		KENTUCKY ASSOCIATION OF MAPPING PROFESSIONALS	25		25
32	Various		KENTUCKY CHAMBER OF COMMERCE	15,490		15,490
33	Various		KENTUCKY COUNTY JUDGE EXECUTIVE ASSOCIATION	200		200
34	Various		KENTUCKY GAS ASSOCIATION	10,720		10,720
35	Various		KENTUCKY OIL AND GAS ASSOCIATION	1,000		1,000
36	Various		KIWANIS CLUB	133		133
37	Various		LAKE BARKLEY CHAMBER OF COMMERCE	255		255
38	Various		LEADERSHIP KENTUCKY	125		125
39	Various		LEADERSHIP SHELBY	30		30
40	Various		LINCOLN COUNTY CHAMBER OF COMMERCE	140		140
41	Various		LOGAN COUNTY CHAMBER OF COMMERCE	750		750
42	Various		LOGAN COUNTY HOME BUILDERS	350		350
43	Various		LOGAN ECONOMIC ALLIANCE FOR DEVELOPMENT	1,000		1,000
44	Various		MARION COUNTY CHAMBER OF COMMERCE	400		400
45	Various		MARSHALL COUNTY CHAMBER OF COMMERCE	500		500
46	Various		MAYFIELD GRAVES COUNTY CHAMBER OF COMMERCE	1,525		1,525
47	Various		MERCER COUNTY CHAMBER OF COMMERCE	500		500
48	Various		NACE INTERNATIONAL	130		130
49	Various		OHIO COUNTY CHAMBER OF COMMERCE	300		300
50	Various		OWENSBORO AREA MUSEUM OF SCIENCE AND HISTORY	250		250
51	Various		OWENSBORO ASSN OF PLUMBING HEATING	100		100
52	Various		PADUCAH AREA CHAMBER OF COMMERCE	975		975
53	Various		PAXTON MEDIA GROUP	163		163
54	Various		PRINCETON / CALDWELL COUNTY CHAMBER OF COMMERCE	500		500
55	Various		PRINCETON CHAMBER OF COMMERCE	60		60
56	Various		SHELBY COUNTY CHAMBER OF COMMERCE	2,999		2,999
57	Various		SOCIETY FOR MARKETING PROFESSIONAL SERVICES	390		390
58	Various		SOUTH WESTERN KENTUCKY ECONOMIC DEVELOPMENT COUN	6,000		6,000
59	Various		SOUTHERN GAS ASSOCIATION	0		0
60	Various		SPRINGFIELD WASHINGTON COUNTY CHAMBER OF COMMERCE	125		125
61	Various		TODD COUNTY COMMUNITY ALLIANCE	250		250
62	Various		TRIGG CO. CHAMBER OF COMMERCE	470		470
63	Various		URBAN & REGIONAL INFORMATION SYSTEMS ASSOCIATION	50		50
<b>Total Base Period</b>				121,895		84,392

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
SOCIAL and Service CLUB DUES  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period FR 16(8)(f)  
Type of Filing:  Original  Updated  Revised Schedule F-1  
Workpaper Reference No(s). Witness: Waller

Line	No.	Account No	Social Organization/Service Club	Total Utility	Jurisdictional %	Jurisdiction
<b>TEST PERIOD</b>						
1	Various		JOURNAL ENTRY	0	100%	0
2	Various		AGA	37,502		37,502
3	Various		ANDERSON COUNTY CHAMBER OF COMMERCE	3,307		3,307
4	Various		BOWLING GREEN CHAMBER OF COMMERCE	7,500		7,500
5	Various		BRECKINRIDGE COUNTY CHAMBER OF COMMERCE	125		125
6	Various		CADIZ ROTARY CLUB	100		100
7	Various		CADIZ TRIGG COUNTY ECONOMIC DEVELOP COMM	500		500
8	Various		CAMPBELLSVILLE - TAYLOR COUNTY CHAMBER OF COMMERCE	100		100
9	Various		CAVE CITY CHAMBER OF COMMERCE	150		150
10	Various		CHRISTIAN COUNTY CHAMBER OF COMMERCE	1,348		1,348
11	Various		CRITTENDEN COUNTY ECONOMIC	250		250
12	Various		DANVILLE-BOYLE COUNTY CHAMBER OF COMMERCE	370		370
13	Various		FRANKLIN-SIMPSON CHAMBER OF COMMERCE	800		800
14	Various		GARRARD COUNTY CHAMBER	300		300
15	Various		GLASGOW BARREN COUNTY CHAMBER OF COMMERCE	3,825		3,825
16	Various		GRAND RIVERS CHAMBER OF COMMERCE	100		100
17	Various		GREATER MUHLENBERG CHAMBER OF COMMERCE	175		175
18	Various		GREATER OWENSBORO CHAMBER OF COMMERCE	760		760
19	Various		GREATER OWENSBORO ECONOMIC DEVELOPMENT CORP	10,000		10,000
20	Various		GREATER OWENSBORO REALTOR ASSOCIATION	256		256
21	Various		GREENSBURG - GREEN CO. CHAMBER	200		200
22	Various		HART COUNTY CHAMBER OF COMMERCE	200		200
23	Various		HOME BUILDERS ASSOCIATION OF OWENSBORO	420		420
24	Various		HOME BUILDERS ASSOCIATION OF THE BLUEGRASS	335		335
25	Various		HOME BUILDERS ASSOCIATION OF WESTERN KY	1,200		1,200
26	Various		HOPKINS CO. REGIONAL CHAMBER OF COMMERCE	305		305
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28	Various		HOPKINSVILLE CHRISTIAN AND TODD COUNTY ASSN OF REALTC	150		150
29	Various		HOPKINSVILLE HOME BUILDERS ASSOCIATION	415		415
30	Various		KENTUCKY ASSOCIATION FOR ECONOMIC DEVELOPMENT	5,000		5,000
31	Various		KENTUCKY ASSOCIATION OF MAPPING PROFESSIONALS	25		25
32	Various		KENTUCKY CHAMBER OF COMMERCE	15,490		15,490
33	Various		KENTUCKY COUNTY JUDGE EXECUTIVE ASSOCIATION	200		200
34	Various		KENTUCKY GAS ASSOCIATION	10,720		10,720
35	Various		KENTUCKY OIL AND GAS ASSOCIATION	1,000		1,000
36	Various		KIWANIS CLUB	133		133
37	Various		LAKE BARKLEY CHAMBER OF COMMERCE	255		255
38	Various		LEADERSHIP KENTUCKY	125		125
39	Various		LEADERSHIP SHELBY	30		30
40	Various		LINCOLN COUNTY CHAMBER OF COMMERCE	140		140
41	Various		LOGAN COUNTY CHAMBER OF COMMERCE	750		750
42	Various		LOGAN COUNTY HOME BUILDERS	350		350
43	Various		LOGAN ECONOMIC ALLIANCE FOR DEVELOPMENT	1,000		1,000
44	Various		MARION COUNTY CHAMBER OF COMMERCE	400		400
45	Various		MARSHALL COUNTY CHAMBER OF COMMERCE	500		500
46	Various		MAYFIELD GRAVES COUNTY CHAMBER OF COMMERCE	1,525		1,525
47	Various		MERCER COUNTY CHAMBER OF COMMERCE	500		500
48	Various		NACE INTERNATIONAL	130		130
49	Various		OHIO COUNTY CHAMBER OF COMMERCE	300		300
50	Various		OWENSBORO AREA MUSEUM OF SCIENCE AND HISTORY	250		250
51	Various		OWENSBORO ASSN OF PLUMBING HEATING	100		100
52	Various		PADUCAH AREA CHAMBER OF COMMERCE	975		975
53	Various		PAXTON MEDIA GROUP	163		163
54	Various		PRINCETON / CALDWELL COUNTY CHAMBER OF COMMERCE	500		500
55	Various		PRINCETON CHAMBER OF COMMERCE	60		60
56	Various		SHELBY COUNTY CHAMBER OF COMMERCE	2,999		2,999
57	Various		SOCIETY FOR MARKETING PROFESSIONAL SERVICES	390		390
58	Various		SOUTH WESTERN KENTUCKY ECONOMIC DEVELOPMENT COUN	6,000		6,000
59	Various		SOUTHERN GAS ASSOCIATION	0		0
60	Various		SPRINGFIELD WASHINGTON COUNTY CHAMBER OF COMMERCE	125		125
61	Various		TODD COUNTY COMMUNITY ALLIANCE	250		250
62	Various		TRIGG CO. CHAMBER OF COMMERCE	470		470
63	Various		URBAN & REGIONAL INFORMATION SYSTEMS ASSOCIATION	50		50
<b>Total Forecasted Period</b>				<b>121,895</b>		<b>121,895</b>

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**CHARITABLE CONTRIBUTIONS**  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(f)  
Schedule F-2.1  
Witness: Waller

Line No.	Account No.	Charitable Organization *	Total Utility	Jurisdictional %	Jurisdiction
<b>BASE PERIOD</b>					
1	Various	Education	\$ 23,111	100%	\$ 23,111
2	Various	United Way Agencies	\$ -		0
3	Various	Health	\$ 3,000		3,000
4	Various	Museums & Arts	\$ 8,850		8,850
5	Various	Youth Clubs & Centers	\$ 11,175		11,175
6	Various	Community Welfare	\$ 70,955		70,955
7	Various	American Red Cross	\$ -		0
8	Various	Salvation Army	\$ 500		500
9	Various	Heat Help Assistance Programs	\$178,005		178,005
		Total	\$295,596		\$ 295,596
<b>TEST PERIOD</b>					
1	Various	Education	\$ 23,111	100%	\$ 23,111
2	Various	United Way Agencies	\$ -		0
3	Various	Health	\$ 3,000		3,000
4	Various	Museums & Arts	\$ 8,850		8,850
5	Various	Youth Clubs & Centers	\$ 11,175		11,175
6	Various	Community Welfare	\$ 70,955		70,955
7	Various	American Red Cross	\$ -		0
8	Various	Salvation Army	\$ 500		500
9	Various	Heat Help Assistance Programs	\$178,005		178,005
		Total	\$295,596		\$ 295,596

Note: These items are not included in O&M and therefore not part of revenue requirements.

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**INITIATION FEES/COUNTRY CLUB Expenses \***  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(f)  
Schedule F-2.2  
Witness: Waller

Line No.	Account No.	Payee Organization	Base Period			Forecasted Period		
			Total Utility	Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1	Various	Owensboro Country Club ( dues )	\$ -	100%	\$ -	\$ -	100%	\$ -
2	Various	OCC - Expenses	0		0	0		0
3		Total	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>

NOTE: Country Club dues will be excluded from O & M and therefore, excluded from the revenue requirements. A/C 870.

NOTE: There are no OCC expenses for the Base Period

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**Employee PARTY, OUTING, and GIFT EXP.**  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(f)  
Schedule F-2.3  
Witness: Waller

Line No.	Account No.	Description of Expenses	Base Period			Forecasted Period		
			Total Utility	Kentucky Jurisdictional	Allocated Amount	Total Utility	Kentucky Jurisdictional	Allocated Amount
1		<b>Div 009</b>						
2	Various	Sub Account 07421- Service Awards	\$ -	100%	\$ -	\$ -	100%	\$ -
3								
4		Total	\$ -		\$ -	\$ -		\$ -
5								
6		<b>Div 091</b>						
7	Various	Sub Account 07421- Service Awards	\$ 61,362	50.25%	\$ 30,835	\$ 54,292	50.25%	\$ 27,283
8								
9		Total	\$ 61,362		\$ 30,835	\$ 54,292		\$ 27,283
10								
11		<b>Div 002</b>						
12	Various	Sub Account 07421- Service Awards	\$ 61,517	5.20%	\$ 3,200	\$ 58,385	5.20%	\$ 3,037
13								
14		Total	\$ 61,517		\$ 3,200	\$ 58,385		\$ 3,037
15								
16		<b>Div 012</b>						
17	Various	Sub Account 07421- Service Awards	\$ 29,540	5.67%	\$ 1,675	\$ 30,343	5.67%	\$ 1,721
18								
19		Total	\$ 29,540		\$ 1,675	\$ 30,343		\$ 1,721
20								
21		<b>Grand Total</b>	\$ 152,418		\$ 35,710	\$ 143,021		\$ 32,040

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**Customer Service and Informational SALES and General ADVERTISING Expense**  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(f)  
Schedule F-3  
Witness: Waller

Line No.	Account Number	Description of Expenses	Base Period			Forecasted Period		
			Total Utility	Kentucky Jurisdictional	Allocated Amount	Total Utility	Kentucky Jurisdictional	Allocated Amount
1		<b>Customer Service and Informational Expenses</b>						
2								
3		<b>Div 009</b>						
4	907	Supervision (1)	\$ -	100%	\$ -	\$ -	100%	\$ -
5	908	Customer Assistance	-	100%	-	-	100%	-
6	909	Informational Advertising (1)	134,412	100%	134,412	133,614	100%	133,614
7	910	Miscellaneous Customer Service and Informational (1)	-	100%	-	-	100%	-
8		Total	\$ 134,412		\$ 134,412	\$ 133,614		\$ 133,614
9								
10		<b>Div 091</b>						
11	907	Supervision (1)	\$ -	50.25%	\$ -	\$ -	50.25%	\$ -
12	908	Customer Assistance	-	50.25%	-	-	50.25%	-
13	909	Informational Advertising (1)	-	50.25%	-	-	50.25%	-
14	910	Miscellaneous Customer Service and Informational (1)	1,295	50.25%	651	1,398	50.25%	702
15		Total	\$ 1,295		\$ 651	\$ 1,398		\$ 702
16								
17		<b>Div 002</b>						
18	907	Supervision (1)	\$ -	5.20%	\$ -	\$ -	5.20%	\$ -
19	908	Customer Assistance	-	5.20%	-	-	5.20%	-
20	909	Informational Advertising (1)	-	5.20%	-	-	5.20%	-
21	910	Miscellaneous Customer Service and Informational (1)	47,978	5.20%	2,495	26,162	5.20%	1,361
22		Total	\$ 47,978		\$ 2,495	\$ 26,162		\$ 1,361
23								
24		<b>Div 012</b>						
25	907	Supervision (1)	\$ -	5.67%	\$ -	\$ -	5.67%	\$ -
26	908	Customer Assistance	-	5.67%	-	-	5.67%	-
27	909	Informational Advertising (1)	-	5.67%	-	-	5.67%	-
28	910	Miscellaneous Customer Service and Informational (1)	-	5.67%	-	-	5.67%	-
29		Total	\$ -		\$ -	\$ -		\$ -
30								
31		<b>Sales Expense</b>						
32								
33		<b>Div 009</b>						
34	911	Supervision	\$ 255,129	100%	\$ 255,129	\$ 266,962	100%	\$ 266,962
35	912	Demonstration and Selling (1)	117,086	100%	117,086	131,290	100%	131,290
36	913	Advertising	38,737	100%	38,737	45,483	100%	45,483
37	916	Miscellaneous Sales Expense	-	100%	-	-	100%	-
38		Total	\$ 410,953		\$ 410,953	\$ 443,735		\$ 443,735
39								
40		<b>Div 091</b>						
41	911	Supervision	\$ 127,103	50.25%	\$ 63,871	\$ 123,575	50.25%	\$ 62,098
42	912	Demonstration and Selling (1)	847	50.25%	425	914	50.25%	459
43	913	Advertising	641	50.25%	322	692	50.25%	348
44	916	Miscellaneous Sales Expense	0	50.25%	0	0	50.25%	0
45		Total	\$ 128,590		\$ 64,618	\$ 125,180		\$ 62,905
46								
47		<b>Div 002</b>						
48	911	Supervision	\$ -	5.20%	\$ -	\$ -	5.20%	\$ -
49	912	Demonstration and Selling (1)	1,882	5.20%	98	2,309	5.20%	120
50	913	Advertising	-	5.20%	-	-	5.20%	-
51	916	Miscellaneous Sales Expense	-	5.20%	-	-	5.20%	-
52		Total	\$ 1,882		\$ 98	\$ 2,309		\$ 120
53								
54		<b>Div 012</b>						
55	911	Supervision	\$ -	5.67%	\$ -	\$ -	5.67%	\$ -
56	912	Demonstration and Selling (1)	-	5.67%	-	-	5.67%	-
57	913	Advertising	-	5.67%	-	-	5.67%	-
58	916	Miscellaneous Sales Expense	-	5.67%	-	-	5.67%	-
59		Total	\$ -		\$ -	\$ -		\$ -

(1) Included in these accounts are advertising and promotional advertising expenses which are considered Non-recoverable and will be Excluded from O & M for ratemaking and therefore the Revenue Requirements. These amounts are shown properly classified on Schedule F-4, Advertising.

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**ADVERTISING**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(f)  
Schedule F-4  
Witness: Waller

Line No.	Item (A)	Base Period					Forecasted Period		
		Sales or Promotional Advertising	Safety or Req by Law Advertising	Total Utility	Kentucky Jurisdictional	Allocated Amount	Sales or Promotional Advertising	Kentucky Jurisdictional	Allocated Amount
1	<b>Div 009</b>								
2	Newspaper, Magazine, bill stuffer & Other	\$ 76,812	\$ 9,020	\$ 85,832	100%	\$ 85,832	\$ 76,812	100%	\$ 76,812
3									
4	<b>Div 091</b>								
5	Newspaper, Magazine, bill stuffer & Other	8,017	299,672	307,689	50.25%	154,618	8,017	50.25%	4,028
6									
7	<b>Div 002</b>								
8	Newspaper, Magazine, bill stuffer & Other	111,116	-	111,116	5.20%	5,779	111,116	5.20%	5,779
9									
10	<b>Div 012</b>								
11	Newspaper, Magazine, bill stuffer & Other	812	-	812	5.67%	46	812	5.67%	46
12									
13	<b>Grand Total</b>	<u>\$ 196,757</u>	<u>\$ 308,692</u>	<u>\$ 505,449</u>		<u>\$ 246,275</u>	<u>\$ 196,757</u>		<u>\$ 86,665</u>

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**PROFESSIONAL Service Expenses**  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(f)  
Schedule F-5  
Witness: Waller

Line No.	Description	Base Period			Forecasted Period		
		Total Utility	Kentucky Jurisdictional	Allocated Amount	Total Utility	Kentucky Jurisdictional	Allocated Amount
<u>Account 923 - Outside Services Employed</u>							
1							
2	Div 009						
3	06111- Contract Labor	\$ -	100%	\$ -	\$ -	100%	\$ -
4	06121- Legal	\$ 64,811	100%	64,811	\$ 74,067	100%	74,067
5	Total	\$ 64,811		\$ 64,811	\$ 74,067		\$ 74,067
6							
7	Div 091						
8	06111- Contract Labor	\$ 48,299	50.25%	\$ 24,271	\$ 86,409	50.25%	\$ 43,422
9	06121- Legal	\$ 216,209	50.25%	108,648	\$ 386,807	50.25%	194,376
10	Total	\$ 264,508		\$ 132,919	\$ 473,215		\$ 237,797
11							
12	Div 002						
13	06111- Contract Labor	\$ 19,328,967	5.20%	\$1,005,303	\$10,420,381	5.20%	\$ 541,966
14	06121- Legal	\$ 207,346	5.20%	10,784	\$ 111,782	5.20%	5,814
15	Total	\$ 19,536,313		\$1,016,087	\$10,532,163		\$ 547,779
16							
17	Div 012						
18	06111- Contract Labor	\$ 606,159	5.67%	\$ 34,375	\$ 470,991	5.67%	\$ 26,709
19	06121- Legal	\$ -	5.67%	-	\$ -	5.67%	-
20	Total	\$ 606,159		\$ 34,375	\$ 470,991		\$ 26,709

Note: Rate Case related expenses are shown separately on Schedule F-6.

**Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
Projected Rate Case Expense**

Data:  Base Period  Forecasted Period FR 16(8)(f)  
Type of Filing:  Original  Updated  Revised Schedule F-6  
Workpaper Reference No(s). Witness: Waller

Line No.	Description	Amount
1	<b>Consulting</b>	
2	Class Cost Study - P. Raab	\$ 16,997
3	Cost of Capital - Vander Weide, J. H.	30,058
4	Depreciation - D. Watson	0
5	sub-total	\$ 47,055
6		
7	<b>Legal Fees</b>	
8	(J. Hughes/R. Hutchinson)	124,287
9		
10	<b>Employee Expense</b>	
11	(airfare, lodging, meals, etc.)	11,654
12		
13	<b>Miscellaneous Expense</b>	
14	(printing, advertising, etc.)	130,888
15		
16	<b>Total Projected Rate Case Expense</b>	<u>\$ 313,884</u>
17		
18	<b>Two (2) Year Amortization of Rate Case Expenses</b>	<u>\$ 156,942</u>

**Rate Case (2 year Amortization)**

	Regulated Asset Balance	Amortization Expense
Mar-18	313,884	0
Apr-18	300,806	13,079
May-18	287,727	13,079
Jun-18	274,649	13,079
Jul-18	261,570	13,079
Aug-18	248,492	13,079
Sep-18	235,413	13,079
Oct-18	222,335	13,079
Nov-18	209,256	13,079
Dec-18	196,178	13,079
Jan-19	183,099	13,079
Feb-19	170,021	13,079
Mar-19	156,942	13,079
	<u>235,413</u>	<u>156,942</u>
	(13 Month Average)	
Apr-19	143,864	13,079
May-19	130,785	13,079
Jun-19	117,707	13,079
Jul-19	104,628	13,079
Aug-19	91,550	13,079
Sep-19	78,471	13,079
Oct-19	65,393	13,079
Nov-19	52,314	13,079
Dec-19	39,236	13,079
Jan-20	26,157	13,079
Feb-20	13,079	13,079
Mar-20	0	13,079

Data Source:  
F.6 Schedule Rate Case Expenses.xls

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**CIVIC, POLITICAL and RELATED ACTIVITIES**  
**Base Period: Twelve Months Ended December 31, 2017**  
**Forecasted Test Period: Twelve Months Ended March 31, 2019**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(f)  
Schedule F-7  
Witness: Waller

Line No.	Item (A)	Base Period			Forecasted Period		
		Total Utility	Kentucky Jurisdictional	Allocated Amount	Total Utility	Kentucky Jurisdictional	Allocated Amount
1	<b>Div 009</b>						
2	Donations (1)	\$ -	100%	\$ -	\$ -	100%	\$ -
3	Civic Duties (2)	-	100%	-	-	100%	-
4	Political Activities (3)	75,000	100%	75,000	75,000	100%	75,000
5	Other	-	100%	-	-	100%	-
6	<b>Total</b>	<b>\$ 75,000</b>		<b>\$ 75,000</b>	<b>\$ 75,000</b>		<b>\$ 75,000</b>
7							
8	<b>Div 091</b>						
9	Donations (1)	\$ -	50.25%	\$ -	\$ -	50.25%	\$ -
10	Civic Duties (2)	-	50.25%	-	-	50.25%	-
11	Political Activities (3)	4,404	50.25%	2,213	4,404	50.25%	2,213
12	Other	-	50.25%	-	-	50.25%	-
13	<b>Total</b>	<b>\$ 4,404</b>		<b>\$ 2,213</b>	<b>\$ 4,404</b>		<b>\$ 2,213</b>
14							
15	<b>Div 002</b>						
16	Donations (1)	\$ -	5.20%	\$ -	\$ -	5.20%	\$ -
17	Civic Duties (2)	-	5.20%	-	-	5.20%	-
18	Political Activities (3)	655,809	5.20%	34,109	655,809	5.20%	34,109
19	Other	-	5.20%	-	-	5.20%	-
20	<b>Total</b>	<b>\$ 655,809</b>		<b>\$ 34,109</b>	<b>\$ 655,809</b>		<b>\$ 34,109</b>
21							
22	<b>Div 012</b>						
23	Donations (1)	\$ -	5.67%	\$ -	\$ -	5.67%	\$ -
24	Civic Duties (2)	-	5.67%	-	-	5.67%	-
25	Political Activities (3)	-	5.67%	-	-	5.67%	-
26	Other	-	5.67%	-	-	5.67%	-
27	<b>Total</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
28							
29	<b>Grand Total</b>	<b>\$ 735,213</b>		<b>\$ 111,322</b>	<b>\$ 735,213</b>		<b>\$ 111,322</b>

Notes:

- (1) These donations represent Economic Development Contributions, all Other civic donations are Included on Schedule F-2.1, Charitable Contributions.
- (2) All civic Memberships are Included on Schedule F-1, Social and Service Club Dues.
- (3) These expenses are recorded below the line and therefore not included in O&M.

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**EMPLOYEE EXPENSE REPORT EXCLUSIONS**

Data:  Base Period  Forecasted PeriodType of Filing:  Original  Updated  Revised

Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(f)

Schedule F-8

Witness: Waller

Line No.	Description	Base Period			Forecasted Period		
		Amount	Kentucky Jurisdictional	Allocated Amount	Amount	Kentucky Jurisdictional	Allocated Amount
1	Div 009	\$ 21,173	100.00%	\$ 21,173	\$ 21,173	100%	\$ 21,173
2							
3	Div 091	43,047	50.25%	21,632	43,047	50.25%	21,632
4							
5	Div 002	289,966	5.20%	15,081	289,966	5.20%	15,081
6							
7	Div 012	<u>81,857</u>	5.67%	<u>4,642</u>	<u>81,857</u>	5.67%	<u>4,642</u>
8							
9	Total Expense Report Exclusions	<u>\$ 436,043</u>		<u>\$ 62,528</u>	<u>\$436,043</u>		<u>\$ 62,528</u>

NOTE: This amount is included on ratemaking adjustments on Schedule C-2 and therefore excluded from the Revenue Requirements.

**Atmos Energy Corporation, Kentucky/Mid-States Division**  
**Kentucky Jurisdiction Case No. 2017-000349**  
**LEASE EXPENSE**

Data:  Base Period  Forecasted Period FR 16(8)(f)  
 Type of Filing:  Original  Updated  Revised Schedule F-9  
 Workpaper Reference No(s). \_\_\_\_\_ Witness: Waller

Line No.	Description	Monthly	Period affected	months	O&M factor	Total Amount
Division 009 - Direct Kentucky						
1	There are no lease expenses avoided in this filing					
2						
3	Total lease expense to be avoided					\$ -
4						
5	Adjustment to O & M					\$ -

**Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-000349  
INCENTIVE COMPENSATION EXPENSE**

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s). \_\_\_\_\_

FR 16(8)(f)  
Schedule F-10  
Witness: Waller

Line No.	Div	Category	Total	Allocation Factor	Allocated Totals
<u>Variable Pay &amp; Management Incentive Plans</u>					
1	2	VPP & MIP	9,109,980	5.20%	473,811
2	12	VPP & MIP	0	5.67%	0
3	91	VPP & MIP	907,961	50.25%	456,263
4	9	VPP & MIP	0	100.00%	0
5		Total Allocated VPP & MIP Plans			<u>930,074</u>
<u>Restricted Stock Plans</u>					
6	2	RSU-LTIP - Time Lapse	3,117,259	5.20%	162,129
7		RSU-LTIP - Performance Based	3,126,816	5.20%	162,626
8	12	RSU-LTIP - Time Lapse	111,594	5.67%	6,328
9		RSU-LTIP - Performance Based	167,660	5.67%	9,508
10	91	RSU-LTIP - Time Lapse	117,037	50.25%	58,813
11		RSU-LTIP - Performance Based	61,703	50.25%	31,006
12	9	RSU-LTIP - Time Lapse	33,785	100.00%	33,785
13		RSU-LTIP - Performance Based	13,683	100.00%	13,683
14		Total Allocated Restricted Stock Plans			<u>477,878</u>
15		Grand Total Allocated Expense			<u><u>1,407,953</u></u>



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(g)**  
**Page 1 of 1**

**REQUEST:**

**KY - Case No. 2015-00343 MFR FR 16(8)(g)**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
- (g) Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title;

**RESPONSE:**

Please see attachment FR\_16(13)(g)\_Att1, Schedules G-1 through G-3.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(g)\_Att1 - Schedules G-1 - G-3.xlsx, 3 Pages.

Respondents: Greg Waller and Laura Gillham

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
PAYROLL Costs  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s).

FR 16(8)(g)  
Schedule G-1  
Witness: Waller

Line No.	Description	% of Labor	Total Company Unadjusted	Jurisdictional	Base Period Jurisdictional Unadjusted	Adjustments	Forecasted Period Jurisdictional ADJUSTED
1	<u>Payroll Costs</u>						
2	Labor		\$ 12,204,318	100.00%	\$ 12,204,318	\$ 452,803	\$ 12,657,121
3							
4	<u>Employee Benefits</u>						
5	PENSION & RETIREMENT Income Plan	4.09%	\$ 499,109	100.00%	\$ 499,109	\$ 18,518	\$ 517,627
6	FAS 106	5.01%	569,560	100.00%	569,560	(194,656)	374,905
7	Employee INSURANCE PLANS	20.10%	2,453,521	100.00%	2,453,521	91,030	2,544,551
8	ESOP PLAN Contributions	7.56%	922,449	100.00%	922,449	34,225	956,674
9				100.00%	0	0	
10	Total Employee BENEFITS		\$ 4,444,640		\$ 4,444,640	\$ (50,883)	\$ 4,393,757
11							
12	<u>Payroll Taxes</u>						
13	F.I.C.A.		\$ 875,681	100.00%	\$ 875,681	\$ 62,237	\$ 937,918
14	Federal Unemployment		\$ 15,730	100.00%	15,730	1,203	\$ 16,933
15	State Unemployment		\$ 11,538	100.00%	11,538	864	\$ 12,402
16	Total Payroll Taxes		\$ 902,948		\$ 902,948	\$ 64,304	\$ 967,252
17							
18	Total Payroll Costs		\$ 17,551,905		\$ 17,551,905	\$ 466,225	\$ 18,018,130

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Payroll Analysis by Employee Classifications/Payroll Distribution/Total Company  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s).

FR 16(8)(g)  
Schedule G-2  
Witness: Waller

Most Recent Five Fiscal Years*														
Line No.	Description	2012	% Change	2013	% Change	2014	% Change	2015	% Change	2016	% Change	Base Period	% Change	Forecasted Period
1														
2														
3	<u>Man Hours</u>													
4	Straight Time Hours	437,473	-6.09%	410,825	-0.16%	410,171	-0.16%	409,514	10.73%	417,832	8.52%	453,440	0.00%	453,440
5	OverTime Hours	18,161	1.72%	18,473	15.01%	21,246	6.62%	22,653	13.28%	24,169	6.18%	25,661	0.00%	25,661
6	Total Manhours	<u>455,634</u>	-5.78%	<u>429,298</u>	0.49%	<u>431,417</u>	0.17%	<u>432,167</u>	10.86%	<u>442,001</u>	8.39%	<u>479,101</u>	0.00%	<u>479,101</u>
7	Ratio of OverTime Hours													
8	to Straight-Time Hours	<u>4.151%</u>		<u>4.497%</u>		<u>5.180%</u>		<u>5.532%</u>		<u>5.784%</u>		<u>5.659%</u>		<u>5.659%</u>
9														
10	<u>Labor Dollars</u>													
11	Straight-Time Dollars	9,862,636	6.11%	10,464,861	1.29%	10,599,619	3.54%	10,974,506	5.89%	11,761,379	-4.31%	11,254,150	3.26%	11,620,882
12	OverTime Dollars	585,480	12.33%	657,842	15.99%	762,824	9.91%	838,415	23.59%	932,823	1.86%	950,167	9.06%	1,036,238
13	Total Labor Dollars	<u>10,448,116</u>	6.45%	<u>11,122,503</u>	2.16%	<u>11,362,443</u>	3.96%	<u>11,812,921</u>	7.15%	<u>12,694,202</u>	-3.86%	12,204,318	3.71%	12,657,121
14	Ratio of OverTime Dollars													
15	to Straight-Time Dollars	<u>5.936%</u>		<u>6.284%</u>		<u>7.197%</u>		<u>7.640%</u>		<u>7.931%</u>		<u>8.443%</u>		<u>8.917%</u>
16														
17	O&M Labor Dollars	4,728,247	7.74%	5,094,063	-1.84%	5,000,231	1.61%	5,080,812	-1.28%	5,185,743	-3.81%	4,988,282	0.55%	5,015,768
18	Ratio of O&M of Labor Dollars													
19	to Total Labor Dollars	<u>45.255%</u>		<u>45.800%</u>		<u>44.007%</u>		<u>43.011%</u>		<u>40.851%</u>		<u>40.873%</u>		<u>39.628%</u>
20														
21	<u>Employee Benefits</u>													
22	Total Employee Benefits	4,453,878	36.12%	6,062,525	1.42%	6,148,916	-14.27%	5,271,508	-16.65%	4,546,845	-2.25%	4,444,640	-1.14%	4,393,757
23	Employee Benefits Expensed	2,157,841	37.75%	2,972,341	-5.54%	2,807,746	-18.40%	2,291,156	-24.01%	1,929,818	-5.86%	1,816,658	-4.16%	1,741,158
24	Ratio of Employee Benefits													
25	Expensed to Total Employee													
26	Benefits	<u>48.449%</u>		<u>49.028%</u>		<u>45.662%</u>		<u>43.463%</u>		<u>42.443%</u>		<u>40.873%</u>		<u>39.628%</u>
27														
28	<u>Payroll Taxes</u>													
29	Total Payroll Taxes	889,257	-5.21%	842,968	32.66%	1,118,268	-19.88%	895,950	7.96%	991,045	-8.89%	902,948	7.12%	967,252
30	Payroll Taxes Expensed	338,313	-0.97%	335,033	0.08%	335,294	4.12%	349,097	9.80%	377,118	-2.14%	369,062	3.86%	383,303
31	Ratio of Payroll Taxes													
32	Expensed to Total Payroll													
33	Taxes	<u>38.044%</u>		<u>39.744%</u>		<u>29.983%</u>		<u>38.964%</u>		<u>38.053%</u>		<u>40.873%</u>		<u>39.628%</u>
34														
35	<u>Employee Levels</u>													
36	Average Employee Levels	209	0.96%	211	0	215	-1.86%	211	1.90%	215	1.40%	218	0.00%	218
37	Year end Employee Levels	<u>209</u>	1.91%	<u>213</u>	0	<u>218</u>	-2.29%	<u>213</u>	2.35%	<u>218</u>	0.00%	218	0.00%	218

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Executive Compensation  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(g)  
Schedule G-3  
Witness: Waller

Line No.	Description	% of Labor			Base Period Company Unallocated	Adjustments	Forecasted Period Company Unallocated
1	<u>Includes 7 Officers</u>						
2							
3	<u>Gross Payroll</u>						
4	Salary				\$ 2,988,233	\$ 119,529	\$ 3,107,762
5	Other Allowances and Compensation				7,179,964	287,199	\$ 7,467,162
6	Total Salary and Compensation				\$ 10,168,197	\$ 406,728	\$ 10,574,924
7							
8	<u>Employee Benefits</u>						
9	Pensions	FY16	FY17	Wtd Avg	\$ 189,753	\$ 7,590	\$ 197,343
10	SERP	7.40%	6.00%	6.35%	\$ 4,157,744	166,310	\$ 4,324,054
11	Other Benefits	27.70%	28.00%	27.93%	834,464	33,379	867,843
12	Total Employee Benefits				\$ 5,181,961	\$ 207,278	\$ 5,389,239
13							
14	<u>Payroll Taxes</u>						
15	FICA/FUTA/SUTA				\$ 254,050	\$ 10,162	\$ 264,212
16	Total Payroll Taxes				\$ 254,050	\$ 10,162	\$ 264,212
17							
18	Total Compensation				\$ 15,604,208	\$ 624,168	\$ 16,228,376

NOTE: This schedule contains confidential information, detail of these numbers are available upon request.

Positions included on this schedule are:

CEO  
SVP, Utility Operations (created in January 2017)  
SVP, General Counsel (vacant from Mar17-Jul17, filled in Aug-17)  
President and COO  
SVP, CFO  
SVP, Safety and Enterprise  
SVP, Human Resources (created in January 2017)

These costs are total costs for Atmos Energy Corporation, a portion of which are allocated to Kentucky.

\*Wtd Avg is 9 mos of FY17 and 3 months of FY16



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(h)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (h) A computation of the gross revenue conversion factor for the forecasted period;

**RESPONSE:**

Please see attachment FR\_16(8)(h)\_Att1 - Schedule H.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(h)\_Att1 - Schedule H.xlsx, 1 Page.

Respondent: Greg Waller

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Computation of Gross Revenue Conversion Factor  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).  
FR 16(8)(h)  
Schedule H-1  
Witness: Waller

Line No.	Description		Base Year Percentage of Incremental Gross Revenue	Test Year Percentage of Incremental Gross Revenue
1	Operating Revenue		100.000000%	100.000000%
2	Less: Uncollectible Accounts Expense		0.500000%	0.500000%
3	Less: PSC Fees		0.199600%	0.199600%
4	Net Revenues		99.300400%	99.300400%
5	SIT Rate	6.00%	5.958024%	5.958024%
6	Income before Federal Income Tax		93.342376%	93.342376%
7	Federal Income Tax @	35%	32.669800%	32.669800%
8	Operating Income Percentage		60.672576%	60.672576%
9	Gross Revenue Conversion Factor			
10	(100 % divided by Income after Income Tax)		1.648191	1.648191



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(i)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (i) Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for the five (5) most recent calendar years from the application filing date, the base period, the forecasted period, and two (2) calendar years beyond the forecast period;

**RESPONSE:**

Please see attachment FR\_16(8)(i)\_Att1, Schedules I.1 through I.3.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(i)\_Att1 - Schedules I.1 - I.3.xlsx, 3 Pages.

Respondents: Laura Gillham, Greg Waller and Mark Martin

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Comparative Income Statement  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

FR 16(8)(i)1  
Schedule I

Witness: Gillham, Waller

	Most Recent Five Calendar Years					Base Year	Test Year			
	2012	2013	2014	2015	2016	12/31/2017	3/31/2019	2019	2020	2021
	\$	\$	\$	\$		\$	\$	\$	\$	\$
<b>INCOME STATEMENT</b>										
Operating Revenues										
Gas service revenue	121,689	148,865	180,147	153,228	129,827	137,671	151,149	150,716	149,327	149,158
Transportation	11,315	12,587	14,311	15,087	15,748	15,831	15,202	15,202	15,202	15,202
Other revenue	1,774	1,517	2,424	2,153	1,857	3,211	4,378	4,375	4,363	4,361
Total Operating Revenues	134,778	162,968	196,882	170,468	147,431	156,713	170,729	170,293	168,892	168,721
Purchase gas	70,663	94,657	118,107	87,746	61,180	65,546	78,709	78,236	76,749	76,482
Gross Profit	64,115	68,311	78,774	82,721	86,251	91,167	92,020	92,057	92,143	92,239
Operating Expenses										
Direct O&M	12,980	14,377	14,815	14,927	14,518	13,436	12,152	17,267	17,484	17,707
Allocated O&M	10,086	11,534	12,036	12,874	12,708	13,526	14,012	10,868	11,079	11,463
Depreciation & amortization	13,981	14,919	16,846	18,636	19,121	18,899	21,562	23,286	26,472	30,012
Taxes - other than income	4,317	3,871	4,648	7,343	5,919	4,830	6,566	7,349	8,469	9,714
Total Operating Expenses	41,364	44,701	48,344	53,779	52,266	50,692	54,292	58,770	63,504	68,896
Operating income(loss)	22,751	23,610	30,430	28,942	33,985	40,476	37,728	33,287	28,639	23,343
Other income										
Interest Income	64	83	69	40	42	42	42	52	46	41
Performance based rates	2,702	2,659	2,705	2,795	2,792	2,792	2,792	2,500	2,500	2,500
Donations	(329)	(194)	(299)	(427)	(355)	(355)	(355)	(355)	(355)	(355)
Other Income	(391)	(514)	(456)	(344)	(391)	(391)	(391)	(351)	(350)	(350)
Total other income	2,704	2,421	2,617	2,917	2,797	2,087	2,087	1,846	1,841	1,836
Interest Charges										
Total interest charges	5,511	6,436	6,419	6,744	7,377	8,306	9,960	9,234	9,911	11,132
Income Before Taxes	19,944	19,595	26,628	25,116	29,404	34,257	29,855	25,899	20,568	14,048
Provision for income taxes	5,350	7,420	9,672	9,884	9,516	13,326	11,614	10,075	8,001	5,465
Net Income	14,594	12,175	16,956	15,231	19,888	20,931	18,242	15,824	12,567	8,583

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Revenue Statistics  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s).

FR 16(8)(i)2  
Schedule I  
Witness: Gillham, Martin

Line No.	Description	Most Recent Five Calendar Years					Base Period	Forecasted Period	Three Projected Calendar Years		
		2012	2013	2014	2015	2016	12/31/2017	3/31/2019	2019	2020	2021
1	Revenue by Customer Class:										
2	Residential	\$ 78,630,275	\$ 96,055,210	\$ 115,327,134	\$ 97,211,019	\$ 85,596,832	\$ 87,967,889	\$ 98,377,919	\$ 98,211,508	\$ 97,443,625	\$ 97,406,846
3	Commercial	31,478,562	39,938,784	49,294,804	42,476,905	34,032,004	36,918,737	40,637,064	\$ 40,456,028	\$ 40,007,808	\$ 39,910,196
4	Industrial	4,926,385	4,796,885	5,845,776	5,705,427	4,441,439	6,716,991	5,286,755	\$ 5,232,281	\$ 5,149,117	\$ 5,133,564
5	Public Authority & Other	6,653,819	8,073,794	9,679,607	7,834,566	5,756,388	6,067,818	6,847,372	\$ 6,816,056	\$ 6,726,693	\$ 6,706,910
6	Unbilled										
7	Total	\$ 121,689,041	\$ 148,864,673	\$ 180,147,322	\$ 153,227,918	\$ 129,826,663	\$ 137,671,435	\$ 151,149,111	\$ 150,715,873	\$ 149,327,243	\$ 149,157,516
8	Number of Customer by Class:										
9	Residential	153,904	155,702	155,281	155,597	156,174	156,822	157,197	157,347	157,647	157,947
10	Commercial	17,318	17,435	17,333	17,339	17,354	17,419	17,419	17,419	17,419	17,419
11	Industrial	207	204	201	205	206	212	212	212	212	212
12	Public Authority & Other	1,575	1,576	1,561	1,550	1,549	1,549	1,549	1,549	1,549	1,549
13	Total	173,004	174,917	174,376	174,692	175,282	176,001	176,376	176,526	176,826	177,126
14	Average Revenue per Class:										
15	Residential	\$ 511	\$ 617	\$ 743	\$ 625	\$ 548	\$ 561	\$ 626	\$ 624	\$ 618	\$ 617
16	Commercial	1,818	2,291	2,844	2,450	1,961	2,120	2,333	2,323	2,297	2,291
17	Industrial	23,809	23,553	29,059	27,786	21,578	31,742	24,983	24,726	24,333	24,260
18	Public Authority & Other	4,224	5,122	6,202	5,055	3,717	3,918	4,422	4,401	4,344	4,331

(1) Unbilled Revenue is not included in the appropriate customer class.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
SALES STATISTICS  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference NO(S).

FR 16(8)(i)3  
Schedule I  
Witness: Gillham, Martin

Line No.	Description	Most Recent Five Calendar Years					Base Period	Forecasted Period	Three Projected Calendar Years		
		2012	2013	2014	2015	2016	12/31/2017	3/31/2019	2019	2020	2021
		Mcf	Mcf	Mcf	Mcf		Mcf	Mcf	Mcf	Mcf	
1	Sales by Customer Class:										
2	Residential	8,369,578	10,662,876	11,757,007	10,133,138	8,859,272	9,997,160	10,026,386	10,030,146	10,049,272	10,068,399
3	Commercial	3,946,440	5,112,548	5,657,641	4,981,322	4,436,288	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832
4	Industrial	995,095	807,006	780,039	706,192	1,021,718	972,670	972,670	972,670	972,670	972,670
5	Public Authority & Other	967,627	1,185,264	1,241,310	1,055,743	896,168	963,107	963,107	963,107	963,107	963,107
6	Unbilled										
7											
8	Total	14,278,739	17,767,695	19,435,997	16,876,396	15,213,446	16,828,769	16,857,995	16,861,756	16,880,882	16,900,008
9											
10	Number of Customer by Class:										
11	Residential	153,904	155,702	155,281	155,597	156,174	156,822	157,197	157,347	157,647	157,947
12	Commercial	17,318	17,435	17,333	17,339	17,354	17,419	17,419	17,419	17,419	17,419
13	Industrial	207	204	201	205	206	212	212	212	212	212
14	Public Authority & Other	1,575	1,576	1,561	1,550	1,549	1,549	1,549	1,549	1,549	1,549
15											
16	Total	173,004	174,917	174,376	174,692	175,282	176,001	176,376	176,526	176,826	177,126
17											
18	Average Volume per Class:										
19	Residential	54	68	76	65	57	64	64	64	64	64
20	Commercial	228	293	326	287	256	281	281	281	281	281
21	Industrial	4,809	3,962	3,878	3,439	4,964	4,597	4,597	4,597	4,597	4,597
22	Public Authority & Other	614	752	795	681	579	622	622	622	622	622



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(j)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (j) A cost of capital summary for both the base period and forecasted period with supporting schedules providing details on each component of the capital structure;

**RESPONSE:**

Please see attachment FR\_16(8)(j)\_Att1, Schedules J-1 through J-4.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(j)\_Att1 - Schedules J-1 - J-4.xlsx, 8 Pages.

Respondent: Joe Christian

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Cost of Capital Summary  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(j)  
Schedule J-1  
Sheet 1 of 1  
Witness: Christian

Line No.	Class of Capital	Workpaper Reference (A)	Amount (B) \$000	Percent of Total (C) %	Cost Rate (D) %	Weighted Cost (E) %
<b><u>Capital Structure</u></b>						
6	SHORT-TERM DEBT	J-3	\$ 242,504	3.36%	1.99%	0.07%
7	LONG-TERM DEBT	J-3	3,066,734	42.53%	5.13%	2.18%
8	PREFERRED STOCK	J-4	0	0.00%	0.00%	0.00%
9	COMMON EQUITY		<u>\$ 3,901,710</u>	<u>54.11%</u>	10.30%	<u>5.57%</u>
10	Total Capital		<u>\$ 7,210,949</u>	<u>100.00%</u>		<u>7.82%</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 ANNUALIZED SHORT-TERM DEBT  
 as of December 31, 2017

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s).

FR 16(8)(j)  
 Schedule J-2  
 Sheet 1 of 1  
 Witness: Christian

Line No.	Issue (A)	Amount Outstanding (B) \$000	(1) Interest Rate (C)	Effective Annual Cost (D) \$000	Composite Interest Rate (E=D/B)
1	AVERAGE SHORT-TERM DEBT	\$ 242,504	0.916%	\$ 2,221	
2	COMMITMENT FEE & BANK ADMIN			\$ 2,604	
3	TOTAL SHORT-TERM DEBT	\$ 242,504		\$ 4,825	1.99%

NOTES:

(1) Interest Rate is the actual average rate for 12 Months Ended June 30, 2017

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
AVERAGE ANNUALIZED LONG-TERM DEBT  
Base Period: Twelve Months Ended December 31, 2017

Data:  Base Period \_\_\_\_\_ Forecasted Period \_\_\_\_\_  
Type of Filing:  Original \_\_\_\_\_ Updated \_\_\_\_\_ Revised \_\_\_\_\_  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(j)  
Schedule J-3  
Witness: Christian

Line No.	Issue (A)	13 Mth Avg. Amount Outstanding (B)	Interest Rate (C)	Effective Annual Cost (D)	Composite Interest Rate (E=D/B)
1	6.75% Debentures Unsecured due July 2028	\$ 150,000,000	6.75%	\$10,125,000	
2	6.67% MTN A1 due Dec 2025	10,000,000	6.67%	667,000	
3	5.95% Sr Note due 10/15/2034	200,000,000	5.95%	11,900,000	
4	6.35% Sr Note due 6/15/2017	0	6.35%	0	
5	Sr Note 5.50% Due 06/15/2041	400,000,000	5.50%	22,000,000	
6	8.50% Sr Note due 3/15/2019	450,000,000	8.50%	38,250,000	
7	4.15% Sr Note due 1/15/2043	500,000,000	4.15%	20,750,000	
8	4.125% Sr Note due 10/15/2044	750,000,000	4.13%	30,937,500	
9	3% Sr Note dues 6/15/2027	500,000,000	3.00%	15,000,000	
10	\$200MM 3YR Sr Credit Facility (Est. 9/22/16)	125,000,000	2.19%	2,737,500	
11	Total	\$ 3,085,000,000		\$152,367,000	
12					
13	Annualized Amortization of Debt Exp. & Debt Dsct.			\$4,955,311	
14	Less Unamortized Debt Discount	\$4,370,288			
15	Less Unamortized Debt Expenses	(\$22,636,092)			
16					
17					
18					
19	Total LONG-TERM DEBT	<u>\$3,066,734,195.75</u>		<u>157,322,311</u>	<u>5.13%</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
EMBEDDED Cost of PREFERRED STOCK

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(j)  
Schedule J-4  
Sheet 1 of 1  
Witness: Christian

Line No.	Dividend Rate, TYPE, PAR Amount	Date Issued (A)	Amount Outstanding (B)	Premium or Discount (C)	Issue Expense (D)	Gain or Loss on Reacquired Stock (E)	Net Proceeds (F=B+C-D+E)	Cost Rate At Issue (G)	Annualized Dividends (H=GXB)
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Atmos Energy Corporation has no PREFERRED STOCK OUTSTANDING at this time.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
13 Month Average Capital Structure  
Base Period: Twelve Months Ended December 31, 2017  
Forecasted Test Period: Twelve Months Ended March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s):

FR 16(8)(j)  
Schedule J-1  
Witness: Christian

**PROPOSED RATES**

Line No.	Class of Capital	Workpaper Reference (A)	Base Period			Forecasted Period				
			Amount (B) \$000	Percent of Total (C) %	Cost Rate (D) %	Weighted Cost (E) %	Amount (F) \$000	Percent of Total (G) %	Cost Rate (H) %	Weighted Cost (I) %
1	SHORT-TERM DEBT		242,504	3.36%	1.99%	0.07%	242,504	3.48%	1.99%	0.07%
2	LONG-TERM DEBT		<u>3,066,734</u>	<u>42.53%</u>	5.13%	<u>2.18%</u>	<u>3,066,734</u>	<u>43.95%</u>	5.11%	<u>2.25%</u>
3	Total DEBT		3,309,239	45.89%		2.25%	3,309,239	47.43%		2.32%
4	PREFERRED STOCK		0	0.00%	0.00%	0.00%	0	0.00%	0.00%	0.00%
5	COMMON EQUITY		3,901,710	54.11%	10.30%	5.57%	3,668,227	52.57%	10.30%	5.41%
6	Other Capital		<u>0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>
7	Total Capital		<u>7,210,949</u>	<u>100.00%</u>		<u>7.82%</u>	<u>6,977,466</u>	<u>100.00%</u>		<u>7.73%</u>

**CURRENT RATES**

Line No.	Class of Capital	Workpaper Reference (A)	Base Period			Forecasted Period				
			Amount (B) \$000	Percent of Total (C) %	Cost Rate (D) %	Weighted Cost (E) %	Amount (F) \$000	Percent of Total (G) %	Cost Rate (H) %	Weighted Cost (I) %
8	SHORT-TERM DEBT		242,504	3.36%	1.99%	0.07%	242,504	3.48%	1.99%	0.07%
9	LONG-TERM DEBT		<u>3,066,734</u>	<u>42.53%</u>	5.13%	<u>2.18%</u>	<u>3,066,734</u>	<u>43.95%</u>	5.11%	<u>2.25%</u>
10	Total DEBT		3,309,239	45.89%		2.25%	3,309,239	47.43%		2.32%
11	PREFERRED STOCK		0	0.00%	0.00%	0.00%	0	0.00%	0.00%	0.00%
12	COMMON EQUITY		3,901,710	54.11%	9.83%	5.32%	3,668,227	52.57%	7.49%	3.94%
13	Other Capital		<u>0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>
14	Total Capital		<u>7,210,949</u>	<u>100.00%</u>		<u>7.57%</u>	<u>6,977,466</u>	<u>100.00%</u>		<u>6.26%</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
Cost of Capital Summary  
Thirteen Month Average as of March 31, 2019

Data: \_\_\_ Base Period \_\_\_ X \_\_\_ Forecasted Period  
Type of Filing: \_\_\_ X \_\_\_ Original \_\_\_ Updated \_\_\_ Revised  
Workpaper Reference No(s). \_\_\_\_\_

FR 16(8)(j)  
Schedule J-1  
Witness: Christian

Line No.	Class of Capital	Workpaper Reference (A)	Amount (B) \$000	Percent of Total (C)	Cost Rate (D) %	Weighted Cost (E) %
<b><u>Capital Structure</u></b>						
6	SHORT-TERM DEBT		\$ 242,504	3.5%	1.99%	0.07%
7	LONG-TERM DEBT	J-3	3,066,734	44.0%	5.11%	2.25%
8	PREFERRED STOCK	J-4	0	0.0%	0.00%	0.00%
9	COMMON EQUITY		<u>\$ 3,668,227</u>	<u>52.6%</u>	10.30%	<u>5.41%</u>
10	Total Capital		<u>\$ 6,977,466</u>	<u>100.0%</u>		<u>7.73%</u>

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
AVERAGE ANNUALIZED SHORT-TERM DEBT  
as of March 31, 2019

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s): \_\_\_\_\_

FR 16(8)(j)  
Schedule J-2  
Witness: Christian

Issue	Amount Outstanding	Interest Rate	Effective Annual Cost	Composite Interest Rate
(A)	(B) \$000	(C)	(D) \$000	(E=D/B)
1 AVERAGE SHORT-TERM DEBT (1)	242,504	0.9159%	2,221	
2 COMMITMENT FEE			2,604	
3 TOTAL SHORT-TERM DEBT	<u>242,504</u>		<u>4,825</u>	<u>1.99%</u>

NOTES:

(1) Interest Rate is the actual average rate for 12 Months Ended June 30, 2017.

Atmos Energy Corporation, Kentucky/Mid-States Division  
Kentucky Jurisdiction Case No. 2017-00349  
AVERAGE ANNUALIZED LONG-TERM DEBT  
Forecasted Test Period: Twelve Months Ended March 31, 2019

FR 16(8)(j)  
Schedule J-3  
Sheet 1 of 1

Data:  Base Period  Forecasted Period  
Type of Filing:  Original  Updated  Revised  
Workpaper Reference No(s).

Witness: Christian

Line No.	Issue (A)	13 Mth Average Amount Outstanding (B)	Interest Rate (C)	Effective Annual Cost (D)	Composite Interest Rate (E=D/B)
1	6.75% Debentures Unsecured due July 2028	\$ 150,000,000	6.75%	\$ 10,125,000	
2	6.67% MTN A1 due Dec 2025	10,000,000	6.67%	667,000	
3	5.95% Sr Note due 10/15/2034	200,000,000	5.95%	11,900,000	
4	6.35% Sr Note due 6/15/2017	0	6.35%	-	
5	Sr Note 5.50% Due 06/15/2041	400,000,000	5.50%	22,000,000	
6	8.50% Sr Note due 3/15/2019	450,000,000	8.50%	38,250,000	
7	4.15% Sr Note due 1/15/2043	500,000,000	4.15%	20,750,000	
8	4.125% Sr Note due 10/15/2044	750,000,000	4.13%	30,937,500	
9	3% Sr Note due 6/15/2027	500,000,000	3.00%	15,000,000	
10	\$200MM 3YR Sr Credit Facility (Est. 9/22/16)	125,000,000	1.82%	2,271,389	
11	Total	\$ 3,085,000,000		\$ 151,900,889	
12					
13	Annualized Amortization of Debt Exp. & Debt Dsct.			4,955,311	
14	Less Unamortized Debt Discount	\$4,370,288			
15	Less Unamortized Debt Expenses	(\$22,636,092)			
16					
17					
18					
19	Total LONG-TERM DEBT	<u>\$ 3,066,734,196</u>		<u>\$ 156,856,200</u>	<u>5.11%</u>



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(k)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (k) Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period;

**RESPONSE:**

Please see attachment FR\_16(8)(k)\_Att1, Schedule K.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(k)\_Att1 - Schedule K.xlsx, 3 Pages.

Respondents: Laura Gillham, Mark Martin and Greg Waller

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Comparative Financial Data  
 Base Period: Twelve Months Ended December 31, 2017  
 Forecasted Test Period: Twelve Months Ended March 31, 2019  
 and 10 Most Recent Calendar Years

CASE NO. 2017-00349  
 FR 16(8)(k)  
 ATTACHMENT 1

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(k)  
 Schedule K  
 Witness: Gillham, Martin and Waller

Line No.	Description	Forecasted Period	Base Period	Most Recent Ten Calendar Years - as Reported										
				2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	
1	<u>Plant Data: (\$000)</u>													
2	Plant in Service by functional class:													
3	Intangible Plant	779	779	128	128	128	128	128	128	128	128	128	128	128
4	Production & Gathering Plant	0	0	0	0	636	901	901	901	901	901	901	901	901
5	Underground Storage	14,280	14,142	12,454	11,560	10,792	9,630	10,104	9,388	7,731	7,540	6,950	6,878	
6	Transmission Plant	31,808	31,808	31,814	31,808	31,877	32,962	32,836	33,144	31,189	31,202	28,807	28,746	
7	Distribution Plant	588,244	522,190	472,849	413,302	381,623	340,200	323,036	296,493	283,474	271,463	260,621	251,843	
8	General Plant	44,021	40,686	21,271	18,126	16,683	15,589	15,238	16,000	15,103	14,696	15,422	15,165	
9	Acquisition Adjustments			3,279	3,279	3,279	3,279	3,279	3,279	3,337	3,337	3,337	3,337	
10														
11	Gross Plant	679,132	609,604	541,795	478,203	445,018	402,689	385,522	359,333	341,863	329,267	316,166	306,998	
12	Less: Accumulated depreciation	199,949	191,190	167,228	165,298	160,839	156,300	151,849	150,795	147,462	144,016	139,212	134,463	
13	Net plant in Service	479,183	418,413	374,567	312,905	284,179	244,389	233,673	208,538	194,401	185,251	176,954	172,535	
14														
15	Construction Work in Progress	27,493	27,493	10,146	26,310	12,708	16,578	6,006	3,306	7,197	4,851	5,215	1,897	
16														
17	Total CWIP	27,493	27,493	10,146	26,310	12,708	16,578	6,006	3,306	7,197	4,851	5,215	1,897	
18														
19	Total	<u>506,676</u>	<u>445,907</u>	<u>384,713</u>	<u>339,215</u>	<u>296,887</u>	<u>260,967</u>	<u>239,679</u>	<u>211,844</u>	<u>201,598</u>	<u>190,102</u>	<u>182,169</u>	<u>174,432</u>	
20														
21	% of Construction financed internally	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
22														
23														
24	<u>Capital structure: (Total Company)</u>													
25	<u>(based on year-end accounts):</u>													
26	Short-term debt (\$000)	242,504	242,504	829,811	457,927	196,695	367,984	570,929	206,396	126,100	72,550	350,542	150,599	
27	Long-term debt (\$000)	3,066,734	3,066,734	2,438,779	2,437,515	2,455,986	2,455,671	1,956,305	2,206,117	1,809,551	2,169,400	2,119,792	2,126,315	
28	Preferred stock (\$000)			0	0	0	0	0	0	0	0	0	0	
29	Common equity (\$000)	<u>3,668,227</u>	<u>3,901,710</u>	<u>3,463,059</u>	<u>3,194,797</u>	<u>3,086,232</u>	<u>2,580,409</u>	<u>2,359,243</u>	<u>2,255,421</u>	<u>2,178,348</u>	<u>2,176,761</u>	<u>2,052,492</u>	<u>1,965,754</u>	
30														
31	Total	<u>6,977,466</u>	<u>7,210,949</u>	<u>6,731,649</u>	<u>6,090,239</u>	<u>5,738,913</u>	<u>5,404,064</u>	<u>4,886,477</u>	<u>4,667,934</u>	<u>4,113,999</u>	<u>4,418,711</u>	<u>4,522,826</u>	<u>4,242,668</u>	
32														
33	<u>Condensed Income Statement data: (\$000)</u>													
34	Operating Revenues	170,729	156,713	147,431	170,468	196,882	162,968	134,778	149,662	156,816	190,356	244,308	203,287	
35	Operating Expenses (excludes Federal and State Taxes, includes gas cost)			0	0	0	0	0	0	0	0	0	0	
36	State Income Tax (current))	133,001	116,238	113,447	141,526	166,452	139,358	112,027	126,219	136,649	176,587	224,348	187,733	
37	Federal Income Tax (current)			0	0	0	0	0	0	0	0	0	0	
38	Federal and State Income Tax - net	11,890	13,602	9,516	9,884	9,671	7,060	8,157	8,094	5,654	2,889	6,985	4,307	
39	Investment tax credits	0	0	0	0	0	0	0	0	0	0	0	0	
40	Operating Income	<u>25,838</u>	<u>26,874</u>	<u>24,468</u>	<u>19,058</u>	<u>20,759</u>	<u>16,550</u>	<u>14,594</u>	<u>15,349</u>	<u>14,513</u>	<u>10,880</u>	<u>12,976</u>	<u>11,247</u>	
41	AFUDC	0	0	179	182	139	88	101	22	286	199	160	94	

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
 Comparative Financial Data  
 Base Period: Twelve Months Ended December 31, 2017  
 Forecasted Test Period: Twelve Months Ended March 31, 2019  
 and 10 Most Recent Calendar Years

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(k)  
 Schedule K

Witness: Gillham, Martin and Waller

Line No.	Description	Forecasted Period	Base Period	Most Recent Ten Calendar Years - as Reported									
				2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
43	Other Income net	2,797	2,797	2,087	2,063	2,019	2,033	2,046	2,657	1,748	2,278	2,529	1,547
44	Income available for fixed charges	28,635	29,671	26,734	21,303	22,917	18,671	16,741	18,028	16,547	13,357	15,665	12,888
45	Interest charges	9,960	8,306	7,556	6,926	6,559	6,524	5,612	5,792	6,270	6,633	6,138	6,155
46	Net Income	18,675	21,365	19,178	14,377	16,358	12,147	11,129	12,236	10,277	6,724	9,527	6,733
47	Preferred dividends accrual	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
48	Earnings available for common equity	18,675	21,365	19,178	14,377	16,358	12,147	11,129	12,236	10,277	6,724	9,527	6,733
50	AFUDC - % of Net Income	0.00%	0.00%	0.93%	1.27%	0.85%	0.72%	0.91%	0.18%	2.78%	2.96%	1.68%	1.40%
51	AFUDC - % of earnings available for common equity	0.00%	0.00%	0.93%	1.27%	0.85%	0.72%	0.91%	0.18%	2.78%	2.96%	1.68%	1.40%
52													
53													
54													
55													
56	<u>Costs of Capital (1)</u>												
57	Embedded cost of short-term debt (%)	1.99%	1.99%	1.12%	1.09%	1.49%	1.17%	1.22%	1.03%	3.23%	6.80%	4.40%	5.60%
58	Embedded cost of long-term debt (%)	5.11%	5.13%	5.89%	5.90%	6.03%	6.26%	6.51%	6.75%	6.88%	6.90%	6.10%	6.10%
59	Embedded cost of preferred stock (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
60													
61	<u>Fixed Charge Coverage: (1)</u>												
62	Pre-Tax Interest Coverage	4.07	5.21	5.75	5.39	4.69	3.91	3.06	2.97	3.00	2.84	3.06	2.75
63	Pre-Tax Interest Coverage (Excluding AFUDC)	4.07	5.21	5.77	5.41	4.70	3.92	3.04	2.95	2.99	2.80	3.12	2.81
64	After Tax Interest Coverage	2.87	3.57	3.24	3.71	3.24	2.89	2.36	2.26	2.23	2.20	2.26	2.12
65	SEC Coverage	4.03	5.15	5.17	4.89	4.32	3.60	2.84	2.78	2.78	2.55	2.76	2.69
66	After Tax Interest Coverage (Excluding AFUDC)	2.87	3.57	4.04	3.73	3.25	2.81	2.35	2.24	2.21	2.16	2.31	2.16
67	Indenture Provision Coverage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
68	After Tax Fixed Charge Coverage	6.26	8.02	3.65	3.39	3.02	2.60	2.21	2.13	2.08	2.18	2.15	2.04
69													
70	<u>Stock and Bond Ratings: (1)</u>												
71	Moody's Bond Rating	N/A	A2	A2	A2	A2	Baa1	Baa1	Baa1	Baa2	Baa2	Baa3	Baa3
72	S&P Bond Rating	N/A	A	A	A-	A-	A-	BBB+	BBB+	BBB+	BBB+	BBB	BBB
73	Moody's Preferred Stock Rating	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
74	S&P Preferred Stock Rating	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
75													
76	<u>Common Stock Related Data: (1)</u>												
77	Shares Outstanding Year End (000)	N/A	N/A	103,931	101,479	100,388	90,640	90,240	90,296	90,164	92,552	90,814	89,326
78	Shares Outstanding - Weighted	N/A	N/A	0	0	0	0	0	0	0	0	0	0
79	Average (Monthly) (000)	N/A	N/A	103,524	101,892	97,608	91,711	91,172	90,652	92,422	91,620	89,941	87,486
80	Earnings Per Share - Weighted Avg. (\$)	N/A	N/A	3.38	3.09	2.96	2.64	2.37	2.27	2.20	2.07	1.99	1.91
81	Dividends Paid Per Share (\$)	N/A	N/A	1.68	1.56	1.48	1.40	1.38	1.36	1.34	1.32	1.30	1.28
82	Dividends Declared Per Share (\$)	N/A	N/A	1.68	1.56	1.48	1.40	1.38	1.36	1.34	1.32	1.30	1.28
83	Dividend Payout Ratio (Declared Basis) (%)	N/A	N/A	50%	50%	50%	53%	58%	60%	61%	64%	65%	67%
84													
85	Market Price - High (Low)	N/A	N/A										

Atmos Energy Corporation, Kentucky/Mid-States Division  
 Kentucky Jurisdiction Case No. 2017-00349  
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 and 10 Most Recent Calendar Years

Data:  Base Period  Forecasted Period  
 Type of Filing:  Original  Updated  Revised  
 Workpaper Reference No(s):

FR 16(8)(k)

Schedule K

Witness: Gillham, Martin and Waller

Line No.	Description	Forecasted Period	Base Period	Most Recent Ten Calendar Years - as Reported									
				2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
86	1st Quarter - High (\$)	N/A	N/A	64.250	58.080	47.060	36.860	35.400	31.720	30.060	27.880	29.460	33.010
87	1st Quarter - Low (\$)	N/A	N/A	57.820	47.350	41.080	33.200	30.970	29.100	27.390	21.170	26.110	28.450
88	2nd Quarter - High (\$)	N/A	N/A	74.330	58.810	48.010	42.690	33.150	34.980	29.520	25.950	28.960	33.000
89	2nd Quarter - Low (\$)	N/A	N/A	61.740	52.020	44.190	35.110	30.600	31.510	26.520	20.200	25.090	30.630
90	3rd Quarter - High (\$)	N/A	N/A	81.320	56.410	53.400	44.870	35.070	34.940	29.980	26.370	28.540	33.110
91	3rd Quarter - Low (\$)	N/A	N/A	70.600	51.280	46.940	38.590	30.910	31.340	26.410	22.810	25.810	29.380
92	4th Quarter - High (\$)	N/A	N/A	81.160	58.180	52.680	45.190	36.940	34.320	29.810	28.800	28.250	30.660
93	4th Quarter - Low (\$)	N/A	N/A	71.880	51.480	47.010	39.400	34.940	28.870	26.820	24.650	25.490	26.470
94	Book Amount Per Share (Year-end) (\$)	N/A	N/A	33.450	31.350	31.620	28.140	25.877	24.880	23.570	23.759	22.820	22.469
95													
96	(1) Based on fiscal year-end of parent company												
97													
98	<u>Rate of Return Measures (1)</u>												
99	Return On Common Equity (Average)	N/A	N/A	10.5%	10.0%	10.2%	9.8%	8.3%	8.6%	8.7%	8.7%	8.8%	8.8%
100	Return On Total Capital (Average)	0.4%	0.4%	5.5%	5.2%	5.2%	4.8%	4.0%	4.3%	4.4%	4.3%	4.3%	4.3%
101	Return On Net Plant in Service (Average)	5.4%	6.4%	4.5%	4.5%	4.5%	4.3%	3.6%	3.8%	4.1%	4.3%	4.5%	4.5%
102													
103	<u>Other Financial and Operating Data:</u>												
104	Mix of Sales: (MMcf)												
105	Residential	10,026	9,997	9,094	9,826	11,729	10,695	8,433	10,187	10,735	10,261	10,855	10,385
106	Commercial	4,896	4,896	4,538	4,845	5,650	5,143	3,972	4,642	5,049	4,659	5,017	4,793
107	Industrial	973	973	1,048	693	810	811	995	821	724	960	1,715	1,757
108	Public authority & Other Sales	963	963	916	1,025	1,234	1,179	980	1,111	1,192	1,176	1,253	1,195
109	Unbilled	0	0										
110	Total Mix of Sales	16,858	16,829	15,596	16,389	19,423	17,828	14,380	16,761	17,700	17,056	18,839	18,130
111													
112	Mix of Fuel: (MMcf)												
113		0	0	0	0	0	0	0	0	0	0	0	0
114	Other	17,178	17,149	15,417	18,606	21,324	18,367	17,441	16,748	17,596	17,034	18,790	19,493
115													
116	Total MIX of Fuel (2)	17,178	17,149	15,417	18,606	21,324	18,367	17,441	16,748	17,596	17,034	18,790	19,493
117													
118	Composite Depreciation Rate	3.17%	2.96%	3.33%	3.66%	3.50%	3.31%	3.49%	3.58%	3.40%	3.43%	3.17%	3.48%

(1) Based on fiscal year-end of parent company, except for Base Period & Test Period which are based on Atmos Energy Corporation, Kentucky.

(2) Kentucky gas purchases by accounting month.



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(I)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (I) A narrative description and explanation of all proposed tariff changes;

**RESPONSE:**

A narrative description and explanation of all proposed tariff changes is provided in the Direct Testimony of Mark Martin.

Respondent: Mark Martin



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(m)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (m) A revenue summary for both the base period and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes; and

**RESPONSE:**

Please see Attachment FR\_16(8)(m)\_Att1 for the revenue statistics.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(m)\_Att1 - Revenue Statistics.xlsx, 2 Pages.

Respondent: Mark Martin

Atmos Energy Corporation  
Case No. 2017-00349  
REVENUE STATISTICS - Total Company  
For the BASE PERIOD ending December 31, 2017

Line No.	Description	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Revenue by Customer Class (000's)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)							
2														
3	Residential Sales	\$ 13,870	\$ 14,858	\$ 11,426	\$ 8,193	\$ 5,695	\$ 4,332	\$ 3,978	\$ 3,986	\$ 3,950	\$ 5,099	\$ 8,426	\$ 12,561	\$ 96,373
4	Commercial Sales	5,397	5,779	4,553	3,370	2,543	2,042	1,892	1,890	1,871	2,242	3,481	4,941	40,001
5	Industrial Sales	865	635	538	319	345	271	390	293	327	258	309	667	5,215
6	Public Authority Sales	995	1,072	817	553	383	273	248	258	248	346	607	911	6,711
7	Unbilled	-	-	-	-	-	-	-	-	-	-	-	-	0
8														
9	Total Sales	21,127	22,344	17,333	12,435	8,965	6,918	6,508	6,426	6,396	7,945	12,823	19,080	148,300
10														
11	Transportation	1,524	1,334	1,431	1,186	1,211	1,162	1,031	1,126	1,137	1,218	1,336	1,505	15,202
12	Other Revenue	222	187	198	175	170	149	183	181	184	199	197	230	2,274
13														
14	Total Operating Revenues	22,873	23,865	18,962	13,796	10,347	8,229	7,722	7,733	7,717	9,361	14,356	20,815	165,776
15	Purchase Gas Costs	12,595	13,648	9,912	6,311	3,813	2,309	2,050	1,953	1,980	3,181	6,763	11,477	75,991
16														
17	Gross Profit	10,278	10,217	9,050	7,484	6,534	5,920	5,673	5,780	5,737	6,180	7,593	9,339	89,786
18														
19														
20	Mcf by Customer Class (000's)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)							
21														
22	Residential Sales	1,912	1,997	1,416	878	408	201	154	155	156	330	872	1,520	9,997
23	Commercial Sales	808	836	625	426	257	177	158	160	158	219	419	654	4,896
24	Industrial Sales	179	123	103	59	59	45	72	51	59	43	56	124	973
25	Public Authority Sales	166	171	127	82	47	30	26	27	26	41	85	135	963
26	Unbilled	-	-	-	-	-	-	-	-	-	-	-	-	-
27														
28	Total Sales	3,064	3,126	2,271	1,445	771	452	410	393	400	633	1,432	2,433	16,829
29														
30	Transportation	2,947	2,502	2,693	2,266	2,305	2,062	2,160	2,254	2,261	2,426	2,568	2,898	29,342
31														
32	Total Deliveries	6,010	5,628	4,964	3,711	3,076	2,514	2,569	2,647	2,661	3,059	4,000	5,331	46,171

Atmos Energy Corporation  
Case No. 2017-00349  
REVENUE STATISTICS - Total Company  
For the TEST YEAR ending March 31, 2019

Line No.	Description	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Revenue by Customer Class (000's)													
2														
3	Residential Sales	8,442	5,662	4,285	3,943	3,962	3,927	5,042	8,401	12,513	14,999	15,394	11,809	\$ 98,378
4	Commercial Sales	3,483	2,515	1,994	1,848	1,858	1,839	2,198	3,461	4,910	5,850	5,979	4,703	40,637
5	Industrial Sales	334	337	257	367	281	313	248	306	661	962	661	560	5,287
6	Public Authority Sales	575	378	265	241	252	243	337	603	905	1,087	1,113	848	6,847
7	Unbilled	-	-	-	-	-	-	-	-	-	-	-	-	-
8														
9	Total Sales	12,833	8,891	6,801	6,400	6,353	6,321	7,826	12,772	18,988	22,898	23,147	17,919	151,149
10														
11	Transportation	1,186	1,211	1,162	1,031	1,126	1,137	1,218	1,356	1,505	1,524	1,334	1,431	15,202
12	Other Revenue	175	170	149	183	181	184	199	197	230	222	187	198	2,274
13														
14	Total Operating Revenues	14,194	10,272	8,113	7,615	7,660	7,642	9,243	14,304	20,724	24,643	24,669	19,548	168,625
15	Purchase Gas Costs	6,701	3,731	2,186	1,936	1,873	1,899	3,056	6,703	11,375	14,343	14,428	10,478	78,709
16														
17	Gross Profit	7,493	6,541	5,927	5,679	5,786	5,743	6,187	7,601	9,349	10,301	10,240	9,070	89,916
18														
19														
20	Mcf by Customer Class (000's)													
21														
22	Residential Sales	879	409	201	154	155	157	330	874	1,523	1,919	2,004	1,421	10,026
23	Commercial Sales	426	257	177	158	160	158	219	419	654	808	836	625	4,896
24	Industrial Sales	59	59	45	72	51	59	43	56	124	179	123	103	973
25	Public Authority Sales	82	47	30	26	27	26	41	85	135	166	171	127	963
26	Unbilled	-	-	-	-	-	-	-	-	-	-	-	-	-
27														
28	Total Sales	1,446	772	453	410	393	400	633	1,434	2,436	3,071	3,133	2,276	16,858
29														
30	Transportation	2,266	2,305	2,062	2,160	2,254	2,261	2,426	2,568	2,898	2,947	2,502	2,693	29,342
31														
32	Total Deliveries	3,713	3,077	2,515	2,570	2,647	2,661	3,059	4,002	5,334	6,018	5,636	4,969	46,200



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(8)(n)**  
**Page 1 of 1**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (8) Each application seeking a general adjustment in rates supported by a forecasted test period shall include:
  - (n) A typical bill comparison under present and proposed rates for all customer classes.

**RESPONSE:**

Please see attachment FR\_16(8)(n)\_Att1 for the bill comparison.

**ATTACHMENT:**

ATTACHMENT 1 - Atmos Energy Corporation, FR\_16(8)(n)\_Att1 - Bill Comparison.xls, 1 Page.

Respondent: Mark Martin

FR 16(8)(n)

Atmos Energy Corporation  
Case No. 2017-00349  
TYPICAL BILL COMPARISON UNDER PRESENT  
AND PROPOSED RATES FOR ALL CUSTOMER CLASSES

Line No.	Description	Average Monthly Usage, Mcf (1)	Average Bill (2) Under Present Rates	Average Bill (2) Under Proposed Rates	Increase / Decrease
		(a)	(b)	(c)	(d)
1	Residential	5.3 5.315	\$54.09	\$57.08	\$2.99
2					
3	Commercial	23.4 23.38	\$203.80	\$213.36	\$9.56
4					
5	Industrial	233.8 233.8	\$1,590.90	\$1,661.71	\$70.81
6					
7	Public Authority	51.8 51.83	\$391.30	\$409.14	\$17.84

- (1) Based on total annual Mcf requirements by class, divided by average number of customers, as projected for the test year ending March 31, 2019.
- (2) The basis for gas costs in both present and proposed rates is based on the Company's Gas Cost Adjustment for Sep 2017, approved by the Commission in Case 2017-00260.

The impact on each customer's average bill will vary according to individual consumption and service type. The above calculations relate to firm sales service customers (G-1).



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(10)**  
**Page 1 of 2**

**REQUEST:**

Section 16. Applications for General Adjustments of Existing Rates.

- (10) A request for a waiver from the requirements of this section shall include the specific reasons for the request. The commission shall grant the request upon good cause shown by the utility. In determining if good cause has been shown, the commission shall consider:
- (a) If other information that the utility would provide if the waiver is granted is sufficient to allow the commission to effectively and efficiently review the rate application;
  - (b) If the information that is the subject of the waiver request is normally maintained by the utility or reasonably available to it from the information that it maintains; and
  - (c) The expense to the utility in providing the information that is the subject of the waiver request.

**RESPONSE:**

In its most recent three rate cases, Case No. 2009-00354, Case No. 2013-00148 and Case No. 2015-00343, Atmos Energy filed fiscal year rather than calendar year data. After discussions with Staff, it was determined that it would be more efficient to provide fiscal year data rather than calendar year data as Atmos Energy maintains its budgets and managerial data by fiscal year. Atmos Energy's fiscal year runs October through September. Because Staff agreed to the use of fiscal year data versus calendar year data in the previous rate case, Atmos Energy has filed its data in conformity therewith.

Beginning in March 2015, Company management changed the reporting requirement for narrative explanations on internal monthly variance reports from a monthly basis to a quarterly basis. While variance information is still provided monthly, narrative explanations are now provided on a quarterly basis. In response to FR 16(7)(o), the Company is providing the monthly reports with quarterly narrative explanations similar to what the Commission allowed in Case No. 2015-00343.

Pursuant to this filing requirement, Atmos Energy specifically requests a waiver, to the extent that it is necessary, pertaining to its response to any of the filing requirements and subparts, including but not limited to the following:

**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 16(10)**  
**Page 2 of 2**

FR 16(7)(u)(1)  
FR 16(8)(i)  
FR 16(8)(k)  
FR 16(10)

Respondent: Mark Martin



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 17(1)(a)-(c)**  
**Page 1 of 1**

**REQUEST:**

Section 17. Notice of General Rate Adjustment. Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section.

- (1) Public postings.
  - (a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission.
  - (b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites:
    1. A copy of the public notice; and
    2. A hyperlink to the location on the commission's Web site where the case documents are available.
  - (c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.

**RESPONSE:**

A sample of the notice will be posted upon filing of the application at all of Atmos Energy's public office locations in Kentucky. A copy of the public notice as well as a hyperlink to Atmos Energy's filed application on the Commission's website will be posted on Atmos Energy's public website upon filing of the application.

Respondent: Mark Martin



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 17(2)(b)3**  
**Page 1 of 1**

**REQUEST:**

Section 17. Notice of General Rate Adjustment. Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section.

(2) Customer Notice.

(b) If a utility has more than twenty (20) customers, it shall provide notice by:

3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or

**RESPONSE:**

Please see the Company's response to FR 17(4)(a)-(j) for a copy of the notice. The notice is being published in local newspapers within the Atmos Energy service areas.

Respondent: Mark Martin



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 17(3)(b)**  
**Page 1 of 1**

**REQUEST:**

Section 17. Notice of General Rate Adjustment. Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section.

- (3) Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission:
  - (b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or

**RESPONSE:**

Affidavits from the publishers will be furnished to the Commission within 45 days of submission of the application.

Respondent: Mark Martin



**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 17(4)(a)-(j)**  
**Page 1 of 2**

**REQUEST:**

Section 17. Notice of General Rate Adjustment. Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section.

- (4) Notice Content. Each notice issued in accordance with this section shall contain:
- (a) The proposed effective date and the date the proposed rates are expected to be filed with the commission;
  - (b) The present rates and proposed rates for each customer classification to which the proposed rates will apply;
  - (c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;
  - (d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service;
  - (e) A statement that a person may examine this application at the offices of (utility name) located at (utility address);
  - (f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at <http://psc.ky.gov>;
  - (g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;
  - (h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;
  - (i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and
  - (j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.

**RESPONSE:**

Please see attachment FR\_17(4)(a)-(j)\_Att1 for the public notice.

**Case No. 2017-00349**  
**Atmos Energy Corporation, Kentucky Division**  
**Forecasted Test Period Filing Requirements**  
**MFR FR 17(4)(a)-(j)**  
**Page 2 of 2**

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, FR\_17(4)(a)-(j)\_Att1 - 2017 Public Notice Final.pdf, 6 Pages.

Respondent: Mark Martin

**NOTICE OF PROPOSED CHANGES IN GAS TARIFFS  
WHICH WILL RESULT IN INCREASED CHARGES**

Notice is hereby given that Amos Energy Corporation ("Atmos Energy"), a public utility furnishing natural gas service within the Commonwealth of Kentucky, on or about the 28<sup>th</sup> day of September, 2017 pursuant to Kentucky Revised Statute 278.180 and the Rules of the Public Service Commission of Kentucky respecting tariffs filed its notice with the Kentucky Public Service Commission ("KPSC"), proposing to change its gas rates effective October 28, 2017.

The present (**including PRP charges**) and proposed rates charged in all territory served by Atmos Energy are as follows:

Rate Classifications	Present Rates		Proposed Rates		Rate Change	
	Charge Unit		Charge	Unit	\$/% Increase / (Decrease)	
					Change	Change
<b>Rate G-1, General Sales Service</b>						
Residential Service						
Monthly Base Charge:	\$19.06	Per meter	\$20.50	Per meter	\$1.44	7.6%
Commodity Charge						
First 300 Mcf or less per month	\$6.5904	Per Mcf <sup>1</sup>	\$6.8814	Per Mcf <sup>1</sup>	\$0.2910	4.4%
Next 14,700 Mcf per month	\$6.0064	Per Mcf	\$6.2414	Per Mcf	\$0.2350	3.9%
Over 15,000 Mcf per month*	\$5.7964	Per Mcf	\$5.9564	Per Mcf	\$0.1600	2.8%
Minimum Charge: The Base Charge						
Non-Residential Service						

Monthly Base Charge:	\$49.74	Per meter	\$52.50	Per meter	\$2.76	5.5%
Commodity Charge						
First 300 Mcf or less per month	\$6.5904	Per Mcf	\$6.8814	Per Mcf	\$0.2910	4.4%
Next 14,700 Mcf per month	\$6.0064	Per Mcf	\$6.2414	Per Mcf	\$0.2350	3.9%
Over 15,000 Mcf per month*	\$5.7964	Per Mcf	\$5.9564	Per Mcf	\$0.1600	2.8%
Minimum Charge: The Base Charge						
<b>Rate G-2, Interruptible Sales Service</b>						
Monthly Base Charge:	\$393.35	Per delivery point	\$400.00	Per delivery point	\$6.65	1.7%
Commodity Charge						
First 15,000 Mcf or less per month	\$4.7497	Per Mcf	\$4.8857	Per Mcf	\$0.1360	2.9%
Over 15,000 Mcf per month	\$4.5256	Per Mcf	\$4.6047	Per Mcf	\$0.0791	1.7%
Minimum Charge: The Base Charge plus any Transportation Fee and EFM facilities charge						
<b>Rate T-3, Interruptible Transportation Service</b>						
Transportation only service						
Monthly Base Charge:						

Meter Charge	\$398.04	Per meter	\$400.00	Per meter	\$1.96	0.5%
Administrative Charge	\$50.00		\$50.00		\$0.00	0.0%
Commodity Charge						
First 15,000 Mcf or less per month	\$0.9031	Per Mcf	\$1.0450	Per Mcf	\$0.1419	15.7%
Over 15,000 Mcf per month	\$0.6805	Per Mcf	\$0.7640	Per Mcf	\$0.0835	12.3%
<b>Rate T-4, Firm</b>						
<b>Transportation Service</b>						
Transportation only service						
Monthly Base Charge:						
Meter Charge	\$396.49	Per meter	\$400.00	Per meter	\$3.51	0.9%
Administrative Charge	\$50.00		\$50.00		\$0.00	0.0%
Commodity Charge						
First 300 Mcf or less per month	\$1.6233	Per Mcf	\$1.8250	Per Mcf	\$0.2017	12.4%
Next 14,700 Mcf per month	\$1.0053	Per Mcf	\$1.1850	Per Mcf	\$0.1797	17.9%
Over 15,000 Mcf per month*	\$0.7831	Per Mcf	\$0.9000	Per Mcf	\$0.1169	14.9%

<sup>1</sup>Mcf = 1,000 cubic feet

Atmos Energy also is proposing several tariff modifications:

- 1) Update the Company's Research & Development Rider (R&D) unit charge that applies to the distribution charge applicable to all gas transported by the Company other than the T-3 and T-4 Transportation Service. The proposed increases for R&D charges are additive to the base rate changes presented in the table below.

Present Rate:	Proposed Rate:	Percent Change:
\$0.0035 Per Mcf	\$0.0174 Per Mcf	79.9%

Increase in Average Residential Bill per month (\$): \$0.07

Increase in Average Residential Bill per month (%): 0.13%

Increase in Average Commercial/Pub Auth Bill per month (\$): \$0.36

Increase in Average Commercial/Pub Auth Bill per month (%): 0.17%

R&D increase in annual contribution of approximately \$222,000 assuming 16 Bcf of annual sales.

- 2) Proposed the Company's Annual Review Mechanism (ARM) to allow an annual review and adjustment of rates as explained in detail in the proposed tariffs filed with the application.

All other charges not specifically mentioned herein shall remain the same as those presently in effect. The proposed base rates will result in an overall approximate increase in the amount of \$10,416,024 or 6.1% with increases of approximately \$5,634,048 or 5.7% for residential consumers, and \$2,292,550 or 4.8% for commercial and public authority consumers, and approximately \$2,418,894 or 10.6% for industrial and transportation consumers. Charges from other gas revenue will increase \$70,532 or 3.4%. The average monthly bill for residential consumers will increase approximately \$2.99 or 5.7%. The average monthly bill for commercial and public authority consumers will increase approximately \$10.07 or 4.8%. The average monthly bill for industrial and transportation customers will increase approximately \$478.65 or 10.6%.

Customer Class	Average Monthly Usage (Mcf)	Average Monthly Bill (Present Rates)	Average Monthly Bill (Proposed Rates)	Increase in Average Monthly Bill (\$)	Increase in Average Monthly Bill (%)
Residential	5.3	\$52.15	\$55.14	\$2.99	5.7%
Commercial/Pub Auth	25.73	\$208.63	\$218.70	\$10.07	4.8%
Industrial/transportation	5,999	\$4,504.29	\$4,982.94	\$478.65	10.6%

The impact on each customer's average bill will vary according to individual consumption or transportation levels. However, this impact can be determined by each customer by applying the proposed rates listed above to their respective average consumption or transportation levels.

The rates contained in this notice are the rates proposed by Atmos Energy Corporation, however, the KPSC may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for customers higher or lower than the rates included in this notice.

Atmos Energy's application for rate adjustment is available for examination at its offices listed below. Any person may obtain a copy of the application, testimony or other documents or examine the rate application and any related filings at the offices of Atmos Energy listed below or at its website [www.atmosenergy.com](http://www.atmosenergy.com) or the Commission office or its website listed below.

A person may also examine the application at the Public Service Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's Web site at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of initial publication of this Notice, it may take final action on Atmos Energy's application.

Atmos Energy Corporation  
Attention: Mr. Mark A. Martin  
3275 Highland Pointe Drive  
Owensboro, KY 42303  
(270) 685-8000  
[mark.martin@atmosenergy.com](mailto:mark.martin@atmosenergy.com)  
[www.atmosenergy.com](http://www.atmosenergy.com)

Atmos Energy Corporation has the following local offices:

Atmos Energy  
3275 Highland Pointe Drive  
Owensboro, KY 42303

Atmos Energy  
449 Whirlaway Drive  
Danville, KY 40422

Atmos Energy  
638 W. Broadway  
Madisonville, KY 42431

Atmos Energy  
2850 Russellville Road  
Bowling Green, KY 42101

Atmos Energy  
1833 E 9<sup>th</sup> Street  
Hopkinsville, KY 42240

Atmos Energy  
200 N Broadway  
Glasgow, KY 42141

Atmos Energy  
3510 Coleman Road  
Paducah, KY 42001

Atmos Energy  
105 Hudson Blvd  
Shelbyville, KY 40065

Atmos Energy  
336 Commonwealth Drive  
Campbellsville, KY 42718

Atmos Energy  
307 Marion Road  
Princeton, KY 42445

Atmos Energy  
900 Commonwealth Drive  
Mayfield, KY 42066

Public Service Commission of Kentucky  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40602  
(502) 564-3940  
[www.psc.ky.gov](http://www.psc.ky.gov)