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April 6, 2018

Gwen Pinson
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation:
Case No. 2017-00349

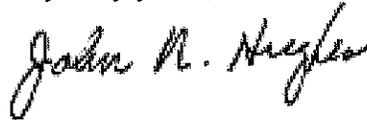
Dear Ms. Pinson:

Atmos Energy Corporation submits its response to Staff's post-hearing request for information.

I certify that the electronic filing is a complete and accurate copy of the original documents to be filed in this matter, which will be filed within two days of this submission and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

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

Very truly yours,



John N. Hughes

And

Mark R. Hutchinson
Wilson, Hutchinson and Littlepage
611 Frederica St.
Owensboro, KY 42301
270 926 5011
randy@whplawfirm.com

Attorneys for Atmos Energy
Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

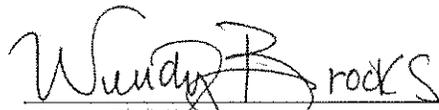
The Affiant, Laura K. Gillham, being duly sworn, deposes and states that the attached responses to Commission Staff's first post-hearing request for information are true and correct to the best of her knowledge and belief.



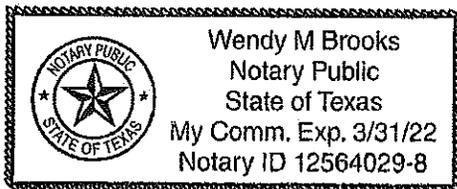
Laura K. Gillham

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Laura K. Gillham on this the 5 day of April, 2018.



Notary Public
My Commission Expires: 3/31/22

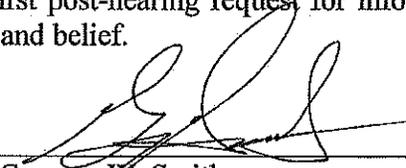


COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

The Affiant, Gregory W. Smith, being duly sworn, deposes and states that the attached responses to Commission Staff's first post-hearing request for information are true and correct to the best of his knowledge and belief.



Gregory W. Smith

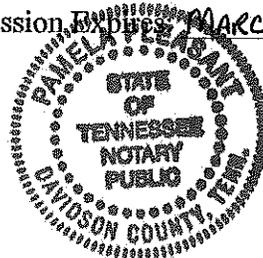
STATE OF Tennessee
COUNTY OF Williamson

SUBSCRIBED AND SWORN to before me by Gregory W. Smith on this the 2ND day of April, 2018.



Notary Public

My Commission Expires March 3, 2020



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

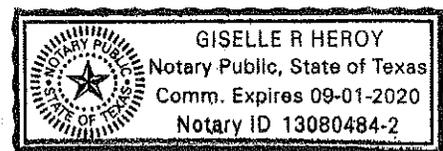
The Affiant, Jennifer K. Story, being duly sworn, deposes and states that the attached responses to Commission Staff's first post-hearing request for information are true and correct to the best of her knowledge and belief.


Jennifer K. Story

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Jennifer K. Story on this the 6th day of April, 2018.


Notary Public
My Commission Expires: 9/01/2020



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

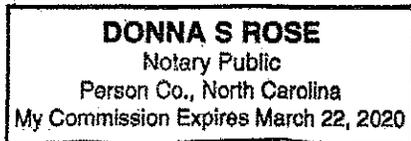
AFFIDAVIT

The Affiant, James H. Vander Weide, being duly sworn, deposes and states that the attached responses to Commission Staff's first post-hearing request for information are true and correct to the best of his knowledge and belief.

James H. Vander Weide
James H. Vander Weide

STATE OF NC
COUNTY OF Durham

SUBSCRIBED AND SWORN to before me by James H. Vander Weide on this the
7 day of April, 2018.



Donna S Rose
Notary Public
My Commission Expires: 3.22.2020

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF)
RATE APPLICATION OF) Case No. 2017-00349
ATMOS ENERGY CORPORATION)

AFFIDAVIT

The Affiant, Gregory K. Waller, being duly sworn, deposes and states that the attached responses to Commission Staff's first post-hearing request for information are true and correct to the best of his knowledge and belief.



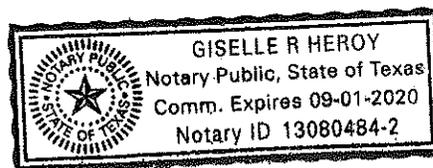
Gregory K. Waller

STATE OF Texas
COUNTY OF Dallas

SUBSCRIBED AND SWORN to before me by Gregory K. Waller on this the 3rd day of April, 2018.



Notary Public
My Commission Expires: 9/01/2020



Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Refer to Commission Staff's Fifth Request for Information, Item 1. Provide an updated billing analysis that includes the billing determinants and rates that Atmos would propose to produce its revised revenue increase. Provide both present and proposed rates, billing determinants, and revenues. This schedule should be provided in Excel format with all cells visible, and all formulas intact.

RESPONSE:

The Company is providing as Attachment 1 a full working Excel file supporting the proposed tariff rates provided in the Company's response to Staff DR No. 5-01. Attachment 2 is the model with current rates for comparison purposed based on the Commission's findings regarding Tax Reform in Docket No. 2018-00039

ATTACHMENTS:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post Hearing_1-01_Att1 - KY Revenue Billing Unit Forecast TYE 3.31.2019 (Staff 5-1).xlsx, 45 Pages.

ATTACHMENT 2 - Atmos Energy Corporation, Staff Post-Hearing_1-01_Att2 - KY Revenue Billing Unit Forecast TYE 3.31.2019 (Staff 5-1) TCJA Reform Current Rates.xlsx, 45 Pages.

Respondent: Mark Martin

First Month of Reference Period: 7/1/2016
 Last Day of Reference Period: 6/30/2017
 Beginning of Test Period: 4/30/2018
 End of Test Period: 3/31/2019

1 JANUARY
 2 FEBRUARY
 3 MARCH
 4 APRIL
 5 MAY
 6 JUNE
 7 JULY
 8 AUGUST
 9 SEPTEMBER
 10 OCTOBER
 11 NOVEMBER
 12 DECEMBER

Fiscal Year for Summary Worksheets	Residential			Commercial			Industrial			Public Authority		
	Residential	Commercial	Industrial	Residential	Commercial	Industrial	Residential	Commercial	Industrial	Residential	Commercial	Industrial
10/1/2016	156,747	17,419	212	1,549	8,991,898	212	1,549	8,991,898	972,670	4,885,832	212	1,549
10/1/2017	157,047	17,419	212	1,549	10,011,021	212	1,549	10,011,021	972,670	4,885,832	212	1,549
10/1/2018	157,047	17,419	212	1,549	10,049,272	212	1,549	10,049,272	972,670	4,885,832	212	1,549
10/1/2020	157,047	17,419	212	1,549	10,068,388	212	1,549	10,068,388	972,670	4,885,832	212	1,549
10/1/2021	158,247	17,419	212	1,549	10,097,141	212	1,549	10,097,141	972,670	4,885,832	212	1,549

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ATMOS ENERGY CORPORATION - KENTUCKY
SUMMARY OF RATES
TEST YEAR ENDING MAR, 31 2019

Line No.	Billing Component	Applicable Tariffs	Current Rate	Proposed Rate
	(a)	(b)	(c)	(d)
1	CUSTOMER CHARGES, \$/month			
2	Firm Services - Residential	G-1	\$19.06	\$19.45
3	Firm Services - Non-Residential	G-1	49.74	50.75
4	Interruptible Sales	G-2	393.35	400.00
5	Firm Transportation	T-4	396.49	400.00
6	Interruptible Transportation	T-3	398.04	400.00
7				
8	DISTRIBUTION CHARGES, \$/Mcf			
9	Firm Sales	G-1		
10	1-300 Mcf		\$ 1.5340	\$ 1.5700
11	301-15000 Mcf		0.9500	0.9950
12	Over 15000		0.7400	0.7800
13	Firm Transportation	T-4		
14	1-300 Mcf		\$ 1.6233	\$ 1.5700
15	301-15000 Mcf		1.0053	0.9950
16	Over 15000		0.7831	0.7800
17	Interruptible Sales	G-2		
18	1-15000 Mcf		\$ 0.9090	\$ 0.9350
19	Over 15000		0.6849	0.7059
20	Interruptible Transportation	T-3		
21	1-15000 Mcf		\$ 0.9031	\$ 0.9350
22	Over 15000		0.6805	0.7059
23				
24	OTHER CHARGES			
25	Transp. Adm. Fee, \$/Mcf	T-2, T-3, T-4	\$ 50.00	\$ 50.00
26	Parking, \$/Mcf	T-4, T-3	0.10	0.10
27				
28				
29				
30	SERVICE CHARGES			
31	Meter Set		\$ 34.00	\$ 44.00
32	Turn On		23.00	28.00
33	Read		12.00	14.00
34	Reconnect Delinquent Service		39.00	47.00
35	Seasonal Charge		65.00	73.00
36	Special Meter Reading Charge		-	N/A
37	Meter Test Charge		20.00	N/A
38	Returned Check Charge		25.00	N/A
39	Class 1 EFM Equipment Charge		75.00	N/A
40	Class 2 EFM Equipment Charge		175.00	N/A
41	Late Payment Charge		5.0%	5.0%

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Base Period	Jan-18	Feb-18	Mar-18	Apr-18	May-18
OPERATING REVENUE																		
<u>Sales of Gas</u>																		
4800 Residential	13,870,408	14,857,569	11,425,828	8,192,889	5,665,133	4,331,517	3,977,683	3,985,744	3,550,372	5,098,884	8,428,387	12,580,924	95,372,939	15,061,262	15,416,006	11,823,328	8,441,559	5,661,644
4811 Commercial	5,397,261	5,779,500	4,552,984	3,369,744	2,542,513	2,042,125	1,891,838	1,890,232	1,870,520	2,242,327	3,481,019	4,940,967	40,000,830	5,888,116	6,000,881	4,718,611	3,482,514	2,514,683
4812 Industrial	865,057	634,631	537,536	319,232	344,516	270,764	390,261	252,706	327,152	267,902	308,686	666,572	5,215,075	969,880	864,230	582,591	333,870	336,504
4820 Other - Public Authority	994,628	1,072,309	817,218	552,904	382,803	273,287	248,275	257,557	247,986	345,624	607,277	911,441	6,711,308	1,095,349	1,117,853	850,828	574,641	377,721
Total Sales of Gas	21,127,353	22,344,009	17,333,366	12,434,829	8,964,965	6,817,683	6,507,658	6,428,239	6,396,031	7,944,737	12,823,369	19,079,903	148,300,153	23,014,607	23,198,771	17,655,369	12,832,583	8,890,552
<u>Other Operating Income</u>																		
4870 Forfeited Discounts	151,122	180,240	193,132	148,418	107,784	76,679	59,150	54,439	54,579	54,004	69,404	111,351	1,260,280	163,805	196,091	200,473	154,728	111,173
4880 Misc. Service Revenues	58,133	54,439	74,821	49,919	53,628	55,397	45,327	57,173	55,395	88,176	126,545	87,101	806,054	58,133	54,439	74,821	49,919	53,628
4885-4896 Revenue From Transportation of Gas of Others	1,523,597	1,334,402	1,431,230	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	15,202,087	1,523,597	1,334,402	1,431,230	1,186,285	1,211,423
4950 Other Gas Revenue (Special Contracts)	221,910	188,722	197,752	174,544	170,440	149,119	183,287	180,802	183,828	198,677	196,959	230,122	2,274,060	221,910	188,722	197,752	174,544	170,440
Total Other Operating Income	1,954,761	1,755,803	1,896,935	1,560,286	1,543,254	1,443,542	1,318,929	1,418,249	1,430,640	1,558,763	1,727,491	1,933,848	19,542,481	1,967,445	1,771,654	1,904,276	1,565,576	1,546,664
Total Revenue	23,082,115	24,099,812	19,230,301	13,994,895	10,508,219	8,361,235	7,826,787	7,844,488	7,826,671	9,503,500	14,550,859	21,013,751	167,842,633	24,982,052	24,970,425	19,559,635	14,396,159	10,437,215
Purchased Gas Costs	12,594,803	13,647,832	9,912,060	6,311,309	3,812,686	2,308,856	2,048,742	1,852,678	1,879,841	3,180,899	6,763,241	11,476,716	75,990,762	14,470,752	14,491,068	10,524,210	6,700,953	3,731,375
Gross Profit	10,487,312	10,451,980	9,318,241	7,683,586	6,695,533	6,052,379	5,777,045	5,991,811	5,946,730	6,322,601	7,767,618	9,537,035	91,851,872	10,511,300	10,479,357	9,335,424	7,695,206	6,705,840
Storage Balance							6,050,756	13,028,688	16,983,977	20,994,696	18,901,908	13,876,112		7,064,990	(36,533)	(5,040,825)	(1,178,144)	2,639,752
Bad Debt Calculation based on Revenues										\$5,777,045	\$5,891,811	\$5,846,730		\$6,322,601	\$7,767,618	\$9,537,035		
Bad Debt Calculation based on Margin										545,556	1,895,807	3,690,305		4,188,698	2,691,738	(201,610)		
Eliminate										38,434.17	62,573.41	92,066.66		715,425.39	110,223.53	112,672.70	86,983.84	

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Base Period	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
CUSTOMERS																			
Residential	158,882	159,583	159,839	157,294	159,290	156,889	154,747	155,612	153,210	153,525	154,816	158,190	158,822	159,182	159,883	160,139	157,594	159,580	157,189
Commercial	17,877	17,993	17,941	17,571	17,823	17,346	17,026	17,151	16,874	16,780	17,203	17,538	17,419	17,877	17,893	17,941	17,571	17,823	17,346
Industrial	231	226	222	203	222	214	192	216	201	196	212	204	212	231	226	222	203	222	214
Other - Public Authority	1,552	1,546	1,586	1,509	1,576	1,536	1,520	1,593	1,524	1,564	1,556	1,551	1,549	1,552	1,546	1,566	1,509	1,576	1,536
Total	178,542	179,248	179,588	176,577	178,901	175,985	173,485	174,572	171,809	172,055	173,787	177,483	178,001	178,842	179,548	179,968	178,877	179,201	178,285
MCF (Cycle Bill Month)																			
Residential	1,911,617	1,996,539	1,415,818	877,744	408,055	200,720	153,877	154,737	156,317	329,876	871,951	1,520,107	9,997,160	1,915,258	2,000,325	1,418,508	879,434	408,824	201,104
Commercial	807,568	835,526	625,113	425,722	256,879	177,329	158,348	159,554	158,391	218,738	418,758	653,875	4,895,832	807,568	835,526	625,113	425,722	256,879	177,329
Industrial	178,732	122,800	102,873	59,310	59,301	44,559	71,569	51,380	58,558	43,096	56,359	124,135	972,670	178,732	122,800	102,873	59,310	59,301	44,559
Other - Public Authority	165,659	171,037	128,779	81,989	46,989	29,795	25,985	27,212	26,354	41,100	85,198	135,030	963,107	165,659	171,037	128,779	81,989	46,989	29,795
Total	3,083,576	3,125,902	2,270,583	1,444,766	771,224	452,403	409,759	392,882	399,619	632,610	1,432,297	2,433,148	16,828,769	3,067,217	3,129,688	2,273,273	1,446,455	771,993	452,787

Transportation

Customers

Tariff	196	196	196	196	196	196	195	195	195	195	196	196	196	196	196	196	196	196	196
Contract	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Total	210	210	210	210	210	210	209	209	209	209	210	210	209.65	210	210	210	210	210	210

Volume (Mcf)

Tariff	1,585,511	1,364,535	1,484,413	1,201,208	1,232,899	1,182,731	1,023,710	1,137,645	1,145,245	1,240,411	1,366,873	1,553,733	15,518,914	1,585,511	1,364,535	1,484,413	1,201,208	1,232,899	1,182,731
Contract	1,361,393	1,137,558	1,208,822	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	13,823,013	1,361,393	1,137,558	1,208,822	1,065,088	1,072,108	879,128
Total	2,946,904	2,502,093	2,693,235	2,266,296	2,305,008	2,061,859	2,159,723	2,254,109	2,260,971	2,426,216	2,567,885	2,897,630	28,341,927	2,946,904	2,502,093	2,693,235	2,266,296	2,305,008	2,061,859

Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Fiscal Years							
									2018/2019	2019	2019	2019	2019	2019	2019	2019
155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	157,197	158,747	157,047	157,347	157,647	157,947	158,247	
17,026	17,151	16,874	16,780	17,203	17,538	17,877	17,893	17,941	17,419	17,419	17,419	17,419	17,419	17,419	17,419	
192	216	201	198	212	204	231	226	222	212	212	212	212	212	212	212	
1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	1,549	1,549	1,549	1,549	1,549	1,549	1,549	
173,785	174,872	172,109	172,355	174,087	177,783	179,142	179,848	180,188	176,376	175,926	176,226	176,526	176,826	177,126	177,426	
154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386	9,991,896	10,011,021	10,030,146	10,049,272	10,068,399	10,087,541	
158,348	159,554	158,381	216,738	418,788	653,875	807,568	835,526	625,113	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832	
71,569	51,380	58,558	43,096	56,359	124,135	178,732	122,800	102,873	972,670	972,670	972,670	972,670	972,670	972,670	972,670	
25,965	27,212	26,354	41,100	85,196	135,030	165,659	171,037	126,779	963,107	963,107	963,107	963,107	963,107	963,107	963,107	
410,057	393,181	399,925	633,254	1,434,002	2,436,046	3,070,859	3,133,489	2,275,946	16,857,995	16,823,505	16,842,650	16,861,756	16,880,862	16,900,008	16,919,150	
									63.78	63.75	63.75	63.75	63.75	63.75	63.75	
									281.07	281.07	281.07	281.07	281.07	281.07	281.07	
									4,596.52	4,596.52	4,596.52	4,596.52	4,596.52	4,596.52	4,596.52	
									621.93	621.93	621.93	621.93	621.93	621.93	621.93	
									95.58	95.63	95.57	95.52	95.47	95.41	95.36	
195	195	195	195	196	196	196	196	196	196	196	196	196	196	196	196	
14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	
209	209	209	209	210	210	210	210	210	210	210	210	210	210	210	210	
1,023,710	1,137,645	1,145,245	1,240,411	1,366,873	1,553,733	1,585,511	1,364,635	1,484,413	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914	
1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013	
2,159,723	2,254,109	2,260,971	2,426,216	2,567,885	2,897,630	2,946,904	2,502,093	2,693,235	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927	
									79,313	79,313	79,313	79,313	79,313	79,313	79,313	
									995,655	995,655	995,655	995,655	995,655	995,655	995,655	
									140,024	140,024	140,024	140,024	140,024	140,024	140,024	

ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY DATA
 Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
1	RESIDENTIAL (Rate G-1)																
2	FIRM BILLS	158,267	152,912	152,944	159,222	159,515	157,835	158,422	158,571	159,833	157,254	158,200	163,592	1,880,067		\$19.06	\$35,834,077
3	Sales: 1-300	179,127	140,816	153,532	161,441	435,144	415,237	339,137	421,621	1,026,442	797,272	312,245	28,333		8,157,164	1.5340	12,513,090
4	Sales: 301-15000	0	0	41	359	146	28	274	331	737	302	36	0		2,002	0.9500	1,902
5	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7400	0
6	CLASS TOTAL (Mcf/month)	170,127	140,916	165,573	192,346	405,260	1,413,308	1,939,311	1,422,158	1,037,179	766,770	307,282	198,936	1,880,067	8,159,166		\$48,349,069
7																	
8	FIRM COMMERCIAL (Rate G-1)																
9	FIRM BILLS	17,024	17,145	16,372	15,773	17,269	17,535	17,374	17,296	17,355	17,368	17,343	17,344	208,991		49.74	\$10,395,212
10	Sales: 1-300	193,370	116,380	161,041	154,426	198,452	548,671	767,606	577,730	436,544	326,995	176,215	14,432		3,719,669	1.5340	5,705,972
11	Sales: 301-15000	24,835	22,145	25,373	36,074	5,864	55,035	129,665	70,227	49,573	51,455	24,415	5,224		504,034	0.9500	478,833
12	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7400	0
13	CLASS TOTAL (Mcf/month)	164,536	139,129	177,284	211,576	202,292	601,706	887,213	648,007	486,218	352,150	200,532	153,062	208,991	4,223,703		\$16,580,017
14																	
15	FIRM INDUSTRIAL (Rate G-1)																
16	FIRM BILLS	182	207	192	185	203	185	227	205	211	194	211	213	2,416		\$49.74	\$120,188
17	Sales: 1-300	8,055	9,655	10,142	9,141	13,019	33,337	42,544	35,133	31,541	20,571	14,350	10,348		241,494	1.5340	370,452
18	Sales: 301-15000	14,957	10,077	10,677	24,023	40,524	44,270	76,760	47,026	41,340	25,823	24,668	17,663		358,823	0.9500	340,882
19	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7400	0
20	CLASS TOTAL (Mcf/month)	22,996	23,751	26,579	30,168	32,843	74,661	119,344	83,159	72,832	46,400	39,628	27,957	2,416	600,317		\$831,522
21																	
22	FIRM PUBLIC AUTHORITY (Rate G-1)																
23	FIRM BILLS	1,523	1,593	1,524	1,554	1,556	1,551	1,552	1,541	1,535	1,509	1,576	1,559	18,583		\$49.74	\$924,318
24	Sales: 1-300	21,525	20,633	27,625	27,062	40,557	103,751	139,765	105,009	34,559	83,585	32,915	23,257		688,429	1.5340	1,056,051
25	Sales: 301-15000	1,242	1,429	3,016	3,202	4,881	21,731	36,799	21,664	14,718	11,611	2,605	3,493		127,962	0.9500	121,564
26	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7400	0
27	CLASS TOTAL (Mcf/month)	22,770	22,306	30,940	30,263	47,268	125,481	169,584	126,273	99,254	75,300	39,523	27,430	18,583	816,392		\$2,101,933
28																	
29	INTERRUPTIBLE COMMERCIAL (G-2)																
30	INT BILLS	2	2	2	2	3	3	3	3	3	3	4	3	32		393.35	\$12,587
31	Sales: 1-15000	16	59	55	51	502	1,612	2,477	1,947	1,606	1,435	704	15		10,379	0.9090	9,434
32	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.6849	0
33	CLASS TOTAL (Mcf/month)	16	59	56	51	502	1,612	2,477	1,947	1,606	1,435	704	15	32	10,379		\$22,021
34																	
35	INTERRUPTIBLE INDUSTRIAL (G-2)																
36	INT BILLS	5	8	8	7	8	8	5	16	0	0	10	9	110		393.35	\$43,269
37	Sales: 1-15000	47,347	27,820	28,622	14,615	25,033	40,934	65,931	50,051	39,184	32,346	33,178	16,531		421,790	0.9090	383,407
38	Sales: Over 15000	7,742	0	4,795	0	0	12,667	49,477	109,423	40,007	38,094	72,430	0		324,655	0.6849	222,356
39	CLASS TOTAL (Mcf/month)	49,089	27,820	33,417	14,615	25,033	53,218	114,008	150,474	79,191	70,440	111,608	16,531	110	746,445		\$649,032
40																	
41	TRANSPORTATION (T-4)																
42	TRANSPORTATION BILLS	128	123	123	124	124	124	124	124	124	124	124	124	1,485		396.49	\$588,788
43	Trans Admin Fee	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000				73,050
44	EFM Fee	13,280	13,275	13,275	13,275	13,275	13,275	13,275	13,275	13,275	13,275	13,275	13,275				76,450
45	Parking Fee	359	315	312	308	374	360	323	337	355	368	317	310				2,632
46	Firm Transport: 1-300	33,803	33,670	34,129	35,162	36,567	37,200	37,044	37,033	36,818	36,668	36,725	36,991		425,359	1.6233	690,485
47	Firm Transport: 301-15000	348,554	378,638	383,353	398,709	477,246	571,484	598,224	478,544	504,968	391,031	333,741	378,031		5,289,535	1.0053	5,317,570
48	Firm Transport: Over 15000	69,193	77,615	85,352	99,536	95,637	137,727	147,437	121,123	142,555	75,649	82,028	85,231		1,178,385	0.7831	922,793
49	CLASS TOTAL (Mcf/month)	437,560	490,023	486,141	521,372	610,294	756,411	752,725	637,000	684,469	502,442	510,465	504,377	1,485	6,893,279		\$7,671,667
50																	
51	ECONOMIC DEV RIDER (EDR)																
52	Firm Transport: 1-300	0	0	0	0	0	0	0	0	0	0	0	0		0	1.1505	\$0
53	Firm Transport: 301-15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7125	0
54	Firm Transport: Over 15000	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	17,435	19,507	19,934		212,615	0.5550	118,001
55	CLASS TOTAL (Mcf/month)	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	17,435	19,507	19,934		212,615		\$118,001
56																	

ATMOS ENERGY CORPORATION - KENTUCKY
 SUMMARY OF REVENUE AT PRESENT RATES
 TEST YEAR ENDING MAR, 31 2019

Line No.	Description	Block (Mcf)	Reference Period - Twelve Months Ending 06/30/2017				Forward-looking Adjustments To Test Year		Total Test Year Volumes (f)	Present Margin (j)	Present Revenue (k)
			Number of Bills, Units (a)	Volumes As Metered (b)	Contract Adj. Bills and Volumes (c)	Weather Adj. Volumes (NOAA 1997-2017) (d)	Total Volumes (e)	Customer Growth Forecast (f)			
1	Sales										
2	Firm Sales (G-1)	Customer Chrg	1,880,067					6,300		\$19.06	\$35,954,155
3		Customer Chrg	229,990		13					49.74	11,440,365
4		0 - 300		12,806,757	2,648	2,573,875	15,383,280	35,393	0	1.5340	23,652,245
5		301 - 15,000		992,822	(34,945)	66,416	1,024,292	0	0	0.9500	973,078
6		Over 15,000		0	0	0	0	0	0	0.7400	0
7	Interruptible Sales (G-2)	Customer Chrg	142							393.35	55,856
8		0 - 15,000		432,169	(75,000)		357,169			0.9090	324,667
9		Over 15,000		324,655	(266,795)		57,860			0.6849	39,628
10											
11	Transportation										
12	Customer Charges (T-4)	Customer Chrg	1,485		11					396.49	593,149
13	Customer Charges (T-3)	Customer Chrg	869		(17)					398.04	339,130
14	Customer Charges (SpK)	Customer Chrg	174		(7)					375.00	62,475
15	Transp. Adm. Fee	Customer Chrg	2,493		(13)					50.00	124,000
16	Parked Volumes [1]			757,887	0					0.10	75,789
17	EFM Charges									Various	130,600
18	Firm Transportation (T-4)	0 - 300		425,359	5,494		430,853		430,853	1.6233	699,404
19		301 - 15,000		5,289,535	151,171		5,440,706		5,440,706	1.0053	5,469,542
20		Over 15,000		1,178,385	(22,342)		1,156,043		1,156,043	0.7831	905,297
21	Economic Dev Rider (EDR)	301 - 15,000		0	0		0		0	0.7125	0
22		Over 15,000		212,615	0		212,615		212,615	0.5550	118,001
23	Interruptible Transportation (T-3)	0 - 15,000		5,227,792	161,611		5,389,403		5,389,403	0.9031	4,867,170
24		Over 15,000		2,598,044	291,250		2,889,294		2,889,294	0.6805	1,966,164
25	Total Special Contracts [2]			13,847,313	(24,300)		13,823,013		13,823,013	Various	2,125,425
26											
27	Total Tariff		2,112,727	43,335,446	188,792	2,640,291	46,164,529	41,693	0	46,199,922	89,916,140
28											
29	Other Revenues										806,054
30	Late Payment Fees										1,297,964
31	Total Gross Profit										92,020,159
32											
33	Gas Costs										78,709,117
34											
35	Total Revenue										\$ 170,729,276
36											
37	[1] Parked Volumes not included in Total Deliveries.										
38	[2] Based on confidential information.										

ATMOS ENERGY CORPORATION - KENTUCKY
VOLUME AND CONTRACT ADJUSTMENTS
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
1	RESIDENTIAL (Rate G-1)																
2	FIRM BILLS													0		\$19.06	\$0
3	Sales: 1-300	0	0	41	905	146	28	274	337	737	(502)	36	0		2,002	1.5340	3,072
4	Sales: 301-15000	0	0	(41)	(905)	(146)	(28)	(274)	(337)	(737)	502	(36)	0		(2,002)	0.9500	(1,902)
5	Sales: Over 15000						0								0	0.7400	0
6	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$1,169
7																	
8	FIRM COMMERCIAL (Rate G-1)																
9	FIRM BILLS															49.74	\$0
10	Sales: 1-300															1.5340	0
11	Sales: 301-15000	0	0	0	2,056	(2,056)	0	0	0	0	0	0	0			0.9500	0
12	Sales: Over 15000	0	0	0	(2,056)	2,056	0	0	0	0	0	0	0			0.7400	0
13	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0
14																	
15	FIRM INDUSTRIAL (Rate G-1)																
16	FIRM BILLS	1	1	1	1	1	1	1	1	1	1	1	2	13		49.74	\$647
17	Sales: 1-300	(155)	(150)	(171)	(146)	89	654	403	237	294	(242)	(237)	70		646	1.5340	991
18	Sales: 301-15000	(361)	(42)	(1,267)	(1,542)	(2,605)	(4,398)	(5,124)	(5,329)	(3,814)	(4,193)	(4,268)	0		(32,943)	0.9500	(31,296)
19	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7400	0
20	CLASS TOTAL (Mcf/month)	(516)	(192)	(1,438)	(1,688)	(2,516)	(3,744)	(4,721)	(5,092)	(3,520)	(4,435)	(4,505)	70	13	(32,297)		(\$29,658)
21																	
22	FIRM PUBLIC AUTHORITY (Rate G-1)																
23	FIRM BILLS													0		49.74	\$0
24	Sales: 1-300														0	1.5340	0
25	Sales: 301-15000														0	0.9500	0
26	Sales: Over 15000														0	0.7400	0
27	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0
28																	
29	INTERRUPTIBLE COMMERCIAL (G-2)																
30	INT BILLS													0		393.35	\$0
31	Sales: 1-15000														0	0.9090	0
32	Sales: Over 15000														0	0.6849	0
33	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0
34																	
35	INTERRUPTIBLE INDUSTRIAL (G-2)																
36	INT BILLS	0	0	0	0	0	0	0	0	0	0	0	0	0		393.35	\$0
37	Sales: 1-15000	0	0	0	0	0	0	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	0		(75,000)	0.9090	(68,175)
38	Sales: Over 15000	0	0	0	0	0	0	(34,899)	(90,742)	(30,630)	(38,094)	(72,430)	0		(266,795)	0.6849	(182,728)
39	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	(49,899)	(105,742)	(45,630)	(53,094)	(87,430)	0	0	(341,795)		(\$250,903)

ATMOS ENERGY CORPORATION - KENTUCKY
 VOLUME AND CONTRACT ADJUSTMENTS
 Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
40																	
41	<u>TRANSPORTATION (T-4)</u>																
42	TRANSPORTATION BILLS	1	1	1	1	1	1	1	1	1	1	1	0	11		396.49	\$4,361
43	Trans Admin Fee	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$0				550
44	EFM Fee	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$0				825
45	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
46	Firm Transport: 1-300	455	450	473	477	414	300	300	407	382	592	647	597		5,494	1.6233	8,918
47	Firm Transport: 301-15000	6,982	5,664	8,013	8,712	12,041	10,936	15,677	19,323	14,539	18,366	18,227	12,690		151,171	1.0053	151,973
48	Firm Transport: Over 15000	2,106	2,565	1,800	253	(2,302)	(2,879)	(4,694)	(6,315)	(2,529)	(4,750)	(2,954)	(2,643)		(22,342)	0.7831	(17,496)
49	<u>CLASS TOTAL (Mcf/month)</u>	<u>9,544</u>	<u>8,678</u>	<u>10,287</u>	<u>9,442</u>	<u>10,153</u>	<u>8,357</u>	<u>11,283</u>	<u>13,415</u>	<u>12,392</u>	<u>14,207</u>	<u>15,920</u>	<u>10,644</u>	<u>11</u>	<u>134,323</u>		<u>\$149,131</u>
50																	
51	<u>ECONOMIC DEV RIDER (EDR)</u>																
52	Firm Transport: 1-300	0	0	0	0	0	0	0	0	0	0	0	0		0	1.1505	\$0
53	Firm Transport: 301-15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.7125	0
54	Firm Transport: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.5550	0
55	<u>CLASS TOTAL (Mcf/month)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>		<u>\$0</u>
56																	
57	<u>TRANSPORTATION (T-3)</u>																
58	TRANSPORTATION BILLS	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(17)		398.04	(\$6,767)
59	Trans Admin Fee	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)				(850)
60	EFM Fee	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$150)	(\$150)	(\$150)	(\$150)	(\$150)				(1,275)
61	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
62	Interrupt Transport: 1-15000	16,737	16,210	17,346	16,357	6,333	5,125	16,048	16,129	16,114	16,357	16,213	2,641		161,611	0.9031	145,951
63	Interrupt Transport: Over 15000	25,000	25,000	25,000	26,825	27,037	27,091	27,353	27,139	27,074	26,843	26,887	0		291,250	0.6805	198,196
64	<u>CLASS TOTAL (Mcf/month)</u>	<u>41,737</u>	<u>41,210</u>	<u>42,346</u>	<u>43,183</u>	<u>33,370</u>	<u>32,217</u>	<u>43,401</u>	<u>43,268</u>	<u>43,188</u>	<u>43,200</u>	<u>43,100</u>	<u>2,641</u>	<u>(17)</u>	<u>452,861</u>		<u>\$335,255</u>
65																	
66	<u>SPECIAL CONTRACTS</u>																
67	TRANSPORTATION BILLS	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0	0	0	0	0	(7)		375.00	(\$2,625)
68	Trans Admin Fee	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	\$0	\$0	\$0	\$0	\$0				(350)
69	EFM Fee	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	\$0	\$0	\$0	\$0	\$0				(525)
70	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
71	Transported Volumes	(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338	7,341		(24,300)	Various	484,300
72	Charges for Transport Volumes	62,169	59,645	63,289	69,456	35,854	50,564	45,474	33,924	32,355	16,291	9,377	5,902				
73	<u>CLASS TOTAL (Mcf/month)</u>	<u>(21,056)</u>	<u>(20,446)</u>	<u>(21,608)</u>	<u>(25,561)</u>	<u>7,752</u>	<u>7,648</u>	<u>8,573</u>	<u>8,252</u>	<u>8,393</u>	<u>8,073</u>	<u>8,338</u>	<u>7,341</u>	<u>(7)</u>	<u>(24,300)</u>		<u>\$480,800</u>

ATMOS ENERGY CORPORATION - KENTUCKY
 WEATHER ADJUSTMENT - BASE NOAA 1997-2017
 Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
1	<u>RESIDENTIAL (Rate G-1)</u>																
2	FIRM BILLS													0		\$19.06	\$0
3	Sales: 1-300	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784		1,831,826	1.5340	2,810,021
4	Sales: 301-15000														0	0.9500	0
5	Sales: Over 15000														0	0.7400	0
6	CLASS TOTAL (Mcf/month)	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784	0	1,831,826		\$2,810,021
7																	
8	<u>FIRM COMMERCIAL (Rate G-1)</u>																
9	FIRM BILLS													0		49.74	\$0
10	Sales: 1-300	(5,266)	17,094	(16,238)	5,192	211,932	45,850	(70,125)	165,461	123,354	65,694	48,898	22,791		614,636	1.5340	942,851
11	Sales: 301-15000	(938)	3,272	(2,712)	1,919	4,062	4,708	(11,996)	20,111	14,036	6,443	6,746	1,462		47,114	0.9500	44,758
12	Sales: Over 15000														0	0.7400	0
13	CLASS TOTAL (Mcf/month)	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253	0	661,750		\$987,610
14																	
15	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>																
16	FIRM BILLS													0		-	\$0
17	Sales: 1-300	3,021	4,593	(4,139)	9,691	34,013	7,895	(3,027)	37,226	23,444	5,658	6,973	2,066		127,413	0.0000	0
18	Sales: 301-15000	174	313	(447)	1,146	3,917	1,654	(898)	7,538	4,061	1,031	493	299		19,302	0.0000	0
19	Sales: Over 15000														0	0.0000	0
20	CLASS TOTAL (Mcf/month)	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365	0	146,715		\$0

Atmos Energy - Kentucky
 Normalization Of Volumes For Weather
 Reference Period - Twelve Months Ending 06/30/2017
 (Weather Basis: 20-years ending 2017)

Line	Month	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
5	RESIDENTIAL (Rate G-1)												
6													
7	Annual Customer Growth												
8	Annual Base Load Decline												
9	Annual Total Load Decline												
10													
11	Actual Constand Load	153,579	154,439	152,050	152,363	153,647	157,002	157,989	158,686	158,940	156,410	158,384	156,007
12	Actual Heat Load	16,548	(13,523)	13,523	39,982	251,613	1,256,306	1,781,322	1,263,472	878,239	610,361	148,898	42,929
13	Heat Load / Customer	0.107	(0.087)	0.088	0.261	1.628	7.957	11.212	7.917	5.495	3.880	0.935	0.274
14	Actual X Coefficient	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130
15	Product	0	0	0.0269	1.153	4.6377	8.6148	11.0373	11.5166	7.8634	4.5859	1.5675	0.285
16	Base Load	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944
17	Normal Usage / Customer	0.9944	0.9944	1.0203	2.1474	5.6321	9.6092	12.0317	12.5110	8.8578	5.5803	2.5619	1.2794
18	No. of Customers	154,447	155,312	152,910	153,225	154,516	157,890	158,882	159,583	159,839	157,294	159,280	156,889
19	Normalized Volumes	153,579	154,439	156,011	329,032	870,246	1,517,193	1,911,617	1,996,539	1,415,818	877,744	408,056	200,720
20	Actual Volumes	170,127	140,916	165,573	192,346	405,260	1,413,308	1,939,311	1,422,158	1,037,179	766,770	307,282	198,936
21	Normalized Volume Including Unbilled	153,579	154,439	199,592	575,162	1,154,493	1,809,687	1,996,066	1,663,705	1,233,608	588,398	280,126	160,072
22	Normalized Calendar Volumes	153,888	154,750	199,993	576,319	1,156,817	1,813,329	2,002,088	1,667,053	1,236,091	589,582	280,689	160,394
23													
24	Weather Adjustment	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784
25													
26	Tier 1	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784
27	Tier 2												
28	Tier 3												
29	Total	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784

Atmos Energy - Kentucky
 Normalization Of Volumes For Weather
 Reference Period - Twelve Months Ending 06/30/2017
 (Weather Basis: 20-years ending 2017)

Line	Month	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
32	<u>FIRM COMMERCIAL (Rate G-1)</u>												
33													
34	Annual Customer Growth												
35	Annual Base Load Decline												
36	Annual Total Load Decline												
37													
38	Actual Constand Load	158,332	159,495	156,919	156,044	159,969	163,085	166,238	166,386	166,833	163,392	165,726	161,308
39	Actual Heat Load	6,204	(20,366)	20,366	55,532	42,322	438,621	720,975	481,621	319,385	188,758	34,805	(8,247)
40	Heat Load / Customer	0.364	(1.188)	1.207	3.310	2.461	25.014	40.337	26.921	17.805	10.744	1.953	(0.475)
41	Actual X Coefficient	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
42	Product	0	0	0.0839	3.7336	15.0184	27.8973	35.7421	37.2942	25.4641	14.8506	5.076	0.9229
43	Base Load	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005
44	Normal Usage / Customer	9.3005	9.3005	9.3844	13.0341	24.3189	37.1978	45.0426	46.5947	34.7646	24.1511	14.3765	10.2234
45	No. of Customers	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	17,568	17,819	17,344
46	Normalized Volumes	158,332	159,495	158,334	218,687	418,286	652,264	805,092	833,580	623,608	424,287	256,175	177,315
47	Actual Volumes	164,536	139,129	177,284	211,576	202,292	601,706	887,213	648,007	486,218	352,150	200,532	153,062
48	Normalized Volume Including Unbilled	158,332	159,495	173,906	305,984	520,746	757,455	836,584	712,750	557,387	319,634	209,830	162,764
49	Normalized Calendar Volumes	158,677	159,842	174,284	306,630	521,879	759,103	838,404	714,301	558,600	320,329	210,287	163,118
50													
51	Weather Adjustment	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253
52													
53	Tier 1	(5,266)	17,094	(16,238)	5,192	211,932	45,850	(70,125)	165,461	123,354	65,694	48,898	22,791
54	Tier 2	(938)	3,272	(2,712)	1,919	4,062	4,708	(11,995)	20,111	14,036	6,443	6,746	1,462
55	Tier 3	-	-	-	-	-	-	-	-	-	-	-	-
56	Total	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253

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Atmos Energy - Kentucky
 Normalization Of Volumes For Weather
 Reference Period - Twelve Months Ending 06/30/2017
 (Weather Basis: 20-years ending 2017)

Line	Month	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
59	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>												
60													
61	Annual Customer Growth												
62	Annual Base Load Decline												
63	Annual Total Load Decline												
64													
65	Actual Constand Load	25,965	27,212	26,033	26,546	26,580	26,495	26,512	26,409	26,751	25,777	26,922	26,238
66	Actual Heat Load	(3,195)	(4,906)	4,906	3,717	20,688	98,987	143,072	99,864	72,503	49,523	12,602	1,191
67	Heat Load / Customer	(2.102)	(3.080)	3.219	2.392	13.296	63.821	92.186	64.595	46.298	32.819	7.996	0.776
68	Actual X Coefficient	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052
69	Product	0	0	0.2105	9.3655	37.6725	69.9782	89.6563	93.5498	63.8748	37.2516	12.7329	2.3151
70	Base Load	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823
71	Normal Usage / Customer	17.0823	17.0823	17.2928	26.4478	54.7548	87.0805	106.7386	110.6321	80.9571	54.3339	29.8152	19.3974
72	No. of Customers	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	1,509	1,576	1,536
73	Normalized Volumes	25,965	27,212	26,354	41,100	85,198	135,031	165,658	171,037	126,779	81,990	46,989	29,794
74	Actual Volumes	22,770	22,306	30,940	30,263	47,268	125,481	169,584	126,273	99,254	75,300	39,523	27,430
75	Normalized Volume Including Unbilled	25,965	27,212	29,882	61,377	108,449	158,370	172,518	144,845	112,277	59,441	36,706	26,562
76	Normalized Calendar Volumes	25,952	27,198	29,867	61,346	108,393	158,288	172,428	144,770	112,219	59,410	36,687	26,548
77													
78	Weather Adjustment	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365
79													
80	Tier 1	3,021	4,593	(4,139)	9,691	34,013	7,895	(3,027)	37,226	23,444	5,658	6,973	2,066
81	Tier 2	174	313	(447)	1,146	3,917	1,654	(898)	7,538	4,081	1,031	493	299
82	Tier 3	-	-	-	-	-	-	-	-	-	-	-	-
83	Total	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365

ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
 TEST YEAR ENDING MAR, 31 2019
 CURRENT RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
1	<u>RESIDENTIAL (Rate G-1)</u>														
2	FIRM BILLS	\$19.06	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,886,367
3	Sales: 1-300	1.5340	879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
4	Sales: 301-15000	0.9500	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Sales: Over 15000	0.7400	0	0	0	0	0	0	0	0	0	0	0	0	0
6	CLASS TOTAL (Mcf/month)		879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
7	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
8	Gas Costs		\$4,088,765	\$1,992,913	\$980,330	\$751,564	\$752,693	\$760,400	\$1,603,698	\$4,104,688	\$7,155,519	\$9,015,541	\$9,266,234	\$6,570,943	\$47,043,289
9															
10	<u>FIRM COMMERCIAL (Rate G-1)</u>														
11	FIRM BILLS	49.74	17,568	17,819	17,344	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	208,991
12	Sales: 1-300	1.5340	386,389	225,116	166,629	134,404	133,874	135,673	159,657	410,419	591,521	687,483	743,241	559,898	4,334,305
13	Sales: 301-15000	0.9500	37,898	31,059	10,886	23,928	25,621	22,661	59,029	7,867	60,743	117,608	90,338	63,709	551,149
14	Sales: Over 15000	0.7400	0	0	0	0	0	0	0	0	0	0	0	0	0
15	CLASS TOTAL (Mcf/month)		424,287	256,176	177,315	158,332	159,495	158,334	218,687	418,286	652,264	805,092	833,579	623,608	4,885,453
16	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
17	Gas Costs		\$1,972,642	\$1,248,789	\$864,364	\$771,828	\$774,345	\$768,709	\$1,061,720	\$1,965,226	\$3,064,522	\$3,782,551	\$3,854,120	\$2,883,299	\$23,012,115
18															
19	<u>FIRM INDUSTRIAL (Rate G-1)</u>														
20	FIRM BILLS	\$49.74	195	212	205	183	208	193	189	204	196	222	210	212	2,429
21	Sales: 1-300	1.5340	20,329	14,723	10,418	7,904	9,535	9,831	8,995	15,108	34,045	43,047	36,370	31,835	242,140
22	Sales: 301-15000	0.9500	21,636	20,400	17,609	14,576	14,025	15,310	19,486	15,219	36,872	71,576	41,697	37,476	325,880
23	Sales: Over 15000	0.7400	0	0	0	0	0	0	0	0	0	0	0	0	0
24	CLASS TOTAL (Mcf/month)		41,965	35,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
25	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
26	Gas Costs		\$195,106	\$171,215	\$136,825	\$109,583	\$114,380	\$122,057	\$138,271	\$142,483	\$333,187	\$538,533	\$360,949	\$320,468	\$2,682,859
27															
28	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>														
29	FIRM BILLS	\$49.74	1,509	1,576	1,536	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	18,583
30	Sales: 1-300	1.5340	69,347	43,888	26,023	24,549	25,476	23,786	36,752	76,400	111,646	127,758	142,235	107,984	815,843
31	Sales: 301-15000	0.9500	12,642	3,101	3,772	1,416	1,736	2,568	4,348	8,798	23,384	37,901	28,802	18,795	147,264
32	Sales: Over 15000	0.7400	0	0	0	0	0	0	0	0	0	0	0	0	0
33	CLASS TOTAL (Mcf/month)		81,989	46,989	29,795	25,965	27,212	26,354	41,100	85,198	135,030	165,659	171,037	126,779	963,107
34	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
35	Gas Costs		\$381,194	\$229,060	\$145,242	\$126,572	\$132,111	\$127,947	\$199,541	\$400,285	\$634,411	\$778,312	\$790,803	\$586,171	\$4,531,650
36															
37	<u>INTERRUPTIBLE COMMERCIAL (G-2)</u>														
38	INT BILLS	393.35	3	4	2	2	2	2	2	3	3	3	3	3	32
39	Sales: 1-15000	0.9090	1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
40	Sales: Over 15000	0.6849	0	0	0	0	0	0	0	0	0	0	0	0	1
41	CLASS TOTAL (Mcf/month)		1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
42	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
43	Gas Costs		\$4,832	\$2,529	\$52	\$57	\$211	\$202	\$182	\$1,717	\$5,509	\$8,466	\$6,510	\$5,035	\$35,300
44															

ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
 TEST YEAR ENDING MAR, 31 2019
 CURRENT RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
45	INTERRUPTIBLE INDUSTRIAL (G-2)														
46	INT BILLS	393.35	8	10	9	9	8	8	7	8	8	9	16	10	110
47	Sales: 1-15000	0.9090	17,346	24,178	16,531	41,347	27,820	28,622	14,615	26,033	40,531	50,531	35,051	24,184	346,791
48	Sales: Over 15000	0.6849	0	0	0	7,742	0	4,795	0	0	12,687	13,578	9,681	9,377	57,861
49	CLASS TOTAL (Mcf/month)		17,346	24,178	16,531	49,089	27,820	33,417	14,615	26,033	53,218	64,109	44,732	33,561	404,652
50	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
51	Gas Costs		\$58,413	\$86,870	\$59,396	\$176,375	\$99,407	\$119,406	\$52,224	\$88,986	\$181,911	\$219,138	\$149,564	\$112,213	\$1,403,903
52															
53	TRANSPORTATION (T-4)														
54	TRANSPORTATION BILLS	\$396.49	125	125	125	124	124	124	124	125	125	125	125	125	1,496
55	Trans Admin Fee		6,150	6,150	6,150	6,100	6,100	6,100	6,100	6,150	6,150	6,150	6,150	6,150	\$73,600
56	EFM Fee		6,500	6,500	6,450	6,325	6,350	6,350	6,400	6,475	6,475	6,475	6,475	6,500	\$77,275
57	Parking Fee		88	175	100	53	155	121	68	74	801	203	337	356	\$2,532
58	Firm Transport: 1-300	1.6233	36,160	35,373	34,587	34,058	34,020	34,597	35,639	36,965	37,500	37,314	37,440	37,200	430,853
59	Firm Transport: 301-15000	1.0053	409,697	411,958	388,789	355,836	384,302	391,368	425,416	489,287	582,420	583,961	498,167	519,504	5,440,706
60	Firm Transport: Over 1500	0.7831	70,793	79,054	91,645	57,209	80,380	70,462	69,759	94,195	144,848	142,733	114,808	140,157	1,156,043
61	CLASS TOTAL (Mcf/month)		516,649	526,385	515,021	447,104	498,701	496,428	530,814	620,447	764,768	764,008	650,415	696,861	7,027,602
62															
63	ECONOMIC DEV RIDER (EDR)														
64	Firm Transport: 1-300	1.1505	0	0	0	0	0	0	0	0	0	0	0	0	0
65	Firm Transport: 301-15000	0.7125	0	0	0	0	0	0	0	0	0	0	0	0	0
66	Firm Transport: Over 15000	0.5550	17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
67	CLASS TOTAL (Mcf/month)		17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
68															
69	TRANSPORTATION (T-3)														
70	TRANSPORTATION BILLS	398.04	71	71	71	71	71	71	71	71	71	71	71	71	852
71	Trans Admin Fee		3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	\$42,600
72	EFM Fee		3,725	3,725	3,725	3,675	3,675	3,675	3,700	3,700	3,700	3,700	3,725	3,725	\$44,450
73	Parking Fee		344	381	382	138	263	349	306	446	410	233	234	287	\$3,773
74	Interrupt Transport: 1-15000	0.9031	442,263	455,145	420,178	381,934	409,164	427,012	445,673	475,364	500,663	495,071	453,481	483,454	5,389,404
75	Interrupt Transport: Over 15000	0.6805	224,860	231,862	227,598	184,238	213,257	206,757	248,923	254,791	274,088	301,139	242,440	279,340	2,889,295
76	CLASS TOTAL (Mcf/month)		667,123	687,007	647,776	566,172	622,421	633,769	694,597	730,155	774,752	796,210	695,921	762,794	8,278,699
77															
78	SPECIAL CONTRACTS														
79	TRANSPORTATION BILLS	375.00	14	14	14	14	14	14	14	14	14	14	14	14	167
80	Trans Admin Fee		650	650	650	650	650	650	650	650	650	650	650	650	\$7,800
81	EFM Fee		775	775	775	650	650	650	650	800	800	800	775	775	\$8,875
82	Parking Fee		8,223	4,727	4,258	2,029	2,635	2,262	4,989	4,624	15,795	6,226	6,312	7,403	\$69,484
83	Transported Volumes	Various	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
84	Charges for Transport Volumes		159,796	159,087	138,261	174,707	171,617	174,865	187,188	185,685	207,677	209,035	173,785	183,723	\$2,125,425
85	CLASS TOTAL (Mcf/month)		1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
86															
87	OTHER REVENUE														
88	Service Charges		\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$806,054
89	Late Payment Fees		\$154,728	\$111,173	\$76,089	\$58,231	\$53,684	\$54,035	\$53,461	\$67,434	\$110,916	\$163,043	\$195,126	\$200,044	\$1,297,964
90															
91	TOTAL GROSS PROFIT		\$7,697,206	\$6,705,840	\$6,058,096	\$5,782,302	\$5,897,232	\$5,852,374	\$6,328,765	\$7,794,983	\$9,546,764	\$10,521,842	\$10,489,941	\$9,344,814	\$92,020,159
92	Gas Costs		\$6,700,953	\$3,731,375	\$2,186,010	\$1,935,980	\$1,873,148	\$1,898,722	\$3,055,635	\$6,703,385	\$11,375,060	\$14,342,542	\$14,428,181	\$10,478,128	\$78,709,117
93	TOTAL REVENUE		\$14,398,159	\$10,437,215	\$8,244,106	\$7,718,282	\$7,770,380	\$7,751,095	\$9,384,400	\$14,498,368	\$20,921,824	\$24,864,383	\$24,918,122	\$19,822,942	\$170,729,276

ATMOS ENERGY CORPORATION - KENTUCKY
 SUMMARY OF REVENUE AT PROPOSED RATES
 TEST YEAR ENDING MAR, 31 2019

Line No.	Description	Block (Mcf)	Reference Period - Twelve Months Ending 06/30/2017				Forward-looking Adjustments To Test Year		Total Test Year Volumes (i)	Proposed Margin (j)	Proposed Revenue (k)
			Number of Bills, Units (a)	Volumes As Metered (b)	Contract Adj. Bills and Volumes (c)	Weather Adj. Volumes (NOAA 1997-2017) (d)	Total Volumes (e)	Customer Growth Forecast (f)			
1	<u>Sales</u>										
2	Firm Sales (G-1)	Customer Chrg	1,880,067					6,300		\$19.45	\$36,689,838
3		Customer Chrg	229,990		13					50.75	11,672,669
4		0 - 300		12,806,757	2,648	2,573,875	15,383,280	35,393		1.5700	24,207,317
5		301 - 15,000		992,822	(34,945)	66,416	1,024,292			0.9950	1,019,171
6		Over 15,000		0	0	0	0			0.7800	0
7	Interruptible Sales (G-2)	Customer Chrg	142		0					400.00	56,800
8		0 - 15,000		432,169	(75,000)		357,169			0.9350	333,953
9		Over 15,000		324,655	(266,795)		57,860			0.7059	40,843
10											
11	<u>Transportation</u>										
12	Customer Charges (T-4)	Customer Chrg	1,485		11					400.00	598,400
13	Customer Charges (T-3)	Customer Chrg	869		(17)					400.00	340,800
14	Customer Charges (SpK)	Customer Chrg	174		(7)					375.00	62,475
15	Transp. Adm. Fee	Customer Chrg	2,493		(13)					50.00	124,000
16	Parked Volumes [1]			757,887	0					0.10	75,789
17	EFM Charges									Various	130,600
18	Firm Transportation (T-4)	0 - 300		425,359	5,494		430,853		430,853	1.5700	676,439
19		301 - 15,000		5,289,535	151,171		5,440,706		5,440,706	0.9950	5,413,503
20		Over 15,000		1,178,385	(22,342)		1,156,043		1,156,043	0.7800	901,713
21	Economic Dev Rider (EDR)	301 - 15,000		0	0		0		0	0.7463	0
22		Over 15,000		212,615	0		212,615		212,615	0.5850	124,380
23	Interruptible Transportation (T-3)	0 - 15,000		5,227,792	161,611		5,389,403		5,389,403	0.9350	5,039,092
24		Over 15,000		2,598,044	291,250		2,889,294		2,889,294	0.7069	2,039,553
25	Total Special Contracts [2]			13,847,313	(24,300)		13,823,013		13,823,013	Various	2,125,425
26											
27	Total Tariff		2,112,727	43,335,446	188,792	2,640,291	46,164,529	41,693	0	46,199,922	91,672,760
28											
29	Other Revenues										806,054
30	Late Payment Fees										1,311,700
31	Total Gross Profit										93,790,514
32											
33	Gas Costs										78,709,117
34											
35	Total Revenue										\$ 172,499,631
36											
37	[1] Parked Volumes not included in Total Deliveries.										1,770,356
38	[2] Based on confidential information.										

ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
 TEST YEAR ENDING MAR, 31 2019
 PROPOSED RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
1	<u>RESIDENTIAL (Rate G-1)</u>														
2	FIRM BILLS	\$19.45	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,886,367
3	Sales: 1-300	1.5700	879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
4	Sales: 301-15000	0.9950	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
6	CLASS TOTAL (Mcf/month)		879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
7	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
8	Gas Costs		\$4,088,765	\$1,992,913	\$980,330	\$751,564	\$752,693	\$760,400	\$1,603,698	\$4,104,688	\$7,155,519	\$9,015,541	\$9,266,234	\$6,570,943	\$47,043,289
9															
10	<u>FIRM COMMERCIAL (Rate G-1)</u>														
11	FIRM BILLS	50.75	17,568	17,819	17,344	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	208,991
12	Sales: 1-300	1.5700	386,389	225,116	166,629	134,404	133,874	135,673	159,657	410,419	591,521	687,483	743,241	559,898	4,334,305
13	Sales: 301-15000	0.9950	37,898	31,059	10,686	23,928	25,621	22,661	59,029	7,867	60,743	117,608	90,338	63,709	551,149
14	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
15	CLASS TOTAL (Mcf/month)		424,287	256,176	177,315	158,332	159,495	158,334	218,687	418,286	652,264	805,092	833,579	623,608	4,885,453
16	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
17	Gas Costs		\$1,972,642	\$1,248,789	\$864,364	\$771,828	\$774,345	\$768,709	\$1,061,720	\$1,985,226	\$3,064,522	\$3,782,551	\$3,854,120	\$2,883,299	\$23,012,115
18															
19	<u>FIRM INDUSTRIAL (Rate G-1)</u>														
20	FIRM BILLS	\$50.75	195	212	205	183	208	193	189	204	196	222	210	212	2,429
21	Sales: 1-300	1.5700	20,329	14,723	10,418	7,904	9,535	9,831	8,995	15,108	34,045	43,047	36,370	31,835	242,140
22	Sales: 301-15000	0.9950	21,636	20,400	17,609	14,576	14,025	15,310	19,486	15,219	36,872	71,576	41,697	37,476	325,880
23	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
24	CLASS TOTAL (Mcf/month)		41,965	35,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
25	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
26	Gas Costs		\$195,106	\$171,215	\$136,625	\$109,583	\$114,380	\$122,057	\$138,271	\$142,483	\$333,187	\$538,533	\$360,949	\$320,468	\$2,682,859
27															
28	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>														
29	FIRM BILLS	\$50.75	1,509	1,576	1,536	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	18,583
30	Sales: 1-300	1.5700	69,347	43,888	26,023	24,549	25,476	23,786	36,752	76,400	111,646	127,758	142,235	107,984	815,843
31	Sales: 301-15000	0.9950	12,642	3,101	3,772	1,416	1,736	2,568	4,348	8,798	23,384	37,901	28,802	18,795	147,264
32	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
33	CLASS TOTAL (Mcf/month)		81,989	46,989	29,795	25,965	27,212	26,354	41,100	85,198	135,030	165,659	171,037	126,779	963,107
34	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
35	Gas Costs		\$381,194	\$229,060	\$145,242	\$126,572	\$132,111	\$127,947	\$199,541	\$400,285	\$634,411	\$778,312	\$790,803	\$586,171	\$4,531,650
36															
37	<u>INTERRUPTIBLE COMMERCIAL (G-2)</u>														
38	INT BILLS	400.00	3	4	2	2	2	2	2	3	3	3	3	3	32
39	Sales: 1-15000	0.9350	1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
40	Sales: Over 15000	0.7059	0	0	0	0	0	0	0	0	0	0	0	0	1
41	CLASS TOTAL (Mcf/month)		1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
42	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
43	Gas Costs		\$4,832	\$2,529	\$52	\$57	\$211	\$202	\$182	\$1,717	\$5,509	\$8,466	\$6,510	\$5,035	\$35,300
44															

ATMOS ENERGY CORPORATION - KENTUCKY
 BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
 TEST YEAR ENDING MAR, 31 2019
 PROPOSED RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
45	INTERRUPTIBLE INDUSTRIAL (G-2)														
46	INT BILLS	400.00	8	10	9	9	8	8	7	8	8	9	16	10	110
47	Sales: 1-15000	0.9350	17,346	24,178	16,531	41,347	27,820	28,622	14,615	26,033	40,531	50,531	35,051	24,184	346,791
48	Sales: Over 15000	0.7059	0	0	0	7,742	0	4,795	0	0	12,687	13,578	9,681	9,377	57,861
49	CLASS TOTAL (Mcf/month)		17,346	24,178	16,531	49,089	27,820	33,417	14,615	26,033	53,218	64,109	44,732	33,561	404,652
50	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
51	Gas Costs		\$58,413	\$86,870	\$59,396	\$176,375	\$99,407	\$119,406	\$52,224	\$88,986	\$181,911	\$219,138	\$149,564	\$112,213	\$1,403,903
52															
53	TRANSPORTATION (T-4)														
54	TRANSPORTATION BILLS	400.00	125	125	125	124	124	124	124	125	125	125	125	125	1,496
55	Trans Admin Fee		6,150	6,150	6,150	6,100	6,100	6,100	6,100	6,150	6,150	6,150	6,150	6,150	\$73,600
56	EFM Fee		6,500	6,500	6,450	6,325	6,350	6,350	6,400	6,475	6,475	6,475	6,475	6,500	\$77,275
57	Parking Fee		88	175	100	53	155	121	68	74	801	203	337	356	\$2,532
58	Firm Transport: 1-300	1.5700	36,160	35,373	34,587	34,058	34,020	34,597	35,639	36,965	37,500	37,314	37,440	37,200	430,853
59	Firm Transport: 301-15000	0.9950	409,697	411,958	388,789	355,836	384,302	391,368	425,416	489,287	582,420	583,961	498,167	519,504	5,440,706
60	Firm Transport: Over 1500	0.7800	70,793	79,054	91,645	57,209	80,380	70,462	69,759	94,195	144,848	142,733	114,808	140,157	1,156,043
61	CLASS TOTAL (Mcf/month)		516,649	526,385	515,021	447,104	498,701	496,428	530,814	620,447	764,768	764,008	650,415	696,861	7,027,602
62															
63	ECONOMIC DEV RIDER (EDR)														
64	Firm Transport: 1-300	1.1505	0	0	0	0	0	0	0	0	0	0	0	0	0
65	Firm Transport: 301-15000	0.7125	0	0	0	0	0	0	0	0	0	0	0	0	0
66	Firm Transport: Over 15000	0.5550	17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
67	CLASS TOTAL (Mcf/month)		17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
68															
69	TRANSPORTATION (T-3)														
70	TRANSPORTATION BILLS	400.00	71	71	71	71	71	71	71	71	71	71	71	71	852
71	Trans Admin Fee		3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	\$42,600
72	EFM Fee		3,725	3,725	3,725	3,675	3,675	3,675	3,700	3,700	3,700	3,700	3,725	3,725	\$44,450
73	Parking Fee		344	381	382	138	263	349	306	446	410	233	234	287	\$3,773
74	Interrupt Transport: 1-15000	0.9350	442,263	455,145	420,178	381,934	409,164	427,012	445,673	475,364	500,663	495,071	453,481	483,454	5,389,404
75	Interrupt Transport: Over 15000	0.7059	224,860	231,862	227,598	184,238	213,257	206,757	248,923	254,791	274,088	301,139	242,440	279,340	2,889,295
76	CLASS TOTAL (Mcf/month)		687,123	687,007	647,776	566,172	622,421	633,769	694,597	730,155	774,752	796,210	695,921	762,794	8,278,699
77															
78	SPECIAL CONTRACTS														
79	TRANSPORTATION BILLS	375.00	14	14	14	14	14	14	14	14	14	14	14	14	167
80	Trans Admin Fee		650	650	650	650	650	650	650	650	650	650	650	650	\$7,800
81	EFM Fee		775	775	775	650	650	650	800	800	800	775	775	775	\$8,875
82	Parking Fee		8,223	4,727	4,258	2,029	2,635	2,262	4,989	4,624	15,795	6,226	6,312	7,403	\$69,484
83	Transported Volumes	Various	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
84	Charges for Transport Volumes		159,796	159,087	138,261	174,707	171,617	174,865	187,188	185,685	207,677	209,035	173,785	183,723	\$2,125,425
85	CLASS TOTAL (Mcf/month)		1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
86															
87	OTHER REVENUE														
88	Service Charges		\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$806,054
89	Late Payment Fees		\$155,894	\$112,133	\$76,936	\$59,046	\$54,506	\$54,844	\$54,353	\$68,584	\$112,384	\$164,710	\$196,830	\$201,478	\$1,311,700
90															
91	TOTAL GROSS PROFIT		\$7,845,937	\$6,831,579	\$6,169,650	\$5,888,945	\$6,005,336	\$5,959,651	\$6,446,428	\$7,942,408	\$9,732,831	\$10,733,065	\$10,701,543	\$9,526,763	\$93,784,135
92	Gas Costs		\$6,700,953	\$3,731,375	\$2,186,010	\$1,935,980	\$1,873,148	\$1,898,722	\$3,055,635	\$6,703,385	\$11,375,060	\$14,342,542	\$14,428,181	\$10,478,128	\$78,709,117
93	TOTAL REVENUE		\$14,546,890	\$10,552,953	\$8,355,660	\$7,824,924	\$7,878,484	\$7,858,373	\$9,502,063	\$14,645,793	\$21,107,891	\$25,075,607	\$25,129,723	\$20,004,891	\$172,493,252

Line No.	Billing Component	Applicable Tariffs	Current Base Rates	Current ERP Rate	Current Total Rate	Proposed Rate	Filed/Proposed Rates	Existing Component	Current Rate	After Hrs	Proposed Rate	After Hrs
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1 CUSTOMER CHARGES - Month												
2	Firm Services - Residential	G-1	\$0.0900	\$0.0000	\$0.0900	\$19.45			\$19.45		\$19.45	
3	Firm Services - Non-Residential	G-1	\$0.0900	\$0.0000	\$0.0900	\$49.74			\$49.74		\$49.74	
4	Interruptible Sales	G-2	\$0.0900	\$0.0000	\$0.0900	\$383.35			\$383.35		\$383.35	
5	Firm Transportation	T-4	\$0.0900	\$0.0000	\$0.0900	\$409.00			\$409.00		\$409.00	
6	Interruptible Transportation	T-3	\$0.0900	\$0.0000	\$0.0900	\$386.04			\$386.04		\$386.04	
7 DISTRIBUTION CHARGES, \$/Mcf W/O FRP>												
8	Firm Sales	G-1	\$0.0900	\$0.0000	\$0.0900	\$15.240			\$15.240		\$15.240	
9	1-3000 Mcf		\$0.0900	\$0.0000	\$0.0900	\$1.5700			\$1.5700		\$1.5700	
10	301-19100 Mcf		\$0.0900	\$0.0000	\$0.0900	\$0.9950			\$0.9950		\$0.9950	
11	Over 19100		\$0.0900	\$0.0000	\$0.0900	\$0.7900			\$0.7900		\$0.7900	
12	Firm Transportation	T-4	\$0.0900	\$0.0000	\$0.0900	\$1.6200			\$1.6200		\$1.6200	
13	1-300 Mcf		\$0.0900	\$0.0000	\$0.0900	\$1.0000			\$1.0000		\$1.0000	
14	301-19100 Mcf		\$0.0900	\$0.0000	\$0.0900	\$0.6600			\$0.6600		\$0.6600	
15	Over 19100		\$0.0900	\$0.0000	\$0.0900	\$0.7800			\$0.7800		\$0.7800	
16	Interruptible Sales	G-2	\$0.0900	\$0.0000	\$0.0900	\$0.9950			\$0.9950		\$0.9950	
17	1-3000 Mcf		\$0.0900	\$0.0000	\$0.0900	\$0.9950			\$0.9950		\$0.9950	
18	Over 19100		\$0.0900	\$0.0000	\$0.0900	\$0.7850			\$0.7850		\$0.7850	
19	Interruptible Transportation	T-3	\$0.0900	\$0.0000	\$0.0900	\$0.9000			\$0.9000		\$0.9000	
20	1-19100 Mcf		\$0.0900	\$0.0000	\$0.0900	\$0.9000			\$0.9000		\$0.9000	
21	Over 19100		\$0.0900	\$0.0000	\$0.0900	\$0.7850			\$0.7850		\$0.7850	
22 OTHER CHARGES												
23	Transp. Adm. Fee, \$/Mcf	T-2, T-3, T-4	\$0.00	\$0.00	\$0.00	\$0.00			\$0.00		\$0.00	
24	Parking, \$/Mcf	T-1, T-3	0.10	0.10	0.10	0.10			0.10		0.10	
25												
26 SUMMARY OF PROPOSED VS. CURRENT RATES:												
27			Current	Proposed	% Change	Current	Proposed	% Change	Current	Proposed	% Change	
28	Total Class		35,894,165	35,894,165	2.06%	10,380,416	10,741,425	2.39%	10,380,416	10,741,425	2.39%	1,066,009
29	Residential		4,052,272	4,052,272	2.06%	7,712,415	7,352,252	-2.52%	17,597,527	17,958,245	391,718	2,19%
30	Commercial Firm		120,818	120,818	2.06%	681,029	704,410	3.49%	681,029	627,362	-53,667	-2,29%
31	Industrial Firm		94,310	94,310	2.06%	1,351,044	1,427,491	2.59%	2,315,722	2,370,489	54,767	2,39%
32	Public Authority Firm		55,356	55,356	1.89%	354,258	374,739	2.89%	402,153	431,589	29,436	2,72%
33	Central Interruptible		93,273	93,273	0.00%	14,025,830	14,156,392	1.19%	15,202,088	15,371,732	169,644	1,12%
34	Transportation		62,475	62,475	0.00%	2,125,425	2,125,425	0.00%	2,274,000	2,274,000	0	0.00%
35	Special Contracts		48,445,114	48,445,114	2.01%	330,389	330,389	0.00%	89,916,128	91,668,388	1,752,260	1,95%
36	Subtotal Revenue		975,851	975,851		7,192,244	7,192,244		32,002,147	32,002,147	0	0.00%
37	Other Gas Revenue					51%						
38	Total Revenue											
39	41 % Road											
40												
41												

	Current Rev	Prop Rev	Increase	Increase %	Customers	Increase/month	Met	157,977 Total Class	209-00354
Residential	98,377,919	99,474,552	1,096,633	1.11%	157,977	6.58	10,026,888	17,416 Residential	33,844,620
Com Firm	46,579,742	40,571,690	391,118	0.87%	17,416	1.86	4,895,463	202 Commercial Firm	11,206,759
Com Int	57,323	57,605	482	0.84%	3	15.07	10,380	1,549 Industrial Firm	591,254
Com Total	46,637,065	41,029,485	392,400	0.87%	17,419	1.86	4,895,834	12 Public Authority Firm	1,779,837
Ind Firm	3,494,707	3,610,541	26,834	0.76%	202	10.64	568,020	710 Confid Intercable	199,998
Ind Int	1,602,754	1,612,597	10,844	0.67%	9	99.87	464,892	Special Contracts	1,392,333
Ind Total	5,097,461	5,223,138	38,788	0.76%	212	14.46	972,672	Sub-ent Revenue	57,251,068
PA	6,647,372	6,802,138	154,766	2.33%	1,549	2.96	662,107	Other Gas Revenues	2,430,422
Transp.	17,403,166	17,665,791	262,625	1.51%	210	67.46	29,341,825	Total Revenue	55,741,967
Other	2,104,018	2,117,754	13,736	0.65%					
Total	170,729,264	172,493,238	1,763,976	1.03%	176,589	6.69	46,399,827		
Residential	98,377,919	99,474,552	1,096,633	1.11%	157,977	6.58	5.3	52.75	
Ind & Transp	22,762,889	22,893,330	296,441	0.9%	421	40.85	5,099	4,564.14	
Com & PA	47,489,457	47,595,404	447,168	0.9%	18,967	1.96	26.7	216.59	
Other	2,104,018	2,117,754	13,736	0.7%					
Total	170,729,264	172,493,238	1,763,976	1.0%	176,588	6.69	Avg Mo Usage, Met Avg	Current Mo Bill	

Residential	\$19,081	\$19,445
Customer Charge	\$1,930	\$1,930
Distribution Rate	5.3	5.3
Usage	\$513	\$532
Subscription Charge	\$0.053	\$0.053
Com Firm	\$21,024	\$21,024
Gas Cost Charge	\$48.53	\$48.51
Total	48.35	49.4

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Total	48.35	49.4

Current EDR Ra Proposed EDR

	13.25	1.78	Nov 2016 GCA	Current	Prop	% Change	Applicable Tariffs	Current Rate	Proposal X
OVERRUN CHARGES, \$/Mcf									
Firm Carriage Overrun	13.25	1.78					G-1, LUS-1, T-2/C-1, T-4	1.8240	1.5700
1-300 Mcf	30	5.7						0.5900	0.5900
301-15000 Mcf	300	44.07						0.7480	0.7500
Over 15000	300	28.33						0.8580	0.8580
1-15000 Mcf							G-2, LUS-2, T-2/C-2, T-3	0.8580	0.7550
Over 15000								0.6444	
Firm Carriage Overrun									
1-300 Mcf									
301-15000 Mcf									
Over 15000									
1-15000 Mcf									
Over 15000									
1-15000 Mcf	1.19	0.83					G-1		\$19.45
Over 15000	0.7125	0.0851					G-1, LUS-1, T-2/C-1		50.75
0.8550	0.0423						G-2, LUS-2		400.00
							T-4, T-3		400.00
							(Proposed Only)		
							G-1 (Non-Residential)		1.5700
							LUS-1, T-2/C-1, T-4		0.8580
									0.7480
							G-2, LUS-2, T-2/C-2, T-3		1.1188
									0.8888

	13.25	1.78	Nov 2016 GCA	Current	Prop	% Change	Applicable Tariffs	Current Rate	Proposal X
CUSTOMER CHARGES, \$/month									
Firm Services - Residential									
Firm Services - Non-Residential									
Intangible Services									
Carriage Transportation									
All Mcf									
0.64%									
0.69%									
0.85%									
3.28%									
-1.02%									
-0.40%									
0.71% Int. Sales & Transportation									
0.61% 1-15000 Mcf									
3.53%									
3.73%									
Total Increase									
Total Increase %									
Residential Incr									
Residential Incr%									
ComPFA Incr									
ComPFA Incr%									
Indirect Incr									
Indirect Incr %									
Transp Incr									
Transp Incr %									
Total % Volumetric Weight Contribution									
1.11% Res									
0.94% ComPFA									
0.70% Indirect									
0.87% Transp & SC									
0.81% Indirect/Transp/SC									

	13.25	1.78	Nov 2016 GCA	Current	Prop	% Change	Applicable Tariffs	Current Rate	Proposal X
GAS COST									
47,843,288	1.11%	388,088	2.46						
23,012,115	0.97%	152,248	7.59						
2,882,688	0.14%	5,085	30.11						
4,511,690	0.85%	17,465	11.27						
1,459,203	0.65%	3,178	263.88						
15,202,068	1.12%	113,182	620.08						
2,274,060	0.07%	18,745							
78,705,117	1.03%								

PRP @
survivors

33,845,620
11,208,759
601,224
1,778,937
156,988
8,279,333
1,392,369
57,251,686

Rev @ Pres
Deaths

51,334,630
17,697,627
801,848
2,315,722
430,153
16,302,066
2,274,090
88,016,128

2,104,018
92,020,147

Customer	Premise	Comment	Service	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Customer 1	89521	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		673	5	1,143									1,625
		T-3 > 15000 Mcf/mo					1,825	2,037	2,091	2,353	2,139	2,074	1,843	1,887	
Customer 2	89527	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		230	250	250	244	242	249	316	279	241	205	207	190
		T-4 > 15000 Mcf/mo													
Customer 3	82841	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		4,815	5,003	5,083	4,674	4,863	4,793	4,928	5,680	4,715	5,205	4,789	3,272
		T-4 > 15000 Mcf/mo		-	366	-	-	-	-	1,320	266	1,037	-	-	-
Customer 4	104739	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		1,388	1,291	1,089	1,601	1,982	2,229	2,699	1,980	1,568	1,237	1,034	817
		T-4 > 15000 Mcf/mo													
Customer 5	104745	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		110	109	102	104	116	145	210	162	106	89	91	98
		T-4 > 15000 Mcf/mo													
Customer 6	109359	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		101	195	191	202	236	162	298	278	218	183	205	198
		T-4 > 15000 Mcf/mo													
Customer 7	125928	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		257	53								2,312	1,139	1,922
		T-4 > 15000 Mcf/mo		2,106	2,374	2,360	2,477	2,387	2,489	3,510	2,912	2,561		1,333	369
Customer 8	142267	Decrease Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		(3,407)	(3,312)	(3,021)	(2,481)	(4,689)	(5,368)	(9,524)	(9,493)	(6,117)	(4,750)	(4,287)	(3,012)
		T-4 > 15000 Mcf/mo			(176)	(560)	(2,224)								
Customer 9	163794	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		728	736	729	786	824	788	809	928	880	811	724	719
		T-3 > 15000 Mcf/mo													
Customer 10	170399	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo					31	114			18		50	107	68
		T-4 301-15000 Mcf/mo		521	382	501	498	399	721	815	890	780	442	519	386
		T-4 > 15000 Mcf/mo													
Customer 11	170404	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		1,150	965	1,092	1,218	1,332	965	1,446	1,515	1,141	648	1,244	1,114
		T-4 > 15000 Mcf/mo													
Customer 12	224258	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		336	469	477	572	428	327	642	609	610	546	498	296
		T-3 > 15000 Mcf/mo													
Customer 13	239982	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		15,000	15,000	15,000	15,000	5,170	4,664	15,000	14,918	15,000	15,000	14,991	
		T-3 > 15000 Mcf/mo		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
Customer 15	170394	Plant Closing	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo									(1)	(1)	(1)	(1)	(1)
		T-3 > 15000 Mcf/mo													
Customer 25	Various	New Rate / New Load	Special Contract												
		Sp K Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-
		Sp K Volumes		(21,056)	(20,446)	(21,600)	(25,561)	7,752	7,648	8,373	8,252	8,393	8,073	8,338	7,341
		Sp K Rate													
		Sp K Distr. Charge		62,169	59,645	63,289	69,456	35,954	50,564	45,474	33,924	32,355	16,291	9,377	5,902
Customer 26	177358A	Plant Closing	T4												
		T-4 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(297)	(1)
		T-4 301-15000 Mcf/mo		(1,494)	(2,120)	(1,905)	(2,380)	(3,782)	(7,623)	(5,326)	(2,005)	(2,569)	(844)	-	-
		T-4 > 15000 Mcf/mo													
Customer 27	40-170402	Alternative source	G2												
		G-2 Bill													
		G-2 0-15000 Mcf/mo								(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	

G-2 > 15000 Mcf/mo

(34,899) (90,742) (30,630) (38,094) (72,430)

Customer	Account	Category	1	2	3	4	5	6	7	8	9	10	11	12
Customer 28	8000113860	Moved to G-1	T3											
	T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	T-3 0-15000 Mcf/mo		-	-	(2)	-	(89)	(654)	(403)	(326)	(376)	-	(1)	(1)
	T-3 > 15000 Mcf/mo													
Customer 28	8000113860	Moved from T3	G1											
	G-1 Bill		1	1	1	1	1	1	1	1	1	1	1	1
	G-1 0-300 Mcf/mo		-	-	2	-	89	654	403	326	376	-	-	-
	G-1 301-15000 Mcf/mo													
	G-1 > 15000 Mcf/mo													
Customer 29	400264749	Moved to G-1	T4											
	T-4 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	T-4 0-300 Mcf/mo		(145)	(150)	(127)	(154)	(300)	(300)	(300)	(211)	(218)	(58)	(63)	(70)
	T-4 301-15000 Mcf/mo						(162)	(232)	(98)					
	T-4 > 15000 Mcf/mo													
Customer 30	400264749	Moved from T4	G1											
	G-1 Bill		1	1	1	1	1	1	1	1	1	1	1	1
	G-1 0-300 Mcf/mo		145	150	127	154	300	300	300	211	218	58	63	70
	G-1 301-15000 Mcf/mo						162	232	98					
	G-1 > 15000 Mcf/mo													
Customer 31	8000138458	Moved to T4	G1											
	G-1 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	G-1 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
	G-1 301-15000 Mcf/mo		(361)	(42)	(1,267)	(1,542)	(2,767)	(4,630)	(5,222)	(5,329)	(3,814)	(4,193)	(4,268)	
	G-1 > 15000 Mcf/mo													
Customer 31	8000138458	Moved from G1	T4											
	T-4 Bill		1	1	1	1	1	1	1	1	1	1	1	1
	T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
	T-4 301-15000 Mcf/mo		662	198	1,981	2,381	4,165	6,876	7,738	7,894	5,689	6,240	6,350	2,043
	T-4 > 15000 Mcf/mo													
Customer 32		New Customer	T4											
	T-4 Bill		1	1	1	1	1	1	1	1	1	1	1	1
	T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
	T-4 301-15000 Mcf/mo		1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	T-4 > 15000 Mcf/mo													
Customer 34		New Customer	T4											
	T-4 Bill		1	1	1	1	1	1	1	1	1	1	1	1
	T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
	T-4 301-15000 Mcf/mo		950	950	950	950	950	950	950	950	950	950	950	950
	T-4 > 15000 Mcf/mo													
Summary														
	G-1 Bill		1	1	1	1	1	1	1	1	1	1	1	2
	G-1 0-300 Mcf/mo		(155)	(150)	(171)	(146)	89	654	403	237	294	(242)	(237)	70
	G-1 301-15000 Mcf/mo		(361)	(42)	(1,267)	(1,542)	(2,605)	(4,398)	(6,124)	(5,329)	(3,814)	(4,193)	(4,268)	-
	G-1 > 15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-	-
	G-2 Bill		-	-	-	-	-	-	-	-	-	-	-	-
	G-2 0-15000 Mcf/mo		-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	-
	G-2 > 15000 Mcf/mo		-	-	-	-	-	-	(34,899)	(90,742)	(30,630)	(38,094)	(72,430)	-
	T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)
	T-3 0-15000 Mcf/mo		16,737	16,210	17,346	16,357	6,333	5,125	16,048	16,129	16,114	18,357	16,213	2,641
	T-3 > 15000 Mcf/mo		25,000	25,000	26,000	26,825	27,037	27,091	27,353	27,139	27,074	26,843	26,887	-
	T-4 Bill		1	1	1	1	1	1	1	1	1	1	1	-
	T-4 0-300 Mcf/mo		455	450	473	477	414	300	300	407	382	592	647	597
	T-4 301-15000 Mcf/mo		6,982	5,664	8,013	8,712	12,041	10,936	15,877	19,323	14,539	18,366	18,227	12,690
	T-4 > 15000 Mcf/mo		2,106	2,565	1,800	253	(2,302)	(2,879)	(4,694)	(6,315)	(2,528)	(4,750)	(2,954)	(2,643)
	EDR Bill		-	-	-	-	-	-	-	-	-	-	-	-
	EDR 0-300 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-	-
	EDR 301-15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-	-
	EDR > 15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-	-
	Sp K Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-
	Sp K Volumes		(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338	7,341
	Sp K Rate		-	-	-	-	-	-	-	-	-	-	-	-
	Sp K Distr. Charge		62,169	59,645	63,289	69,456	35,854	50,584	45,474	33,924	32,355	16,291	9,377	5,902

- 5 Expansions/Load Additions
- 3 Load Reductions
- 6 New Customers
- 3 Closings
- 3 Service Changes

Test Year	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
Residential													
Customers	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,886,367
Mcf	879,434	406,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,008	1,918,900	2,004,126	1,421,181	10,028,386
Commercial & Public Authority													
Customers	19,077	19,385	18,880	18,544	18,742	18,396	18,332	18,756	19,086	19,426	19,436	19,504	227,574
Mcf	506,276	303,165	207,110	184,297	186,707	184,688	259,787	503,484	787,284	970,750	1,004,616	750,386	5,848,560
Firm Industrial													
Customers	195	212	205	183	208	193	189	204	196	222	210	212	2,429
Mcf	41,965	36,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
Interruptible & Transportation													
Customers	221	224	221	220	219	219	218	221	221	222	229	223	2,657
Mcf	2,285,076	2,329,889	2,078,405	2,208,828	2,281,988	2,294,445	2,440,883	2,564,420	2,952,460	3,013,490	2,548,772	2,728,302	29,756,956

	Residential	Commercial & Public Authority	Firm Industrial	Interruptible & Transportation	Total
Base Load per Customer (Jul & Aug)	1.01	10.00	121.37	10,452	
Total Base Load per year	1,900,000	2,275,830	294,853	27,765,875	
Average Daily Base Load per Customer	0.03311	0.32878	3.99033	343.61615	
Heating Load Per Year	8,126,386	3,572,739	273,167	1,991,081	
Annual HDDs	3,959	3,959	3,959	3,959	
Heating Load per Customer per HDD	0.01308	0.04759	0.34083	2.27174	
Peak Design Day HDD	60	60	60	60	
Peak Day per Average Customer	0.81658	3.18390	24.44018	479.92054	
Total Class Peak Day, Mcf	128,364	60,381	4,948	106,246	299,939

ATMOS ENERGY CORPORATION - KENTUCKY
SERVICE CHARGES
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Rate	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	Meter Sets															
2	Regular Hours	\$34.00	96	92	138	294	553	421	175	112	138	83	98	108	88	92
3	After Hours	\$44.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	TOTAL Billed Orders		88	92	138	294	553	421	175	112	138	83	98	108	88	92
7	TOTAL Revenue		\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128
8																
9	Turn on															
10	Regular Hours	\$23.00	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857
11	After Hours	\$28.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	TOTAL Billed Orders		682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857
13	TOTAL Revenue		\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711
14																
15	Read															
16	Regular Hours	\$12.00	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489
17	After Hours	\$14.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	TOTAL Billed Orders		1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489
19	TOTAL Revenue		\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868
20																
21	Reconnect Delinquent Service															
22	Regular Hours	\$39.00	168	294	219	293	261	81	316	475	766	525	514	518	168	294
23	After Hours	\$47.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	TOTAL Billed Orders		168	294	219	293	261	81	316	475	766	525	514	518	168	294
25	TOTAL Revenue		\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466
26																
27	Seasonal Charge															
28	Regular Hours	\$65.00	0	0	11	120	163	24	0	2	0	0	3	0	0	0
25	After Hours	\$73.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	TOTAL Billed Orders		0	0	11	120	163	24	0	2	0	0	3	1	0	0
27	TOTAL Revenue		\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0
28																
29	Meter Test Charge															
30	Regular Hours	\$20.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	After Hours	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	TOTAL Billed Orders		0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	TOTAL Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34																
35																
36	Return Check Charge															
37	Regular Hours	\$25.00	177	200	193	180	192	239	276	252	353	232	266	249	177	200
38	After Hours	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	TOTAL Billed Orders		177	200	193	180	192	239	276	252	353	232	266	249	177	200
40	TOTAL Revenue		\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000
41																
42	SUBTOTAL - OTHER OPERATING REVENUE															
43			\$15,077	\$17,173	\$15,395	\$14,916	\$16,645	\$17,101	\$16,136	\$14,439	\$17,401	\$14,919	\$15,276	\$15,957	\$45,327	\$57,173
44	Late Payment Fee															
45	Rate	5%	\$16,450	\$18,976	\$16,587	\$15,916	\$16,269	\$16,977	\$15,122	\$16,240	\$16,832	\$14,946	\$16,165	\$16,074	\$59,150	\$54,439
46	TOTAL Revenue		\$94,787	\$107,149	\$106,982	\$139,191	\$189,813	\$190,872	\$209,255	\$234,679	\$267,953	\$199,337	\$161,392	\$132,076	\$104,477	\$111,612

Sep-17 (g)	Oct-17 (h)	Nov-17 (i)	Dec-17 (j)	Jan-18 (k)	Feb-18 (l)	Mar-18 (m)	Apr-18 (n)	May-18 (o)	Jun-18 (p)	Jul-18 (q)	Aug-18 (r)	Sep-18 (s)	Oct-18 (t)	Nov-18 (u)	Dec-18 (v)	Jan-19 (w)	Feb-19 (x)	Mar-19 (y)
138	294	553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
138	294	553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138
\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692
938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646
\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858
1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381
\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572
219	293	261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
219	293	261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766
\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874
11	120	163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	120	163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0
\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
193	180	192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
193	180	192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353
\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825
\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821
\$54,579	\$54,004	\$68,404	\$111,351	\$163,805	\$196,091	\$200,473	\$154,728	\$111,173	\$76,089	\$58,231	\$53,684	\$54,035	\$53,461	\$67,434	\$110,916	\$163,043	\$195,126	\$200,044
\$109,974	\$142,180	\$194,949	\$198,452	\$221,938	\$250,530	\$275,294	\$204,647	\$164,801	\$131,486	\$103,558	\$110,857	\$109,430	\$141,637	\$193,979	\$198,017	\$221,176	\$249,565	\$274,865

Apr-19 (aj)	May-19 (ak)	Jun-19 (al)	Jul-19 (am)	Aug-19 (an)	Sep-19 (ao)	Oct-19 (ap)	Nov-19 (aq)	Dec-19 (ar)	Jan-20 (as)	Feb-20 (at)	Mar-20 (au)	Apr-20 (av)	May-20 (aw)	Jun-20 (ax)	Jul-20 (ay)	Aug-20 (az)	Sep-20 (ba)	Oct-20 (bb)
83	98	108	88	92	138	294	553	421	175	112	138	83	98	108	88	92	138	294
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
83	98	108	88	92	138	294	553	421	175	112	138	83	98	108	88	92	138	294
\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996
430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731
\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813
911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220
\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640
525	514	518	168	294	219	293	261	81	316	475	766	525	514	518	168	294	219	293
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
525	514	518	168	294	219	293	261	81	316	475	766	525	514	518	168	294	219	293
\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427
0	3	1	0	0	11	120	163	24	0	2	0	0	3	1	0	0	11	120
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	3	1	0	0	11	120	163	24	0	2	0	0	3	1	0	0	11	120
\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
232	266	249	177	200	193	180	192	239	276	252	353	232	266	249	177	200	193	180
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
232	266	249	177	200	193	180	192	239	276	252	353	232	266	249	177	200	193	180
\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500
\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176
\$154,428	\$111,000	\$74,985	\$57,616	\$53,182	\$53,647	\$52,974	\$66,562	\$109,724	\$161,012	\$192,572	\$197,978	\$152,949	\$110,071	\$74,725	\$57,486	\$53,082	\$53,548	\$52,976
\$204,347	\$164,628	\$130,382	\$102,943	\$110,355	\$108,942	\$141,150	\$193,107	\$196,825	\$219,145	\$247,011	\$272,799	\$202,868	\$163,699	\$130,122	\$102,813	\$110,255	\$108,943	\$141,152

Nov-20 (bc)	Dec-20 (bd)	Jan-21 (be)	Feb-21 (bf)	Mar-21 (bg)	Apr-21 (bh)	May-21 (bi)	Jun-21 (bj)	Jul-21 (bk)	Aug-21 (bl)	Sep-21 (bm)	Oct-21 (bn)	Nov-21 (bo)	Dec-21 (bp)	Jan-22 (bq)	Feb-22 (br)	Mar-22 (bs)	Apr-22 (bt)	May-22 (bu)
553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138	83	98
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138	83	98
\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332
2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547
\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581
1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902
\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824
261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766	525	514
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766	525	514
\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,465	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046
163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0	0	3
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0	0	3
\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353	232	266
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353	232	266
\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650
\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628
\$66,535	\$109,616	\$160,800	\$192,295	\$197,443	\$152,574	\$109,849	\$74,810	\$57,553	\$53,145	\$53,634	\$53,062	\$66,553	\$109,888	\$161,224	\$192,813	\$197,882	\$152,903	\$110,076
\$193,080	\$196,717	\$218,933	\$246,734	\$272,264	\$202,493	\$163,477	\$130,207	\$102,880	\$110,318	\$109,029	\$141,236	\$193,198	\$196,989	\$219,357	\$247,262	\$272,703	\$202,822	\$163,704

Jun-22 (bv)	Jul-22 (bw)	Aug-22 (bx)	Sep-22 (by)	Oct-22 (bz)	Nov-22 (ca)	Dec-22 (cb)	Jan-23 (cc)	Feb-23 (cd)	Mar-23 (ce)	Apr-23 (cf)	May-23 (cg)	Jun-23 (ch)
108	88	92	138	294	553	421	175	112	138	83	98	108
0	0	0	0	0	0	0	0	0	0	0	0	0
108	88	92	138	294	553	421	175	112	138	83	98	108
\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672
603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603
0	0	0	0	0	0	0	0	0	0	0	0	0
603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603
\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869
947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947
0	0	0	0	0	0	0	0	0	0	0	0	0
947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947
\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364
518	168	294	219	293	261	81	316	475	766	525	514	518
0	0	0	0	0	0	0	0	0	0	0	0	0
518	168	294	219	293	261	81	316	475	766	525	514	518
\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202
1	0	0	11	120	163	24	0	2	0	0	3	1
0	0	0	0	0	0	0	0	0	0	0	0	0
1	0	0	11	120	163	24	0	2	0	0	3	1
\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
249	177	200	193	180	192	239	276	252	353	232	266	249
0	0	0	0	0	0	0	0	0	0	0	0	0
249	177	200	193	180	192	239	276	252	353	232	266	249
\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225
\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397
\$75,088	\$57,731	\$53,300	\$53,806	\$53,235	\$66,922	\$111,545	\$163,972	\$196,238	\$201,365	\$155,428	\$111,706	\$76,012
\$130,485	\$103,058	\$110,473	\$109,201	\$141,411	\$193,467	\$198,646	\$222,105	\$250,677	\$276,186	\$205,347	\$165,334	\$131,409

Atmos Energy - Kentucky
Actual & Normal Degree Days
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Month	Actual Ddays	Normal Ddays	Lagged Actual Mo. Ddays (1)	Lagged Normal Mo. Ddays (1)
	(a)	(b)	(c)	(d)	(e)
Basis: NOAA Normals for 1997-2017					
1	Jul-16	0	0	0	0
2	Aug-16	0	0	0	0
3	Sep-16	14	24	0	2
4	Oct-16	80	213	40	89
5	Nov-16	391	500	204	358
6	Dec-16	815	808	671	665
7	Jan-17	687	894	788	852
8	Feb-17	459	728	604	889
9	Mar-17	448	519	432	607
10	Apr-17	106	212	226	354
11	May-17	62	59	93	121
12	Jun-17	0	2	4	22
13					
14		3,062	3,959	3,062	3,959

- (1) Based upon 16th of previous month through 15th of billing month.
- (2) Per NOAA, as reported for stations in Paducah (34.7.0%), Evansville (24.0%), Louisville (4.4%), Lexington (13.9%) and Nashville (23.0%).

Source of Supply

Commodity Purchases	1,701,441	2,293,655	1,161,852	871,586	263,735	262,173	2,392,663	1,852,276	1,711,586	1,727,706	1,710,447	1,781,784	2,279,866
Local Production	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938
Storage (NW)	(1,309,530)	(1,309,530)	1,762,220	2,367,677	2,593,208	1,787,892	(1,309,530)	(1,309,530)	(1,309,530)	(1,309,530)	(1,309,530)	(1,309,530)	(1,309,530)
Storage (IN)	402,549	473,770	3,025,510	3,271,261	2,714,679	2,059,759	1,054,841	601,884	403,694	420,114	402,855	474,172	1,074,403
Total Supply Reconcilements													

Supply Cost

Demanded	\$929,598	\$922,462	\$1,387,713	\$4,705,894	\$3,916,261	\$2,671,733	\$1,520,888	\$849,429	\$770,544	\$502,299	\$894,443	\$851,757	\$1,453,930
Local Production	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639	\$5,639
Storage (NW)	\$51,443,531	\$53,041,074	\$73,016,724	\$83,743,279	\$91,738,022	\$84,352,822	\$63,888,413	\$50,748,413	\$4,822,171	\$5,072,228	\$5,072,228	\$5,187,578	\$8,161,791
Storage (IN)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commodity - Head	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231	\$145,231
Variable Pledge - Commodity	(3,877,939)	(5,965,288)	(4,000,720)	(2,092,787)	(3,023,137)	(5,023,137)	(3,877,939)	(3,877,939)	(3,877,939)	(3,877,939)	(3,877,939)	(3,877,939)	(3,877,939)
Storage	\$1,843,988	\$2,148,875	\$4,088,326	\$3,849,560	\$10,043,030	\$14,465,740	\$4,705,894	\$2,659,648	\$1,850,119	\$1,850,391	\$1,843,988	\$2,141,779	\$4,568,632
Total Supply Cost													

Collection of Demand Charges

Avs - Demand Charge	0.2245												
NC Charge - Int	1.4580												
NC Charge - Firm													
Collection by Month													

Commodity Gas Charge Firm

Commodity	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076	5,076
NC	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580	1,4580
Total (NC and Head)	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7
C5	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gas Charge (F)	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7	\$4,597.7

Quantity GCA Model

Commodity Firm	\$3.35	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33
NC Firm	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43	\$1.43
NC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PER Discount	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
PER Recovery	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gas Cost Comp-Firm	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
Commodity Int	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33
NC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CF Int	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21
PER Discount	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PER Recovery	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
Gas Cost Comp-Int	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04

HEADING

0.98% Platin Lease @	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
1 TO 5 TSTMW/Truck Var Transp	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315	\$0.0315
1 Delivered Cost	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
1 Gas Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

6,500,000 X Storage Reconciliation Balance

Storage - Full Plin	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888
Term Gas (NW)	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892
Term Gas (IN)	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730	646,730
Co Owned (NW)	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530
Co Owned (IN)													
Total (NW)	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888
Total (IN)													

Storage - As Adjusted

Term Gas (NW)	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115	324,115
Term Gas (IN)	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200	799,200
Co Owned (NW)	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530
Co Owned (IN)													
Total (NW)	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888
Total (IN)													
Term Gas (NW)	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888	168,888
Term Gas (IN)	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892	453,892
Co Owned (NW)	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530	1,309,530
Co Owned (IN)													
Total (NW)	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888	1,688,888
Total (IN)													
Base - Term Gas													
Base - Term Gas													
Base - Co Owned													

First Month of Reference Period: 7/31/2016
 Last Day of Reference Period: JULY 31, 2016
 Respective of Trial Period: 6/30/2017
 End of Trial Period: 2017 JUNE
 30/2018

1 JANUARY
 2 FEBRUARY
 3 MARCH
 4 APRIL
 5 MAY
 6 JUNE
 7 JULY
 8 AUGUST
 9 SEPTEMBER
 10 OCTOBER
 11 NOVEMBER
 12 DECEMBER

Fiscal Year	Residential			Commercial			Industrial			Public Authority		
	Workdays	Rate	Total	Workdays	Rate	Total	Workdays	Rate	Total	Workdays	Rate	Total
10/1/2016	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2017	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2018	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2019	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2020	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2021	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107
10/1/2022	157,647	1.549	243,947	17,419	1.549	269,716	212	1.549	328,108	972,670	883,107	883,107

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ATMOS ENERGY CORPORATION - KENTUCKY
SUMMARY OF RATES
TEST YEAR ENDING MAR, 31 2019

Line No.	Billing Component	Applicable Tariffs	Current Rate	Proposed Rate
	(a)	(b)	(c)	(d)
1	CUSTOMER CHARGES, \$/month			
2	Firm Services - Residential	G-1	\$19.49	\$19.45
3	Firm Services - Non-Residential	G-1	51.98	50.75
4	Interruptible Sales	G-2	396.49	400.00
5	Firm Transportation	T-4	396.43	400.00
6	Interruptible Transportation	T-3	395.37	400.00
7				
8	DISTRIBUTION CHARGES, \$/Mcf			
9	Firm Sales	G-1		
10	1-300 Mcf		\$ 1.4483	\$ 1.5700
11	301-15000 Mcf		0.8969	0.9950
12	Over 15000		0.6987	0.7800
13	Firm Transportation	T-4		
14	1-300 Mcf		\$ 1.6331	\$ 1.5700
15	301-15000 Mcf		1.0113	0.9950
16	Over 15000		0.7878	0.7800
17	Interruptible Sales	G-2		
18	1-15000 Mcf		\$ 0.8771	\$ 0.9350
19	Over 15000		0.6967	0.7059
20	Interruptible Transportation	T-3		
21	1-15000 Mcf		\$ 0.9003	\$ 0.9350
22	Over 15000		0.7142	0.7059
23				
24	OTHER CHARGES			
25	Transp. Adm. Fee, \$/Mcf	T-2, T-3, T-4	\$ 50.00	\$ 50.00
26	Parking, \$/Mcf	T-4, T-3	0.10	0.10
27				
28				
29				
30	SERVICE CHARGES			
31	Meter Set		\$ 34.00	\$ 44.00
32	Turn On		23.00	28.00
33	Read		12.00	14.00
34	Reconnect Delinquent Service		39.00	47.00
35	Seasonal Charge		65.00	73.00
36	Special Meter Reading Charge		-	N/A
37	Meter Test Charge		20.00	N/A
38	Returned Check Charge		25.00	N/A
39	Class 1 EFM Equipment Charge		75.00	N/A
40	Class 2 EFM Equipment Charge		175.00	N/A
41	Late Payment Charge		5.0%	5.0%

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Base Period	Jan-18	Feb-18	Mar-18	Apr-18	May-18
OPERATING REVENUE																		
<u>Sales of Gas</u>																		
4800 Residential	13,774,902	14,755,087	11,373,023	8,185,103	5,726,853	4,381,778	4,031,037	4,039,398	4,002,856	5,136,547	8,418,232	12,498,672	96,325,385	14,985,572	15,313,328	11,770,622	8,433,857	5,895,227
4811 Commercial	5,372,088	5,751,028	4,541,781	3,373,934	2,581,476	2,066,134	1,916,889	1,915,817	1,885,488	2,263,097	3,483,950	4,926,284	40,068,024	5,892,921	5,972,409	4,707,388	3,486,704	2,533,546
4812 Industrial	856,640	828,816	532,663	316,310	341,906	268,886	388,000	290,748	325,068	256,076	308,235	861,017	5,172,426	961,464	668,416	557,718	330,887	333,884
4820 Other - Public Authority	985,143	1,062,053	810,473	549,670	382,407	274,297	249,501	258,650	249,225	345,724	603,747	904,106	6,875,197	1,085,864	1,107,398	844,084	571,407	377,825
Total Sales of Gas	20,888,782	22,196,984	17,257,920	12,425,017	9,014,442	6,991,104	6,585,548	6,504,811	6,472,657	8,001,545	12,812,164	18,990,079	148,241,032	22,875,822	23,051,551	17,875,812	12,822,856	8,940,092
<u>Other Operating Income</u>																		
4870 Forfeited Discounts	150,373	179,082	191,878	148,790	107,705	77,142	59,820	55,150	55,296	54,704	68,925	111,273	1,280,136	163,056	194,932	199,215	154,099	111,115
4880 Misc. Service Revenues	58,133	54,439	74,821	49,919	63,628	65,397	45,327	57,173	55,395	88,176	126,545	87,101	806,054	58,133	54,439	74,821	49,919	53,628
4895-4896 Revenue From Transportation of Gas of Others	1,535,919	1,344,438	1,442,467	1,195,033	1,220,351	1,171,129	1,038,522	1,134,184	1,145,166	1,227,815	1,345,878	1,517,014	15,317,718	1,535,919	1,344,438	1,442,467	1,185,033	1,220,351
4950 Other Gas Revenue (Special Contracts)	221,820	186,431	197,461	174,354	170,149	146,830	182,593	180,609	183,337	198,387	196,668	229,832	2,270,571	221,820	186,431	197,461	174,354	170,149
Total Other Operating Income	1,968,044	1,764,389	1,906,625	1,568,095	1,551,833	1,452,499	1,326,552	1,427,017	1,439,194	1,568,582	1,738,017	1,945,220	19,854,477	1,978,727	1,780,239	1,813,964	1,573,404	1,555,242
Total Revenue	22,854,797	23,961,374	19,164,545	13,993,112	10,566,275	8,443,603	7,912,210	7,931,827	7,911,851	9,570,426	14,550,181	20,935,299	167,895,509	24,854,549	24,831,790	19,789,776	14,396,359	10,495,334
Purchased Gas Costs	12,594,803	13,647,832	9,912,060	6,311,309	3,812,686	2,308,856	2,049,742	1,952,678	1,979,941	3,180,899	6,763,241	11,476,716	75,990,762	14,470,752	14,481,068	10,524,210	6,700,853	3,731,375
Gross Profit	10,359,993	10,313,542	9,252,485	7,681,803	6,753,589	6,134,747	5,862,468	5,979,150	5,931,920	6,389,526	7,786,940	9,458,583	91,904,748	10,383,797	10,340,722	9,265,565	7,695,406	6,763,959
Storage Balance							9,050,756	13,028,689	16,993,977	20,994,686	18,901,909	13,878,112		7,064,990	(36,533)	(5,040,825)	(1,178,144)	2,839,752
Bad Debt Calculation based on Revenues										\$5,882,486	\$5,979,150	\$5,931,920		\$6,389,526	\$7,786,940	\$9,458,583		
Bad Debt Calculation based on Margin										527,059	1,807,760	3,526,663		3,994,270	2,553,762	(188,018)		
Eliminate										38,727.34	82,529.64	91,645.31		715,343.03	109,571.79	111,985.87		

Fiscal Year	Fiscal Years														
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19						
4,335,203	3,896,722	4,015,956	3,879,147	5,060,150	8,383,215	12,460,259	14,902,968	18,290,777	11,795,186	88,329,795	94,500,613	98,858,284	95,163,536	97,395,992	97,654,170
2,017,678	1,875,718	1,883,875	1,863,890	2,219,095	3,464,033	4,895,283	5,824,534	6,960,310	4,691,302	40,704,257	39,205,324	40,875,049	40,523,222	40,075,001	39,977,389
265,627	935,219	311,055	270,860	248,430	309,808	655,224	953,101	655,333	555,728	5,244,107	5,026,006	5,276,209	5,189,532	5,105,468	5,105,465
265,156	292,406	253,369	243,917	337,446	599,728	897,703	1,076,009	1,102,866	840,821	6,811,281	6,591,718	6,845,501	6,779,345	6,590,582	6,662,306
6,874,861	6,478,096	6,434,560	6,397,739	7,883,061	12,760,824	16,888,468	22,758,733	23,000,016	17,843,448	151,089,421	145,239,681	151,556,043	150,656,635	149,267,913	149,098,095
78,553	58,902	54,387	54,752	54,152	67,957	110,838	182,253	183,865	188,784	1,297,315	1,244,451	1,301,822	1,294,636	1,285,538	1,281,081
59,397	45,327	57,773	55,395	85,176	126,345	97,101	66,133	54,459	74,821	906,054	806,054	806,054	806,054	806,054	806,054
1,171,128	1,038,522	1,134,184	1,145,166	1,227,615	1,345,879	1,517,014	1,535,919	1,344,638	1,442,487	15,317,716	15,317,716	15,317,716	15,317,716	15,317,716	15,317,716
148,830	182,993	182,993	183,337	186,387	196,668	229,832	221,620	186,431	197,481	2,270,571	2,270,571	2,270,571	2,270,571	2,270,571	2,270,571
1,451,609	1,325,744	1,426,263	1,438,850	1,599,340	1,737,048	1,844,795	1,977,954	1,779,273	1,913,533	19,692,166	19,538,772	19,698,977	19,698,977	19,676,877	19,676,817
3,226,570	7,893,809	7,857,823	7,839,389	9,451,401	14,487,973	20,843,253	24,730,597	24,779,288	19,766,881	170,781,577	164,678,432	171,262,506	170,346,911	169,944,790	169,161,168
2,185,910	1,505,560	1,573,148	1,898,722	3,055,635	6,703,385	11,375,060	14,342,542	14,428,161	10,478,728	78,708,117	73,914,555	79,233,874	76,235,502	78,748,217	76,461,534
6,140,600	5,867,629	5,964,975	5,897,867	6,965,795	7,794,288	9,488,153	10,394,155	10,351,107	9,278,859	92,019,232	91,893,878	92,019,232	92,109,509	92,195,573	92,294,963
6,490,678	10,375,650	14,295,991	16,124,720	22,008,475	19,938,491	14,823,261	8,067,738	900,006	(4,156,777)						

Strong
13-month avg

7,595,406	6,763,990	6,140,560	5,667,629	5,854,675	5,937,667	6,395,765	7,794,288	8,488,193	10,394,155	72,442,459	92,102,424	92,220,509	92,317,625	92,420,332	92,420,332
(1,254,846)	(895,130)	(155,895)	69,636	411,090	1,856,620	3,072,428	2,596,867	842,214	(1,115,302)	5,170,565	#REF!	#REF!	#REF!	#REF!	#REF!
33,065,17	30,554,23	30,985,00	30,433,22	38,163,16	62,285,08	91,216,22	106,028,16	111,723,41	86,441,60	729,228,57	#REF!	#REF!	#REF!	#REF!	#REF!

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Base Period	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
CUSTOMERS																			
Residential	158,882	158,563	158,839	157,294	159,280	156,889	154,747	155,812	153,210	153,525	154,816	158,190	156,822	158,182	159,883	160,139	157,594	159,580	157,189
Commercial	17,877	17,893	17,941	17,571	17,823	17,346	17,026	17,151	16,874	16,780	17,203	17,538	17,419	17,877	17,893	17,941	17,571	17,823	17,346
Industrial	231	226	222	203	222	214	192	216	201	196	212	204	212	231	228	222	203	222	214
Other - Public Authority	1,552	1,546	1,566	1,509	1,576	1,536	1,520	1,593	1,524	1,554	1,556	1,551	1,549	1,552	1,546	1,566	1,509	1,576	1,536
Total	178,542	179,248	179,568	176,577	178,901	175,985	173,465	174,572	171,809	172,055	173,787	177,483	176,001	178,842	179,548	179,868	176,877	179,201	176,285
MCF (Cycle Bill Month)																			
Residential	1,911,617	1,996,539	1,415,818	877,744	408,055	200,720	153,877	154,737	156,317	329,876	871,851	1,520,107	9,997,160	1,915,258	2,000,325	1,418,508	879,434	408,824	201,104
Commercial	807,588	835,526	625,113	425,722	256,879	177,329	158,348	159,554	158,391	218,738	418,788	653,875	4,895,832	807,588	835,526	625,113	425,722	256,879	177,329
Industrial	178,732	122,800	102,873	58,310	59,301	44,559	71,569	51,380	58,558	43,096	58,359	124,135	972,670	178,732	122,800	102,873	59,310	59,301	44,559
Other - Public Authority	165,659	171,037	126,779	81,989	46,989	29,795	25,965	27,212	26,354	41,100	85,199	135,030	963,107	165,659	171,037	126,779	81,989	48,989	29,795
Total	3,063,576	3,125,902	2,270,583	1,444,766	771,224	452,403	409,759	392,882	399,619	632,610	1,432,297	2,433,148	16,828,769	3,067,217	3,129,688	2,273,273	1,446,455	771,993	452,787

Transportation

Customers

Tariff	196	196	196	196	196	196	196	195	195	195	196	196	196	196	196	196	196	196	196
Contract	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Total	210	210	210	210	210	210	209	209	209	209	210	210	209.55	210	210	210	210	210	210

Volume (Mcf)

Tariff	1,585,511	1,364,535	1,484,413	1,201,208	1,232,899	1,182,731	1,023,710	1,137,645	1,145,245	1,240,411	1,386,873	1,553,733	15,518,914	1,585,511	1,364,535	1,484,413	1,201,208	1,232,899	1,182,731
Contract	1,361,393	1,137,558	1,208,822	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	13,823,013	1,361,393	1,137,558	1,208,822	1,065,088	1,072,108	879,128
Total	2,946,904	2,502,093	2,693,235	2,266,295	2,305,008	2,061,859	2,159,723	2,254,109	2,260,971	2,426,216	2,587,885	2,897,630	29,341,927	2,946,904	2,502,093	2,693,235	2,266,295	2,305,008	2,061,859

Fiscal Years

Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	2018	2019	2020	2021	2022		
155,047	165,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	157,197	158,747	157,047	157,347	157,647	158,247	
17,026	17,151	16,874	16,780	17,203	17,538	17,877	17,893	17,941	17,419	17,419	17,419	17,419	17,419	17,419	
192	216	201	196	212	204	231	226	222	212	212	212	212	212	212	
1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,586	1,549	1,549	1,549	1,549	1,549	1,549	
173,785	174,872	172,109	172,355	174,087	177,783	179,142	179,848	180,168	176,376	175,926	176,226	176,526	176,826	177,426	
154,175	155,035	156,823	330,320	873,656	1,523,006	1,918,900	2,004,128	1,421,191	10,026,386	9,991,896	10,011,021	10,030,146	10,049,272	10,068,399	10,087,541
158,348	159,554	158,391	218,738	418,788	653,875	807,588	835,526	625,113	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832	4,895,832
71,569	51,380	58,558	43,096	56,359	124,136	178,732	122,800	102,673	972,670	972,670	972,670	972,670	972,670	972,670	972,670
25,965	27,212	26,354	41,100	85,198	135,030	165,659	171,037	126,779	963,107	963,107	963,107	963,107	963,107	963,107	963,107
410,057	393,181	399,925	633,254	1,434,002	2,436,046	3,070,859	3,133,489	2,275,946	16,857,995	16,823,506	16,842,630	16,861,756	16,880,882	16,900,008	16,919,150
									63.78	63.75	63.75	63.75	63.75	63.75	63.75
									281.07	281.07	281.07	281.07	281.07	281.07	281.07
									4,596.52	4,596.52	4,596.52	4,596.52	4,596.52	4,596.52	4,596.52
									621.93	621.93	621.93	621.93	621.93	621.93	621.93
									95.58	95.63	95.57	95.52	95.47	95.41	95.36
195	195	195	195	196	196	196	196	196	196	196	196	196	196	196	196
14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
209	209	209	209	210	210	210	210	210	210	210	210	210	210	210	210
1,023,710	1,137,645	1,145,245	1,240,411	1,366,873	1,553,733	1,595,511	1,364,535	1,484,413	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914	15,518,914
1,136,013	1,116,483	1,115,726	1,185,805	1,201,011	1,343,897	1,381,393	1,137,658	1,208,622	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013	13,823,013
2,159,723	2,254,109	2,260,971	2,426,216	2,567,885	2,897,630	2,946,904	2,502,093	2,693,235	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927	29,341,927
									79,313	79,313	79,313	79,313	79,313	79,313	79,313
									995,855	995,855	995,855	995,855	995,855	995,855	995,855
									140,024	140,024	140,024	140,024	140,024	140,024	140,024

ATMOS ENERGY CORPORATION - KENTUCKY
BILL FREQUENCY DATA
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
1	RESIDENTIAL (Rate G-1)																
2	FIRM BILLS	181,347	156,312	122,918	163,225	164,615	163,233	159,862	163,653	163,438	167,294	162,203	156,330	1,880,067		\$19.49	\$36,642,506
3	Sales: 1-300	170,227	149,215	115,332	151,441	152,714	151,230	149,067	152,421	152,447	157,272	152,244	146,336	8,157,164	1.4483		11,814,021
4	Sales: 301-15000	11,120	7,097	7,586	11,784	11,901	12,003	10,795	11,232	10,991	10,022	10,059	10,094	2,002	0.8969		1,796
5	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6987		0
6	CLASS TOTAL (Mcf/month)	170,127	140,916	165,573	192,346	405,260	1,413,308	1,939,311	1,422,158	1,037,179	766,770	307,282	198,936	1,880,067	8,159,166		\$48,458,322
7																	
8	FIRM COMMERCIAL (Rate G-1)																
9	FIRM BILLS	17,924	17,749	15,872	16,778	17,263	17,565	17,674	17,830	17,938	17,968	17,919	17,344	208,991		51.98	\$10,863,352
10	Sales: 1-300	139,570	116,760	15,317	15,466	136,467	523,871	752,803	677,788	433,541	221,626	175,219	143,288	3,719,669	1.4483		5,387,197
11	Sales: 301-15000	24,806	22,349	23,373	23,604	5,881	82,793	123,614	78,227	42,693	37,435	24,313	19,224	504,034	0.8969		452,068
12	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6987		0
13	CLASS TOTAL (Mcf/month)	164,536	139,129	177,284	211,576	202,292	601,706	887,213	648,007	486,218	352,150	200,532	153,062	208,991	4,223,703		\$16,702,617
14																	
15	FIRM INDUSTRIAL (Rate G-1)																
16	FIRM BILLS	162	207	32	188	206	135	22	230	25	42	214	203	2,416		\$51.98	\$125,600
17	Sales: 1-300	8,059	9,385	10,000	9,141	13,019	32,331	42,643	35,123	14,541	22,571	14,960	17,948	241,494	1.4483		349,756
18	Sales: 301-15000	14,937	14,367	18,577	21,026	17,824	5,232	76,785	61,325	10,236	23,823	24,366	17,623	358,623	0.8969		321,828
19	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6987		0
20	CLASS TOTAL (Mcf/month)	22,996	23,751	28,579	30,168	32,843	74,661	119,344	83,159	72,832	46,400	39,628	27,957	2,416	600,317		\$797,185
21																	
22	FIRM PUBLIC AUTHORITY (Rate G-1)																
23	FIRM BILLS	325	339	374	1,534	1,836	85	352	348	368	369	1,373	529	18,583		\$51.98	\$965,944
24	Sales: 1-300	21,326	20,893	27,325	27,082	42,387	103,721	138,785	105,235	84,536	62,631	36,310	23,327	688,429	1.4483		997,052
25	Sales: 301-15000	1,242	1,423	1,215	3,202	4,881	22,740	32,709	21,214	17,114	17,823	2,806	2,403	127,962	0.8969		114,769
26	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6987		0
27	CLASS TOTAL (Mcf/month)	22,770	22,306	30,940	30,263	47,268	125,481	169,584	126,273	99,254	75,300	39,523	27,430	18,583	816,392		\$2,077,766
28																	
29	INTERRUPTIBLE COMMERCIAL (G-2)																
30	INT BILLS	2	2	2	2	2	2	2	2	2	2	2	2	32		396.49	\$12,688
31	Sales: 1-15000	15	15	15	15	15	15	15	15	15	15	15	15	10,379	0.8771		9,103
32	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6967		0
33	CLASS TOTAL (Mcf/month)	16	59	56	51	502	1,612	2,477	1,947	1,506	1,435	704	15	32	10,379		\$21,791
34																	
35	INTERRUPTIBLE INDUSTRIAL (G-2)																
36	INT BILLS	9	8	8	7	8	6	6	6	6	6	6	5	110		396.49	\$43,614
37	Sales: 1-15000	41,347	29,878	22,322	14,615	26,033	40,531	62,551	30,051	63,194	22,245	39,173	15,284	421,790	0.8771		369,952
38	Sales: Over 15000	7,142	7,431	7,608	2,448	4,815	13,150	15,277	11,423	4,947	38,234	72,456	21,321	324,655	0.6967		226,187
39	CLASS TOTAL (Mcf/month)	49,089	27,820	33,417	14,615	26,033	53,218	114,008	150,474	79,191	70,440	111,608	16,531	110	746,445		\$639,753
40																	
41	TRANSPORTATION (T-4)																
42	TRANSPORTATION BILLS	22	22	22	22	22	22	22	22	22	22	22	22	1,485		396.43	\$588,699
43	Trans Admin Fee	37,351	36,636	35,653	35,653	35,136	35,136	35,136	35,136	35,136	35,136	35,136	35,136	73,050			73,050
44	EFM Fee	33,256	33,275	33,275	33,275	33,240	33,240	33,240	33,240	33,240	33,240	33,240	33,240	76,450			76,450
45	Parking Fee	552	513	512	528	534	534	534	534	534	534	534	534	2,532			2,532
46	Firm Transport: 1-300	33,555	38,971	34,124	35,152	36,551	37,281	37,044	37,044	36,814	36,814	36,735	33,930	425,359	1.6331		694,654
47	Firm Transport: 301-15000	246,354	276,536	263,356	418,704	477,246	571,404	569,224	472,644	394,355	248,131	208,773	176,999	5,289,535	1.0113		5,349,307
48	Firm Transport: Over 15000	33,743	7,915	15,582	15,572	15,253	14,722	15,227	12,722	14,686	74,445	22,013	44,286	1,178,385	0.7878		928,332
49	CLASS TOTAL (Mcf/month)	437,560	490,023	486,141	521,372	610,294	756,411	752,725	637,000	684,469	502,442	510,466	504,377	1,485	6,893,279		\$7,713,022
50																	
51	ECONOMIC DEV RIDER (EDR)																
52	Firm Transport: 1-300	0	0	0	0	0	0	0	0	0	0	0	0	0	1.0862		\$0
53	Firm Transport: 301-15000	0	0	0	0	0	0	0	0	0	0	0	0	0	0.6727		0
54	Firm Transport: Over 15000	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	17,435	19,507	19,934	212,615	0.5240		111,416
55	CLASS TOTAL (Mcf/month)	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	17,435	19,507	19,934	212,615			\$111,416
56																	

ATMOS ENERGY CORPORATION - KENTUCKY
SUMMARY OF REVENUE AT PRESENT RATES
TEST YEAR ENDING MAR, 31 2019

Line No.	Description	Block (Mcf)	Reference Period - Twelve Months Ending 06/30/2017				Forward-looking Adjustments To Test Year			Total Test Year Volumes (i)	Present Margin (j)	Present Revenue (k)
			Number of Bills, Units (a)	Volumes As Metered (b)	Contract Adj. Bills and Volumes (c)	Weather Adj. Volumes (NOAA 1997-2017) (d)	Total Volumes (e)	Customer Growth Forecast (f)	Conservation & Efficiency Adjustments (g)			
1	<u>Sales</u>											
2	Firm Sales (G-1)	Customer Chrg	1,880,067					6,300			\$19.49	\$36,765,293
3		Customer Chrg	229,990		13						51.98	11,955,573
4		0 - 300		12,806,757	2,648	2,573,875	15,383,280	35,393	0	15,418,673	1.4483	22,330,865
5		301 - 15,000		992,822	(34,945)	66,416	1,024,292	0	0	1,024,292	0.8989	918,688
6		Over 15,000		0	0	0	0	0	0	-	0.6987	0
7	Interruptible Sales (G-2)	Customer Chrg	142		0						396.49	56,302
8		0 - 15,000		432,169	(75,000)		357,169			357,169	0.8771	313,273
9		Over 15,000		324,655	(266,795)		57,860			57,860	0.6967	40,311
10												
11	<u>Transportation</u>											
12	Customer Charges (T-4)	Customer Chrg	1,485		11						396.43	593,059
13	Customer Charges (T-3)	Customer Chrg	869		(17)						395.37	336,855
14	Customer Charges (SpK)	Customer Chrg	174		(7)						354.06	58,986
15	Transp. Adm. Fee	Customer Chrg	2,493		(13)						50.00	124,000
16	Parked Volumes [1]			757,887	0						0.10	75,789
17	EFM Charges										Various	130,800
18	Firm Transportation (T-4)	0 - 300		425,359	5,494		430,853			430,853	1.6331	703,626
19		301 - 15,000		5,289,535	151,171		5,440,706			5,440,706	1.0113	5,502,186
20		Over 15,000		1,178,385	(22,342)		1,156,043			1,156,043	0.7878	910,730
21	Economic Dev Rider (EDR)	301 - 15,000		0	0		0			0	0.6727	0
22		Over 15,000		212,615	0		212,615			212,615	0.5240	111,416
23	Interruptible Transportation (T-3)	0 - 15,000		5,227,792	161,611		5,389,403			5,389,403	0.9003	4,852,080
24		Over 15,000		2,598,044	291,250		2,889,294			2,889,294	0.7142	2,063,534
25	Total Special Contracts [2]			13,847,313	(24,300)		13,823,013			13,823,013	Various	2,125,425
26												
27	Total Tariff		2,112,727	43,335,446	188,792	2,640,291	46,164,529	41,693	0	46,199,922		89,968,591
28												
29	Other Revenues											806,054
30	Late Payment Fees											1,297,815
31	Total Gross Profit											92,072,461
32												
33	Gas Costs											78,709,117
34												
35	Total Revenue											\$ 170,781,578
36												

37 [1] Parked Volumes not included in Total Deliveries.

38 [2] Based on confidential information.

ATMOS ENERGY CORPORATION - KENTUCKY
 VOLUME AND CONTRACT ADJUSTMENTS
 Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)	
1	<u>RESIDENTIAL (Rate G-1)</u>																	
2	FIRM BILLS													0			\$19.49	\$0
3	Sales: 1-300	0	0	41	905	146	28	274	337	737	(502)	36	0		2,002	1.4483	2,900	
4	Sales: 301-15000	0	0	(41)	(905)	(146)	(28)	(274)	(337)	(737)	502	(36)	0		(2,002)	0.8969	(1,796)	
5	Sales: Over 15000						0								0	0.6987	0	
6	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$1,104	
7																		
8	<u>FIRM COMMERCIAL (Rate G-1)</u>																	
9	FIRM BILLS																51.98	\$0
10	Sales: 1-300															1.4483	0	
11	Sales: 301-15000	0	0	0	2,056	(2,056)	0	0	0	0	0	0	0			0.8969	0	
12	Sales: Over 15000	0	0	0	(2,056)	2,056	0	0	0	0	0	0	0			0.6987	0	
13	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0	
14																		
15	<u>FIRM INDUSTRIAL (Rate G-1)</u>																	
16	FIRM BILLS	1	1	1	1	1	1	1	1	1	1	1	2	13		51.98	\$676	
17	Sales: 1-300	(155)	(150)	(171)	(146)	89	654	403	237	294	(242)	(237)	70		646	1.4483	936	
18	Sales: 301-15000	(361)	(42)	(1,267)	(1,542)	(2,605)	(4,398)	(5,124)	(5,329)	(3,814)	(4,193)	(4,268)	0		(32,943)	0.8969	(29,547)	
19	Sales: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.6987	0	
20	CLASS TOTAL (Mcf/month)	(516)	(192)	(1,438)	(1,688)	(2,516)	(3,744)	(4,721)	(5,092)	(3,520)	(4,435)	(4,505)	70	13	(32,297)		(\$27,935)	
21																		
22	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>																	
23	FIRM BILLS																51.98	\$0
24	Sales: 1-300														0	1.4483	0	
25	Sales: 301-15000														0	0.8969	0	
26	Sales: Over 15000														0	0.6987	0	
27	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0	
28																		
29	<u>INTERRUPTIBLE COMMERCIAL (G-2)</u>																	
30	INT BILLS																396.49	\$0
31	Sales: 1-15000														0	0.8771	0	
32	Sales: Over 15000														0	0.6967	0	
33	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		\$0	
34																		
35	<u>INTERRUPTIBLE INDUSTRIAL (G-2)</u>																	
36	INT BILLS	0	0	0	0	0	0	0	0	0	0	0	0	0		396.49	\$0	
37	Sales: 1-15000	0	0	0	0	0	0	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	0		(75,000)	0.8771	(65,783)	
38	Sales: Over 15000	0	0	0	0	0	0	(34,899)	(90,742)	(30,630)	(38,094)	(72,430)	0		(266,795)	0.6967	(185,876)	
39	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	(49,899)	(105,742)	(45,630)	(53,094)	(87,430)	0	0	(341,795)		(\$261,659)	

ATMOS ENERGY CORPORATION - KENTUCKY
VOLUME AND CONTRACT ADJUSTMENTS
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
40																	
41	<u>TRANSPORTATION (T-4)</u>																
42	TRANSPORTATION BILLS													11		396.43	\$4,361
43	Trans Admin Fee	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$0				550
44	EFM Fee	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$0				825
45	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
46	Firm Transport: 1-300	455	450	473	477	414	300	300	407	382	592	647	597		5,494	1.6331	8,972
47	Firm Transport: 301-15000	6,982	5,664	8,013	8,712	12,041	10,936	15,677	19,323	14,539	18,366	18,227	12,690		151,171	1.0113	152,880
48	Firm Transport: Over 15000	2,106	2,565	1,800	253	(2,302)	(2,879)	(4,694)	(6,315)	(2,529)	(4,750)	(2,954)	(2,643)		(22,342)	0.7878	(17,601)
49	CLASS TOTAL (Mcf/month)	9,544	8,678	10,287	9,442	10,153	8,357	11,283	13,415	12,392	14,207	15,920	10,644	11	134,323		\$149,986
50																	
51	<u>ECONOMIC DEV RIDER (EDR)</u>																
52	Firm Transport: 1-300	0	0	0	0	0	0	0	0	0	0	0	0		0	1.0862	\$0
53	Firm Transport: 301-15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.6727	0
54	Firm Transport: Over 15000	0	0	0	0	0	0	0	0	0	0	0	0		0	0.5240	0
55	CLASS TOTAL (Mcf/month)	0	0	0	0	0	0	0	0	0	0	0	0		0		\$0
56																	
57	<u>TRANSPORTATION (T-3)</u>																
58	TRANSPORTATION BILLS	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(17)		395.37	(\$6,721)
59	Trans Admin Fee	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)				(850)
60	EFM Fee	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$150)	(\$150)	(\$150)	(\$150)	(\$150)				(1,275)
61	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
62	Interrupt Transport: 1-15000	16,737	16,210	17,346	16,357	6,333	5,125	16,048	16,129	16,114	16,357	16,213	2,641		161,611	0.9003	145,499
63	Interrupt Transport: Over 15000	25,000	25,000	25,000	26,825	27,037	27,091	27,353	27,139	27,074	26,843	26,887	0		291,250	0.7142	208,011
64	CLASS TOTAL (Mcf/month)	41,737	41,210	42,346	43,183	33,370	32,217	43,401	43,268	43,188	43,200	43,100	2,641	(17)	452,861		\$344,663
65																	
66	<u>SPECIAL CONTRACTS</u>																
67	TRANSPORTATION BILLS	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0	0	0	0	0	(7)		354.06	(\$2,478)
68	Trans Admin Fee	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)	\$0	\$0	\$0	\$0	\$0				(350)
69	EFM Fee	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	(\$75)	\$0	\$0	\$0	\$0	\$0				(525)
70	Parking Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				0
71	Transported Volumes	(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338	7,341		(24,300)	Various	484,300
72	Charges for Transport Volumes	62,169	59,645	63,289	69,456	35,854	50,564	45,474	33,924	32,355	16,291	9,377	5,902				484,300
73	CLASS TOTAL (Mcf/month)	(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338	7,341	(7)	(24,300)		\$480,946

ATMOS ENERGY CORPORATION - KENTUCKY
 WEATHER ADJUSTMENT - BASE NOAA 1997-2017
 Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)	Number Of Bills (m)	Mcf (n)	Rate (o)	Total Revenue (p)
1	<u>RESIDENTIAL (Rate G-1)</u>																
2	FIRM BILLS													0		\$19.49	\$0
3	Sales: 1-300	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784		1,831,826	1.4483	2,653,034
4	Sales: 301-15000														0	0.8969	0
5	Sales: Over 15000														0	0.6987	0
6	CLASS TOTAL (Mcf/month)	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784	0	1,831,826		\$2,653,034
7																	
8	<u>FIRM COMMERCIAL (Rate G-1)</u>																
9	FIRM BILLS													0		51.98	\$0
10	Sales: 1-300	(5,266)	17,094	(16,238)	5,192	211,932	45,850	(70,125)	165,461	123,354	65,694	48,898	22,791		614,636	1.4483	890,177
11	Sales: 301-15000	(938)	3,272	(2,712)	1,919	4,062	4,708	(11,996)	20,111	14,036	6,443	6,746	1,462		47,114	0.8969	42,257
12	Sales: Over 15000														0	0.6987	0
13	CLASS TOTAL (Mcf/month)	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253	0	661,750		\$932,434
14																	
15	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>																
16	FIRM BILLS													0		-	\$0
17	Sales: 1-300	3,021	4,593	(4,139)	9,691	34,013	7,895	(3,027)	37,226	23,444	5,658	6,973	2,066		127,413	0.0000	0
18	Sales: 301-15000	174	313	(447)	1,146	3,917	1,654	(898)	7,538	4,081	1,031	493	299		19,302	0.0000	0
19	Sales: Over 15000														0	0.0000	0
20	CLASS TOTAL (Mcf/month)	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365	0	146,715		\$0

Atmos Energy - Kentucky
Normalization Of Volumes For Weather
Reference Period - Twelve Months Ending 06/30/2017
(Weather Basis: 20-years ending 2017)

Line	Month	Jul-16 (a)	Aug-16 (b)	Sep-16 (c)	Oct-16 (d)	Nov-16 (e)	Dec-16 (f)	Jan-17 (g)	Feb-17 (h)	Mar-17 (i)	Apr-17 (j)	May-17 (k)	Jun-17 (l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
5	<u>RESIDENTIAL (Rate G-1)</u>												
6													
7	Annual Customer Growth												
8	Annual Base Load Decline												
9	Annual Total Load Decline												
10													
11	Actual Constand Load	153,579	154,439	152,050	152,363	153,647	157,002	157,989	158,686	158,940	156,410	158,384	156,007
12	Actual Heat Load	16,548	(13,523)	13,523	39,982	251,613	1,256,306	1,781,322	1,263,472	878,239	610,361	148,898	42,929
13	Heat Load / Customer	0.107	(0.087)	0.088	0.261	1.628	7.957	11.212	7.917	5.495	3.880	0.935	0.274
14	Actual X Coefficient	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130
15	Product	0	0	0.0259	1.153	4.6377	8.6148	11.0373	11.5166	7.8634	4.5859	1.5675	0.285
16	Base Load	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944	0.9944
17	Normal Usage / Customer	0.9944	0.9944	1.0203	2.1474	5.6321	9.6092	12.0317	12.5110	8.8578	5.5803	2.5619	1.2794
18	No. of Customers	154,447	155,312	152,910	153,225	154,516	157,890	158,882	159,583	159,839	157,294	159,280	156,889
19	Normalized Volumes	153,579	154,439	156,011	329,032	670,246	1,517,193	1,911,617	1,996,539	1,415,818	877,744	408,056	200,720
20	Actual Volumes	170,127	140,916	165,573	192,346	405,260	1,413,308	1,939,311	1,422,158	1,037,179	766,770	307,282	198,936
21	Normalized Volume Including Unbilled	153,579	154,439	199,592	575,162	1,154,493	1,809,687	1,996,066	1,663,705	1,233,608	588,398	280,126	160,072
22	Normalized Calendar Volumes	153,888	154,750	199,993	576,319	1,156,817	1,813,329	2,002,088	1,667,053	1,236,091	589,582	280,689	160,394
23													
24	Weather Adjustment	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784
25													
26	Tier 1	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784
27	Tier 2												
28	Tier 3												
29	Total	(16,548)	13,523	(9,563)	136,686	464,986	103,885	(27,694)	574,381	378,639	110,974	100,773	1,784
30													
31													

Atmos Energy - Kentucky
 Normalization Of Volumes For Weather
 Reference Period - Twelve Months Ending 06/30/2017
 (Weather Basis: 20-years ending 2017)

Line	Month	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
32	<u>FIRM COMMERCIAL (Rate G-1)</u>												
33													
34	Annual Customer Growth												
35	Annual Base Load Decline												
36	Annual Total Load Decline												
37													
38	Actual Constand Load	158,332	159,495	156,919	156,044	159,969	163,085	166,238	166,386	166,833	163,392	165,726	161,308
39	Actual Heat Load	6,204	(20,366)	20,366	55,532	42,322	438,621	720,975	481,621	319,385	188,758	34,805	(8,247)
40	Heat Load / Customer	0.364	(1.188)	1.207	3.310	2.461	25.014	40.337	26.921	17.805	10.744	1.953	(0.475)
41	Actual X Coefficient	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
42	Product	0	0	0.0839	3.7336	15.0184	27.8973	35.7421	37.2942	25.4641	14.8506	5.076	0.9229
43	Base Load	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005	9.3005
44	Normal Usage / Customer	9.3005	9.3005	9.3844	13.0341	24.3189	37.1978	45.0426	46.5947	34.7646	24.1511	14.3765	10.2234
45	No. of Customers	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	17,568	17,819	17,344
46	Normalized Volumes	158,332	159,495	158,334	218,667	418,266	652,264	805,092	833,580	623,608	424,287	256,175	177,315
47	Actual Volumes	164,536	139,129	177,284	211,576	202,292	601,706	887,213	648,007	486,218	352,150	200,532	153,062
48	Normalized Volume Including Unbilled	158,332	159,495	173,906	305,964	520,746	757,455	836,584	712,750	557,387	319,634	209,830	162,764
49	Normalized Calendar Volumes	158,677	159,842	174,284	306,630	521,879	759,103	838,404	714,301	558,600	320,329	210,287	163,118
50													
51	Weather Adjustment	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253
52													
53	Tier 1	(5,266)	17,094	(16,238)	5,192	211,932	45,850	(70,125)	165,461	123,354	65,694	48,898	22,791
54	Tier 2	(936)	3,272	(2,712)	1,919	4,062	4,708	(11,996)	20,111	14,036	6,443	6,746	1,462
55	Tier 3	-	-	-	-	-	-	-	-	-	-	-	-
56	Total	(6,204)	20,366	(18,950)	7,111	215,994	50,558	(82,121)	185,572	137,390	72,137	55,644	24,253
57													
58													

Atmos Energy - Kentucky
 Normalization Of Volumes For Weather
 Reference Period - Twelve Months Ending 06/30/2017
 (Weather Basis: 20-years ending 2017)

Line	Month	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Lagged Actual HDDs	0	0	0	40	204	671	788	604	432	226	93	4
2	Lagged Normal HDDs	0	0	2	89	358	665	852	889	607	354	121	22
3	Calendar Normal HDDs	0	0	24	213	500	808	894	728	519	212	59	2
4													
59	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>												
60													
61	Annual Customer Growth												
62	Annual Base Load Decline												
63	Annual Total Load Decline												
64													
65	Actual Constand Load	25,965	27,212	26,033	26,546	26,580	26,495	26,512	26,409	26,751	25,777	26,922	26,238
66	Actual Heat Load	(3,195)	(4,906)	4,906	3,717	20,688	98,987	143,072	99,864	72,503	49,523	12,602	1,191
67	Heat Load / Customer	(2.102)	(3.080)	3.219	2.392	13.296	63.821	92.186	64.595	46.298	32.819	7.996	0.776
68	Actual X Coefficient	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052	0.1052
69	Product	0	0	0.2105	9.3655	37.6725	89.9782	89.6563	93.5498	63.8748	37.2516	12.7329	2.3151
70	Base Load	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823	17.0823
71	Normal Usage / Customer	17.0823	17.0823	17.2926	26.4478	54.7548	87.0605	106.7386	110.6321	80.9571	54.3339	29.8152	19.3974
72	No. of Customers	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	1,509	1,576	1,538
73	Normalized Volumes	25,965	27,212	26,354	41,100	85,198	135,031	165,658	171,037	126,779	81,990	46,989	29,794
74	Actual Volumes	22,770	22,306	30,940	30,263	47,268	125,481	169,584	126,273	99,254	75,300	39,523	27,430
75	Normalized Volume Including Unbilled	25,965	27,212	29,882	61,377	108,449	158,370	172,518	144,845	112,277	59,441	36,706	26,562
76	Normalized Calendar Volumes	25,952	27,198	29,867	61,346	108,393	158,288	172,428	144,770	112,219	59,410	36,687	26,548
77													
78	Weather Adjustment	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365
79													
80	Tier 1	3,021	4,593	(4,139)	9,691	34,013	7,895	(3,027)	37,226	23,444	5,658	6,973	2,066
81	Tier 2	174	313	(447)	1,146	3,917	1,654	(898)	7,538	4,081	1,031	493	299
82	Tier 3	-	-	-	-	-	-	-	-	-	-	-	-
83	Total	3,195	4,906	(4,586)	10,837	37,930	9,549	(3,925)	44,764	27,525	6,689	7,466	2,365

ATMOS ENERGY CORPORATION - KENTUCKY
BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
TEST YEAR ENDING MAR, 31 2019
CURRENT RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
1	RESIDENTIAL (Rate G-1)														
2	FIRM BILLS	\$19.49	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,886,367
3	Sales: 1-300	1.4483	879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
4	Sales: 301-15000	0.8969	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Sales: Over 15000	0.6987	0	0	0	0	0	0	0	0	0	0	0	0	0
6	CLASS TOTAL (Mcf/month)		879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
7	Gas Charge per Mcf	\$4.65	\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
8	Gas Costs		\$4,088,765	\$1,992,913	\$980,330	\$751,564	\$752,693	\$760,400	\$1,603,698	\$4,104,688	\$7,155,519	\$9,015,541	\$9,266,234	\$6,570,943	\$47,043,289
9															
10	FIRM COMMERCIAL (Rate G-1)														
11	FIRM BILLS	\$19.49	17,568	17,819	17,344	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	208,991
12	Sales: 1-300	1.4483	386,389	225,116	166,629	134,404	133,874	135,673	159,657	410,419	591,521	687,483	743,241	559,898	4,334,305
13	Sales: 301-15000	0.8969	37,898	31,059	10,686	23,928	25,621	22,661	59,029	7,867	60,743	117,608	90,338	63,709	551,149
14	Sales: Over 15000	0.6987	0	0	0	0	0	0	0	0	0	0	0	0	0
15	CLASS TOTAL (Mcf/month)		424,287	256,176	177,315	158,332	159,495	158,334	218,687	418,286	652,264	805,092	833,579	623,608	4,885,453
16	Gas Charge per Mcf	\$4.65	\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
17	Gas Costs		\$1,972,642	\$1,248,789	\$864,364	\$771,828	\$774,345	\$768,709	\$1,061,720	\$1,965,226	\$3,064,522	\$3,782,551	\$3,854,120	\$2,883,299	\$23,012,115
18															
19	FIRM INDUSTRIAL (Rate G-1)														
20	FIRM BILLS	\$51.98	195	212	205	183	208	193	189	204	196	222	210	212	2,429
21	Sales: 1-300	1.4483	20,329	14,723	10,418	7,904	9,535	9,831	8,995	15,108	34,045	43,047	36,370	31,835	242,140
22	Sales: 301-15000	0.8969	21,636	20,400	17,609	14,576	14,025	15,310	19,486	15,219	36,872	71,576	41,697	37,476	325,880
23	Sales: Over 15000	0.6987	0	0	0	0	0	0	0	0	0	0	0	0	0
24	CLASS TOTAL (Mcf/month)		41,965	35,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
25	Gas Charge per Mcf	\$4.65	\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
26	Gas Costs		\$195,106	\$171,215	\$136,625	\$109,583	\$114,380	\$122,057	\$138,271	\$142,483	\$333,187	\$538,533	\$360,949	\$320,468	\$2,682,859
27															
28	FIRM PUBLIC AUTHORITY (Rate G-1)														
29	FIRM BILLS	\$51.98	1,509	1,576	1,536	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	18,583
30	Sales: 1-300	1.4483	69,347	43,888	26,023	24,549	25,476	23,786	36,752	76,400	111,646	127,758	142,235	107,984	815,843
31	Sales: 301-15000	0.8969	12,642	3,101	3,772	1,416	1,736	2,568	4,348	8,798	23,384	37,901	28,802	18,795	147,264
32	Sales: Over 15000	0.6987	0	0	0	0	0	0	0	0	0	0	0	0	0
33	CLASS TOTAL (Mcf/month)		81,989	46,989	29,795	25,965	27,212	26,354	41,100	85,198	135,030	165,659	171,037	126,779	963,107
34	Gas Charge per Mcf	\$4.65	\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
35	Gas Costs		\$381,194	\$229,060	\$145,242	\$126,572	\$132,111	\$127,947	\$199,541	\$400,285	\$634,411	\$778,312	\$790,803	\$586,171	\$4,531,650
36															
37	INTERRUPTIBLE COMMERCIAL (G-2)														
38	INT BILLS	396.49	3	4	2	2	2	2	2	3	3	3	3	3	32
39	Sales: 1-15000	0.8771	1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
40	Sales: Over 15000	0.6967	0	0	0	0	0	0	0	0	0	0	0	0	1
41	CLASS TOTAL (Mcf/month)		1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
42	Gas Charge per Mcf	\$3.37	\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
43	Gas Costs		\$4,832	\$2,529	\$52	\$57	\$211	\$202	\$182	\$1,717	\$5,509	\$8,466	\$6,510	\$5,035	\$35,300
44															

ATMOS ENERGY CORPORATION - KENTUCKY
BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
TEST YEAR ENDING MAR, 31 2019
CURRENT RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
45	<u>INTERRUPTIBLE INDUSTRIAL (G-2)</u>														
46	INT BILLS	396.49	8	10	9	9	8	8	7	8	8	9	16	10	110
47	Sales: 1-15000	0.8771	17,346	24,178	16,531	41,347	27,820	28,622	14,615	26,033	40,531	50,531	35,051	24,184	346,791
48	Sales: Over 15000	0.6967	0	0	0	7,742	0	4,795	0	0	12,687	13,578	9,681	9,377	57,861
49	<u>CLASS TOTAL (Mcf/month)</u>		17,346	24,178	16,531	49,089	27,820	33,417	14,615	26,033	53,218	64,109	44,732	33,561	404,652
50	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
51	Gas Costs		\$58,413	\$86,870	\$59,396	\$176,375	\$99,407	\$119,406	\$52,224	\$88,986	\$181,911	\$219,138	\$149,564	\$112,213	\$1,403,903
52															
53	<u>TRANSPORTATION (T-4)</u>														
54	TRANSPORTATION BILLS	\$396.43	125	125	125	124	124	124	124	125	125	125	125	125	1,496
55	Trans Admin Fee		6,150	6,150	6,150	6,100	6,100	6,100	6,100	6,150	6,150	6,150	6,150	6,150	\$73,600
56	EFM Fee		6,500	6,500	6,450	6,325	6,350	6,350	6,400	6,475	6,475	6,475	6,475	6,500	\$77,275
57	Parking Fee		88	175	100	53	155	121	68	74	801	203	337	356	\$2,532
58	Firm Transport: 1-300	1.6331	36,160	35,373	34,587	34,058	34,020	34,597	35,639	36,965	37,500	37,314	37,440	37,200	430,853
59	Firm Transport: 301-15000	1.0113	409,697	411,958	388,789	355,836	384,302	391,368	425,416	489,287	582,420	583,961	498,167	519,504	5,440,706
60	Firm Transport: Over 1500	0.7878	70,793	79,054	91,645	57,209	80,380	70,462	69,759	94,195	144,848	142,733	114,808	140,157	1,156,043
61	<u>CLASS TOTAL (Mcf/month)</u>		516,649	526,385	515,021	447,104	498,701	496,428	530,814	620,447	764,768	764,008	650,415	696,861	7,027,602
62															
63	<u>ECONOMIC DEV RIDER (EDR)</u>														
64	Firm Transport: 1-300	1.086225	0	0	0	0	0	0	0	0	0	0	0	0	0
65	Firm Transport: 301-15000	0.6727	0	0	0	0	0	0	0	0	0	0	0	0	0
66	Firm Transport: Over 15000	0.5240	17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
67	<u>CLASS TOTAL (Mcf/month)</u>		17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
68															
69	<u>TRANSPORTATION (T-3)</u>														
70	TRANSPORTATION BILLS	395.37	71	71	71	71	71	71	71	71	71	71	71	71	852
71	Trans Admin Fee		3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	\$42,600
72	EFM Fee		3,725	3,725	3,725	3,675	3,675	3,675	3,700	3,700	3,700	3,700	3,725	3,725	\$44,450
73	Parking Fee		344	381	382	138	263	349	306	446	410	233	234	287	\$3,773
74	Interrupt Transport: 1-15000	0.9003	442,263	455,145	420,178	381,934	409,164	427,012	445,673	475,364	500,663	495,071	453,481	483,454	5,389,404
75	Interrupt Transport: Over 15000	0.7142	224,860	231,862	227,598	184,238	213,257	206,757	248,923	254,791	274,088	301,139	242,440	279,340	2,889,295
76	<u>CLASS TOTAL (Mcf/month)</u>		667,123	687,007	647,776	566,172	622,421	633,769	694,597	730,155	774,752	796,210	695,921	762,794	8,278,699
77															
78	<u>SPECIAL CONTRACTS</u>														
79	TRANSPORTATION BILLS	354.06	14	14	14	14	14	14	14	14	14	14	14	14	167
80	Trans Admin Fee		650	650	650	650	650	650	650	650	650	650	650	650	\$7,800
81	EFM Fee		775	775	775	650	650	650	800	800	800	800	775	775	\$8,875
82	Parking Fee		8,223	4,727	4,258	2,029	2,635	2,262	4,989	4,624	15,795	6,226	6,312	7,403	\$69,484
83	Transported Volumes	Various	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
84	Charges for Transport Volumes		159,796	159,087	138,261	174,707	171,617	174,865	187,188	185,885	207,677	209,035	173,785	183,723	\$2,125,425
85	<u>CLASS TOTAL (Mcf/month)</u>		1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
86															
87	<u>OTHER REVENUE</u>														
88	Service Charges		\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$806,054
89	Late Payment Fees		\$154,099	\$111,115	\$76,553	\$58,902	\$54,397	\$54,752	\$54,162	\$67,957	\$110,838	\$182,293	\$193,965	\$198,784	\$1,297,815
90															
91	TOTAL GROSS PROFIT		\$7,695,406	\$6,763,960	\$6,140,560	\$5,867,829	\$5,984,675	\$5,937,667	\$6,395,765	\$7,794,288	\$9,468,193	\$10,394,155	\$10,351,107	\$9,278,853	\$92,072,460
92	Gas Costs		\$6,700,953	\$3,731,375	\$2,186,010	\$1,935,980	\$1,873,148	\$1,898,722	\$3,055,635	\$6,703,385	\$11,375,060	\$14,342,542	\$14,428,181	\$10,478,128	\$78,709,117
93	TOTAL REVENUE		\$14,396,359	\$10,495,334	\$8,326,570	\$7,803,809	\$7,857,823	\$7,836,389	\$9,451,401	\$14,497,673	\$20,843,253	\$24,736,697	\$24,779,288	\$19,756,981	\$170,781,577

ATMOS ENERGY CORPORATION - KENTUCKY
SUMMARY OF REVENUE AT PROPOSED RATES
TEST YEAR ENDING MAR, 31 2019

Line No.	Description	Block (Mcf)	Reference Period - Twelve Months Ending 06/30/2017				Forward-looking Adjustments To Test Year		Total Test Year Volumes (f)	Proposed Margin (j)	Proposed Revenue (k)
			Number of Bills, Units (a)	Volumes As Metered (b)	Contract Adj. Bills and Volumes (c)	Weather Adj. Volumes (NOAA 1997-2017) (d)	Total Volumes (e)	Customer Growth Forecast (f)			
1	Sales										
2	Firm Sales (G-1)	Customer Chrg	1,880,067					6,300	\$19.45	\$36,689,838	
3		Customer Chrg	229,990		13				50.75	11,672,669	
4		0 - 300		12,806,757	2,648	2,573,875	15,383,280	35,393	1.5700	24,207,317	
5		301 - 15,000		992,822	(34,945)	66,416	1,024,292		0.9950	1,019,171	
6		Over 15,000		0	0	0	0		0.7800	0	
7	Interruptible Sales (G-2)	Customer Chrg	142		0				400.00	56,800	
8		0 - 15,000		432,169	(75,000)		357,169		0.9350	333,953	
9		Over 15,000		324,655	(266,795)		57,860		0.7059	40,643	
10											
11	Transportation										
12	Customer Charges (T-4)	Customer Chrg	1,485		11				400.00	598,400	
13	Customer Charges (T-3)	Customer Chrg	869		(17)				400.00	340,800	
14	Customer Charges (SpK)	Customer Chrg	174		(7)				354.06	58,986	
15	Transp. Adm. Fee	Customer Chrg	2,493		(13)				50.00	124,000	
16	Parked Volumes [1]			757,887	0				0.10	75,789	
17	EFM Charges								Various	130,600	
18	Firm Transportation (T-4)	0 - 300		425,359	5,494		430,853		1.5700	676,439	
19		301 - 15,000		5,289,535	151,171		5,440,706		0.9950	5,413,503	
20		Over 15,000		1,178,365	(22,342)		1,156,043		0.7800	901,713	
21	Economic Dev Rider (EDR)	301 - 15,000		0	0		0		0.7463	0	
22		Over 15,000		212,615	0		212,615		0.5850	124,380	
23	Interruptible Transportation (T-3)	0 - 15,000		5,227,792	161,611		5,389,403		0.9350	5,039,092	
24		Over 15,000		2,598,044	291,250		2,889,294		0.7059	2,039,553	
25	Total Special Contracts [2]			13,847,313	(24,300)		13,823,013		Various	2,125,425	
26											
27	Total Tariff		2,112,727	43,335,446	188,792	2,640,291	46,164,529	41,693	0	46,199,922	
28											
29	Other Revenues									806,054	
30	Late Payment Fees									1,311,701	
31	Total Gross Profit									93,787,026	
32											
33	Gas Costs									78,709,117	
34											
35	Total Revenue									\$ 172,496,143	
36											
37	[1] Parked Volumes not included in Total Deliveries.									1,714,565	
38	[2] Based on confidential information.										

ATMOS ENERGY CORPORATION - KENTUCKY
BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
TEST YEAR ENDING MAR, 31 2019
PROPOSED RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
1	<u>RESIDENTIAL (Rate G-1)</u>														
2	FIRM BILLS	\$19.45	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,886,367
3	Sales: 1-300	1.5700	879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
4	Sales: 301-15000	0.9950	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
6	<u>CLASS TOTAL (Mcf/month)</u>		879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
7	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
8	Gas Costs		\$4,088,765	\$1,992,913	\$980,330	\$751,564	\$752,693	\$760,400	\$1,603,698	\$4,104,688	\$7,155,519	\$9,015,541	\$9,266,234	\$6,570,943	\$47,043,289
9															
10	<u>FIRM COMMERCIAL (Rate G-1)</u>														
11	FIRM BILLS	50.75	17,568	17,819	17,344	17,024	17,149	16,872	16,778	17,200	17,535	17,874	17,890	17,938	208,991
12	Sales: 1-300	1.5700	386,389	225,116	166,629	134,404	133,874	135,673	159,657	410,419	591,521	687,483	743,241	559,898	4,334,305
13	Sales: 301-15000	0.9950	37,898	31,059	10,686	23,928	25,621	22,661	59,029	7,867	60,743	117,608	90,338	63,709	551,149
14	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
15	<u>CLASS TOTAL (Mcf/month)</u>		424,287	256,176	177,315	158,332	159,495	158,334	218,687	418,286	652,264	805,092	833,579	623,608	4,885,453
16	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
17	Gas Costs		\$1,972,642	\$1,248,789	\$864,364	\$771,828	\$774,345	\$768,709	\$1,061,720	\$1,965,226	\$3,064,522	\$3,782,551	\$3,854,120	\$2,883,299	\$23,012,115
18															
19	<u>FIRM INDUSTRIAL (Rate G-1)</u>														
20	FIRM BILLS	\$50.75	195	212	205	183	208	193	189	204	196	222	210	212	2,429
21	Sales: 1-300	1.5700	20,329	14,723	10,418	7,904	9,535	9,831	8,995	15,108	34,045	43,047	36,370	31,835	242,140
22	Sales: 301-15000	0.9950	21,636	20,400	17,609	14,576	14,025	15,310	19,486	15,219	36,872	71,576	41,697	37,476	325,880
23	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
24	<u>CLASS TOTAL (Mcf/month)</u>		41,965	35,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
25	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
26	Gas Costs		\$195,106	\$171,215	\$136,625	\$109,583	\$114,380	\$122,057	\$138,271	\$142,483	\$333,187	\$538,533	\$360,949	\$320,468	\$2,682,859
27															
28	<u>FIRM PUBLIC AUTHORITY (Rate G-1)</u>														
29	FIRM BILLS	\$50.75	1,509	1,576	1,536	1,520	1,593	1,524	1,554	1,556	1,551	1,552	1,546	1,566	18,583
30	Sales: 1-300	1.5700	69,347	43,888	26,023	24,549	25,476	23,786	36,752	76,400	111,646	127,758	142,235	107,984	815,843
31	Sales: 301-15000	0.9950	12,642	3,101	3,772	1,416	1,736	2,568	4,348	8,798	23,384	37,901	28,802	18,795	147,264
32	Sales: Over 15000	0.7800	0	0	0	0	0	0	0	0	0	0	0	0	0
33	<u>CLASS TOTAL (Mcf/month)</u>		81,989	46,989	29,795	25,965	27,212	26,354	41,100	85,198	135,030	165,659	171,037	126,779	963,107
34	Gas Charge per Mcf		\$4.65	\$4.87	\$4.87	\$4.87	\$4.85	\$4.85	\$4.85	\$4.70	\$4.70	\$4.70	\$4.62	\$4.62	
35	Gas Costs		\$381,194	\$229,060	\$145,242	\$126,572	\$132,111	\$127,947	\$199,541	\$400,285	\$634,411	\$778,312	\$790,803	\$586,171	\$4,531,650
36															
37	<u>INTERRUPTIBLE COMMERCIAL (G-2)</u>														
38	INT BILLS	400.00	3	4	2	2	2	2	2	3	3	3	3	3	32
39	Sales: 1-15000	0.9350	1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
40	Sales: Over 15000	0.7059	0	0	0	0	0	0	0	0	0	0	0	0	1
41	<u>CLASS TOTAL (Mcf/month)</u>		1,435	704	15	16	59	56	51	502	1,612	2,477	1,947	1,506	10,380
42	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
43	Gas Costs		\$4,832	\$2,529	\$52	\$57	\$211	\$202	\$182	\$1,717	\$5,509	\$8,466	\$6,510	\$5,035	\$35,300
44															

ATMOS ENERGY CORPORATION - KENTUCKY
BILL FREQUENCY WITH KNOWN & MEASURABLE ADJUSTMENTS
TEST YEAR ENDING MAR, 31 2019
PROPOSED RATES

Line No.	Class of Customers	Rate	Apr-18 (a)	May-18 (b)	Jun-18 (c)	Jul-18 (d)	Aug-18 (e)	Sep-18 (f)	Oct-18 (g)	Nov-18 (h)	Dec-18 (i)	Jan-19 (j)	Feb-19 (k)	Mar-19 (l)	Total Billing Units (m)
45	<u>INTERRUPTIBLE INDUSTRIAL (G-2)</u>														
46	INT BILLS	400.00	8	10	9	9	8	8	7	8	8	9	16	10	110
47	Sales: 1-15000	0.9350	17,346	24,178	16,531	41,347	27,820	28,622	14,615	26,033	40,531	50,531	35,051	24,184	346,791
48	Sales: Over 15000	0.7059	0	0	0	7,742	0	4,795	0	0	12,687	13,578	9,681	9,377	57,861
49	CLASS TOTAL (Mcf/month)		17,346	24,178	16,531	49,089	27,820	33,417	14,615	26,033	53,218	64,109	44,732	33,561	404,652
50	Gas Charge per Mcf		\$3.37	\$3.59	\$3.59	\$3.59	\$3.57	\$3.57	\$3.57	\$3.42	\$3.42	\$3.42	\$3.34	\$3.34	
51	Gas Costs		\$58,413	\$86,870	\$59,396	\$176,375	\$99,407	\$119,406	\$52,224	\$88,986	\$181,911	\$219,138	\$149,564	\$112,213	\$1,403,903
52															
53	<u>TRANSPORTATION (T-4)</u>														
54	TRANSPORTATION BILLS	400.00	125	125	125	124	124	124	124	125	125	125	125	125	1,496
55	Trans Admin Fee		6,150	6,150	6,150	6,100	6,100	6,100	6,100	6,150	6,150	6,150	6,150	6,150	\$73,600
56	EFM Fee		6,500	6,500	6,450	6,325	6,350	6,350	6,400	6,475	6,475	6,475	6,475	6,500	\$77,275
57	Parking Fee		88	175	100	53	155	121	68	74	801	203	337	356	\$2,532
58	Firm Transport: 1-300	1.5700	36,160	35,373	34,587	34,058	34,020	34,597	35,639	36,965	37,500	37,314	37,440	37,200	430,853
59	Firm Transport: 301-15000	0.9950	409,697	411,958	388,789	355,836	384,302	391,368	425,416	489,287	582,420	583,961	498,167	519,504	5,440,706
60	Firm Transport: Over 1500	0.7800	70,793	79,054	91,645	57,209	80,380	70,462	69,759	94,195	144,848	142,733	114,808	140,157	1,166,043
61	CLASS TOTAL (Mcf/month)		516,649	526,385	515,021	447,104	498,701	496,428	530,814	620,447	764,768	764,008	650,415	696,861	7,027,602
62															
63	<u>ECONOMIC DEV RIDER (EDR)</u>														
64	Firm Transport: 1-300	1.0862	0	0	0	0	0	0	0	0	0	0	0	0	0
65	Firm Transport: 301-15000	0.6727	0	0	0	0	0	0	0	0	0	0	0	0	0
66	Firm Transport: Over 15000	0.5240	17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
67	CLASS TOTAL (Mcf/month)		17,435	19,507	19,934	10,434	16,523	15,048	15,000	16,271	14,213	25,293	18,199	24,758	212,615
68															
69	<u>TRANSPORTATION (T-3)</u>														
70	TRANSPORTATION BILLS	400.00	71	71	71	71	71	71	71	71	71	71	71	71	852
71	Trans Admin Fee		3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	\$42,600
72	EFM Fee		3,725	3,725	3,725	3,675	3,675	3,675	3,700	3,700	3,700	3,700	3,725	3,725	\$44,450
73	Parking Fee		344	381	382	138	283	349	306	446	410	233	234	287	\$3,773
74	Interrupt Transport: 1-15000	0.9350	442,263	455,145	420,178	381,934	409,164	427,012	445,673	475,364	500,663	495,071	453,481	483,454	5,389,404
75	Interrupt Transport: Over 15000	0.7059	224,860	231,862	227,598	184,238	213,257	206,757	248,923	254,791	274,088	301,139	242,440	279,340	2,889,295
76	CLASS TOTAL (Mcf/month)		667,123	687,007	647,776	566,172	622,421	633,769	694,597	730,155	774,752	796,210	695,921	762,794	8,278,699
77															
78	<u>SPECIAL CONTRACTS</u>														
79	TRANSPORTATION BILLS	354.06	14	14	14	14	14	14	14	14	14	14	14	14	167
80	Trans Admin Fee		650	650	650	650	650	650	650	650	650	650	650	650	\$7,800
81	EFM Fee		775	775	775	650	650	650	650	800	800	800	775	775	\$8,875
82	Parking Fee		8,223	4,727	4,258	2,029	2,635	2,262	4,989	4,624	15,795	6,226	6,312	7,403	\$69,484
83	Transported Volumes	Various	1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
84	Charges for Transport Volumes		159,796	159,087	138,261	174,707	171,617	174,865	187,188	185,685	207,677	209,035	173,785	183,723	\$2,126,426
85	CLASS TOTAL (Mcf/month)		1,065,088	1,072,108	879,128	1,136,013	1,116,463	1,115,726	1,185,805	1,201,011	1,343,897	1,361,393	1,137,558	1,208,822	13,823,013
86															
87	<u>OTHER REVENUE</u>														
88	Service Charges		\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$806,054
89	Late Payment Fees		\$155,325	\$111,609	\$76,730	\$59,005	\$54,500	\$34,861	\$54,532	\$69,185	\$113,057	\$165,120	\$196,929	\$200,848	\$1,311,701
90															
91	TOTAL GROSS PROFIT		\$7,844,537	\$6,830,161	\$6,168,537	\$5,888,287	\$6,004,525	\$5,958,911	\$6,445,852	\$7,942,214	\$9,732,773	\$10,732,402	\$10,700,787	\$9,525,076	\$93,774,062
92	Gas Costs		\$6,700,953	\$3,731,375	\$2,186,010	\$1,935,980	\$1,873,148	\$1,898,722	\$3,055,635	\$6,703,385	\$11,375,060	\$14,342,542	\$14,428,181	\$10,478,128	\$78,709,117
93	TOTAL REVENUE		\$14,545,490	\$10,561,536	\$8,354,547	\$7,824,267	\$7,877,673	\$7,857,633	\$9,501,487	\$14,645,599	\$21,107,833	\$25,074,943	\$25,128,968	\$20,003,204	\$172,483,179

TEST YEAR - ADJUSTED
 ATWAS ENERGY CORPORATION - KENTUCKY
 SIDE-BY-SIDE RATE SCHEDULES
 TEST YEAR ENDING MAR, 31/2019

Line No.	Billing Component	Applicable Tariffs	Current Base Rate	Current ERP Rate	Current Total Rate	Proposed Rate	Filed Proposed Rate	Billing Component	Current Rate	Current Rate Norm Hrs	After Hrs	Proposed Rate Norm Hrs	After Hrs
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
1	CUSTOMER CHARGES, \$/month												
2	Firm Service - Residential	G-1	\$0.1270		\$0.1270	\$19.45		Service Charges	\$19.45	544.00	544.00	\$44.00	\$44.00
3	Firm Service - Non-Residential	G-1	\$0.0810		\$0.0810	\$9.75		Meter 5/4	\$9.75	\$26.00	\$26.00	\$26.00	\$26.00
4	Interruptible Sales	G-2	\$0.0810		\$0.0810	\$40.00		Turn On	\$40.00	\$14.00	\$14.00	\$14.00	\$14.00
5	Firm Transportation	T-4	\$0.0810		\$0.0810	\$36.43		Renowned Delinquent Service	\$36.43	\$39.00	\$39.00	\$39.00	\$39.00
6	Interruptible Transportation	T-3	\$0.0810		\$0.0810	\$40.00		Seasonal Charge	\$40.00	\$73.00	\$73.00	\$73.00	\$73.00
7	DISTRIBUTION CHARGES, \$/Mf							Special Meter Reading Charge		N/A	N/A	N/A	N/A
8	Firm Sales	G-1	\$0.1270		\$0.1270	\$1.5700		Meter Test Charge	\$1.5700	\$20.00	\$20.00	\$20.00	\$20.00
9	1-300 Mf		\$0.0810		\$0.0810	\$0.9950		Returned Check Charge	\$0.9950	N/A	N/A	N/A	N/A
10	301-1500 Mf		\$0.0810		\$0.0810	\$0.6950		Late Payment Charge	\$0.6950	5%	5%	5%	5%
11	Over 1500		\$0.0810		\$0.0810	\$0.7850		Class 1 EFM Equipment Charge	\$0.7850	N/A	N/A	\$75.00	\$75.00
12	Firm Transportation	T-4	\$0.0810		\$0.0810	\$1.5700		Class 2 EFM Equipment Charge	\$1.5700	N/A	N/A	\$175.00	\$175.00
13	Interruptible Sales	G-2	\$0.0810		\$0.0810	\$0.8350							
14	1-1500 Mf		\$0.0810		\$0.0810	\$0.7850							
15	Over 1500		\$0.0810		\$0.0810	\$0.7850							
16	Interruptible Sales	G-2	\$0.0810		\$0.0810	\$0.8350							
17	1-1500 Mf		\$0.0810		\$0.0810	\$0.7850							
18	Over 1500		\$0.0810		\$0.0810	\$0.7850							
19	Interruptible Transportation	T-3	\$0.0810		\$0.0810	\$0.7050							
20	1-1500 Mf		\$0.0810		\$0.0810	\$0.6550							
21	Over 1500		\$0.0810		\$0.0810	\$0.7050							
22	OTHER CHARGES												
23	Transp. Adm. Fee, \$/Mf	T-2, T-3, T-4	\$50.00		\$50.00	\$50.00							
24	Parting, \$/Mf	T-4, T-3	0.10		0.10	0.10							
25													
26	SUMMARY OF PROPOSED VS. CURRENT RATES:												
27													
28	Total Chgs	Current	36,762,293		36,762,293	8.40%	14,501,214	15,741,425	51,266,507	1,144,758	2,23%	52,431,263	1,144,758
29	Residential	Proposed	10,863,432		10,863,432	8.85%	6,771,869	7,353,252	17,555,651	324,484	1.84%	17,959,546	324,484
30	Commercial Firm	% Change	10,259		10,259	9.65%	649,373	704,410	789,233	58,489	7.80%	827,862	58,489
31	Industrial Firm	% Change	855,944		855,944	8.65%	1,319,866	1,427,491	2,376,510	2,376,510	3.89%	2,376,510	2,376,510
32	Public Authority Firm	% Change	59,302		59,302	0.05%	153,557	374,359	493,658	431,599	5.30%	431,599	431,599
33	Contract Interruptible	% Change	429,915		429,915	0.00%	14,146,573	14,161,711	15,371,717	15,361,146	0.03%	15,361,146	47,423
34	Transp	% Change	39,395		39,395	0.00%	2,128,493	2,128,493	2,210,571	2,210,571	0.00%	2,210,571	0.00%
35	Special Contracts	% Change	49,765,051		49,765,051	4.05%	35,672,137	41,950,426	89,988,577	1,687,716	1.88%	91,652,294	1,687,716
36	Sub-total Revenue												
37	Other Gas Revenues												
38	Total Revenue												
39	Total Revenue												
40	41 % Fixed												
41	53%												
42	51%												

Line No.	Billing Component	Applicable Tariffs	Current Base Rate	Current ERP Rate	Current Total Rate	Proposed Rate	Filed Proposed Rate	Billing Component	Current Rate	Current Rate Norm Hrs	After Hrs	Proposed Rate Norm Hrs	After Hrs
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
28	SUMMARY OF PROPOSED VS. CURRENT RATES:												
29	Total Chgs	Current	36,762,293		36,762,293	8.40%	14,501,214	15,741,425	51,266,507	1,144,758	2,23%	52,431,263	1,144,758
30	Residential	Proposed	10,863,432		10,863,432	8.85%	6,771,869	7,353,252	17,555,651	324,484	1.84%	17,959,546	324,484
31	Commercial Firm	% Change	10,259		10,259	9.65%	649,373	704,410	789,233	58,489	7.80%	827,862	58,489
32	Industrial Firm	% Change	855,944		855,944	8.65%	1,319,866	1,427,491	2,376,510	2,376,510	3.89%	2,376,510	2,376,510
33	Public Authority Firm	% Change	59,302		59,302	0.05%	153,557	374,359	493,658	431,599	5.30%	431,599	431,599
34	Contract Interruptible	% Change	429,915		429,915	0.00%	14,146,573	14,161,711	15,371,717	15,361,146	0.03%	15,361,146	47,423
35	Transp	% Change	39,395		39,395	0.00%	2,128,493	2,128,493	2,210,571	2,210,571	0.00%	2,210,571	0.00%
36	Special Contracts	% Change	49,765,051		49,765,051	4.05%	35,672,137	41,950,426	89,988,577	1,687,716	1.88%	91,652,294	1,687,716
37	Other Gas Revenues												
38	Total Revenue												
39	Total Revenue												
40	41 % Fixed												
41	53%												
42	51%												

	Current Rev	Prop Rev	Increase	Increase %	Customers	Increase/month	Mo	157,197 Total Cases	2009-09-30
Residential	96,329,796	98,474,552	1,144,756	1.19%	157,197	0.81	10,026,386	17,416 Residential	33,845,630
Com Firm	40,547,195	40,971,690	324,494	0.80%	17,416	1.55	4,885,463	202 Commercial Firm	11,206,759
Com Int	57,092	57,695	713	1.25%	3	22.28	10,380	1,549 Industrial Firm	591,234
Com Total	40,704,287	41,029,465	325,173	0.80%	17,419	1.56	4,895,844	12 Public Authority Firm	1,779,837
Ind Firm	3,652,052	3,510,541	(141,511)	-3.88%	202	24.09	568,020	210 Cont/Ind Intermittible	106,898
Ind Int	1,791,959	1,819,997	28,038	1.57%	9	190.89	404,652	Transportation	8,279,338
Ind Total	5,244,091	5,320,538	76,447	1.46%	212	31.23	973,672	Special Contracts	1,382,303
PA	6,811,251	6,802,139	(9,112)	-0.13%	1,549	4.68	503,167	Sub-total Revenue	57,281,086
Transp.	17,598,288	17,635,717	37,429	0.21%	210	18.68	29,341,920	Other Gas Revenues	2,890,422
Other	2,103,688	2,117,755	14,067	0.67%				Total Revenue	59,741,507
Total	170,761,554	172,463,188	1,701,634	1.00%	176,696	0.80	46,199,927		
Residential	96,329,796	98,474,552	1,144,756	1.2%	157,197	0.81	5.3	52.73	
Ind & Transp	22,852,380	22,592,285	(260,095)	-1.1%	461	25.11	9,899	4,582.15	
Com & PA	47,579,378	47,396,351	(183,027)	-0.4%	10,967	1.53	25.7	210.59	
Other	2,103,688	2,117,755	14,067	0.7%					
Total	170,761,554	172,463,188	1,701,634	1.0%	176,696	0.80			

Customer Charge	\$19.46	\$19.46
Distribution Rate	\$1.4483	\$1.5700
Usage	5.3	5.3
Distribution Charges	\$7.69	\$8.32
GCA Firm	\$4.0235	\$4.0235
Gas Cost Charges	\$21.54	\$21.54
Total	\$48.81	\$49.41

48.35	49.4
1.05	

Current EDR Re Proposed EDR

Current EDR Re	Proposed EDR	% Change	Bill Component	Applicable Tariffs	Current Rate	Proposed X
13.50	13.25	1.79	Nov 2015 GSA			
30.00	30	5.7				
300.00	300	44.07				
300.00	300	23.33				
300.00	300	23.24				
1.0852	1.21	0.053	4.0635			
0.6727	0.79	0.0851	4.0635			
0.5240	0.4915	0.0423	4.0635			
	0.65					
0.41	0.43	0.057	2.7617			
		0.057	2.7617			

Int. Charge Overrun	Bill Component	Applicable Tariffs	Current Rate	Proposed X
1,570	1-300 Mf	G-1, LVS-1, T-205-1, T-4	1,483	1,570
0.8693	301-15000 Mf	G-1, LVS-1, T-205-1, T-4	0.8693	0.8693
0.7820	Over 15000	G-1, LVS-1, T-205-1, T-4	0.6937	0.7820
0.5355	1-15000 Mf	G-2, LVS-2	0.5371	0.5355
0.7659	Over 15000	T-4, T-3	0.6997	0.7659

Current 1st block	2.2472
0.7139	

Current Rate	Proposed X
1.0519	1.0519
0.5169	0.5169
0.3039	0.3039
1.1189	1.1189
0.8693	0.8693

Current Rate	Proposed X
57.59	57.59
60.75	60.75
400.00	400.00
400.00	400.00
1.5700	1.5700
0.9989	0.9989
0.7604	0.7604
0.6504	0.6504
0.7059	0.7059

Current Rate	Proposed X
5.5338	5.5338
5.0785	4.9904
4.5636	4.7822
1.5331	1.5700
0.9850	0.9850
0.7878	0.7878
3.6368	3.6368
3.4584	3.4584
0.9003	0.9003
0.7142	0.7059

Total Increase	Total Increase %
1,791,651	1.0%
1,447,756	1.2%
418,372	0.8%
80,104	1.5%
47,620	0.3%
4,351	0.2%

Residential Incr	Residential Incr %
1,447,756	1.2%
418,372	0.8%
80,104	1.5%
47,620	0.3%
4,351	0.2%

CompPA Incr	CompPA Incr %
418,372	0.8%
80,104	1.5%
47,620	0.3%
4,351	0.2%

Indirect Incr	Indirect Incr %
80,104	1.5%
47,620	0.3%
4,351	0.2%

Transp Incr	Transp Incr %
47,620	0.3%
4,351	0.2%

Total % Volume Margin Contribution	Total % Volume Margin Contribution
1.16%	1.16%
0.88%	0.88%
1.31%	1.31%
0.27%	0.27%
0.56%	0.56%

GAS COST	TTL CHNGE
81,286,507	1.46%
17,635,651	0.8%
23,042,145	0.9%
5,652,858	1.3%
4,531,550	1.7%
1,452,223	0.3%
499,886	0.1%
16,317,317	0.0%
2,270,571	1.0%

per rto	per yr
2.46	386,128
7.59	132,263
30.11	6,095
11.37	17,457
263.51	3,179
419.73	14,156
157.22	1,672

Nov 2015 GSA	Current	Prop	% Change	Bill Component	Applicable Tariffs	Current Rate	Proposed X
4.0635	5.5338	5.5338	2.20%	CUSTOMER CHARGES, 1/1/15	G-1	\$16.45	\$16.45
4.0635	4.9904	5.0785	1.97%	Firm Services - Residential	G-1, LVS-1, T-205-1, T-4	60.75	60.75
4.0635	4.7822	4.5636	1.70%	Firm Services - Non-Residential	G-2, LVS-2	400.00	400.00
0.053	1.5331	1.5331	-9.95%	Interstate Services	T-4, T-3	400.00	400.00
0.0851	1.0113	0.9850	-1.61%	Charge Transportation	(Proposed Only)		
0.0423	0.7878	0.7878	-0.98%	All Mf			
0.057	3.6368	3.6368	1.69%	Firm Sales & Transportation	G-1 (Non-Residential)	1.5700	1.5700
0.057	3.4584	3.4584	0.27%	1-15000 Mf	LVS-1, T-205-1, T-4	0.9989	0.9989
	0.9003	0.9003	3.85%	Over 15000		0.3039	0.3039
	0.7142	0.7059	-1.16%				

PRF @	Ree @ Plus
500,000,000	Rates
33,846,920	61,286,607
11,206,759	17,656,051
561,254	788,233
1,778,637	2,278,610
198,988	408,088
6,378,335	16,317,717
1,382,303	2,270,571
57,251,686	89,956,677
	2,103,889
	92,072,447

Proj	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21																																																																																																																																																																																																																																																																																																																																																																																						
156-60	161-83	167-84	171-85	174-86	176-87	178-88	180-89	182-90	184-91	186-92	188-93	190-94	192-95	194-96	196-97	198-98	200-99	202-100	204-101	206-102	208-103	210-104	212-105	214-106	216-107	218-108	220-109	222-110	224-111	226-112	228-113	230-114	232-115	234-116	236-117	238-118	240-119	242-120	244-121	246-122	248-123	250-124	252-125	254-126	256-127	258-128	260-129	262-130	264-131	266-132	268-133	270-134	272-135	274-136	276-137	278-138	280-139	282-140	284-141	286-142	288-143	290-144	292-145	294-146	296-147	298-148	300-149	302-150	304-151	306-152	308-153	310-154	312-155	314-156	316-157	318-158	320-159	322-160	324-161	326-162	328-163	330-164	332-165	334-166	336-167	338-168	340-169	342-170	344-171	346-172	348-173	350-174	352-175	354-176	356-177	358-178	360-179	362-180	364-181	366-182	368-183	370-184	372-185	374-186	376-187	378-188	380-189	382-190	384-191	386-192	388-193	390-194	392-195	394-196	396-197	398-198	400-199	402-200	404-201	406-202	408-203	410-204	412-205	414-206	416-207	418-208	420-209	422-210	424-211	426-212	428-213	430-214	432-215	434-216	436-217	438-218	440-219	442-220	444-221	446-222	448-223	450-224	452-225	454-226	456-227	458-228	460-229	462-230	464-231	466-232	468-233	470-234	472-235	474-236	476-237	478-238	480-239	482-240	484-241	486-242	488-243	490-244	492-245	494-246	496-247	498-248	500-249	502-250	504-251	506-252	508-253	510-254	512-255	514-256	516-257	518-258	520-259	522-260	524-261	526-262	528-263	530-264	532-265	534-266	536-267	538-268	540-269	542-270	544-271	546-272	548-273	550-274	552-275	554-276	556-277	558-278	560-279	562-280	564-281	566-282	568-283	570-284	572-285	574-286	576-287	578-288	580-289	582-290	584-291	586-292	588-293	590-294	592-295	594-296	596-297	598-298	600-299	602-300	604-301	606-302	608-303	610-304	612-305	614-306	616-307	618-308	620-309	622-310	624-311	626-312	628-313	630-314	632-315	634-316	636-317	638-318	640-319	642-320	644-321	646-322	648-323	650-324	652-325	654-326	656-327	658-328	660-329	662-330	664-331	666-332	668-333	670-334	672-335	674-336	676-337	678-338	680-339	682-340	684-341	686-342	688-343	690-344	692-345	694-346	696-347	698-348	700-349	702-350	704-351	706-352	708-353	710-354	712-355	714-356	716-357	718-358	720-359	722-360	724-361	726-362	728-363	730-364	732-365	734-366	736-367	738-368	740-369	742-370	744-371	746-372	748-373	750-374	752-375	754-376	756-377	758-378	760-379	762-380	764-381	766-382	768-383	770-384	772-385	774-386	776-387	778-388	780-389	782-390	784-391	786-392	788-393	790-394	792-395	794-396	796-397	798-398	800-399	802-400	804-401	806-402	808-403	810-404	812-405	814-406	816-407	818-408	820-409	822-410	824-411	826-412	828-413	830-414	832-415	834-416	836-417	838-418	840-419	842-420	844-421	846-422	848-423	850-424	852-425	854-426	856-427	858-428	860-429	862-430	864-431	866-432	868-433	870-434	872-435	874-436	876-437	878-438	880-439	882-440	884-441	886-442	888-443	890-444	892-445	894-446	896-447	898-448	900-449	902-450	904-451	906-452	908-453	910-454	912-455	914-456	916-457	918-458	920-459	922-460	924-461	926-462	928-463	930-464	932-465	934-466	936-467	938-468	940-469	942-470	944-471	946-472	948-473	950-474	952-475	954-476	956-477	958-478	960-479	962-480	964-481	966-482	968-483	970-484	972-485	974-486	976-487	978-488	980-489	982-490	984-491	986-492	988-493	990-494	992-495	994-496	996-497	998-498	1000-499

Customer	Premise	Comment	Service	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Customer 1	89521	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		673	5	1,143									1,625
		T-3 > 15000 Mcf/mo					1,825	2,037	2,091	2,353	2,139	2,074	1,843	1,887	
Customer 2	89527	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		230	250	250	244	242	249	316	279	241	205	207	190
		T-4 > 15000 Mcf/mo													
Customer 3	92841	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		4,815	5,003	5,083	4,674	4,863	4,793	4,928	5,680	4,715	5,205	4,789	3,272
		T-4 > 15000 Mcf/mo		-	366	-	-	-	-	1,320	266	1,037	-	-	-
Customer 4	104739	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		1,388	1,291	1,089	1,601	1,982	2,229	2,699	1,980	1,568	1,237	1,034	817
		T-4 > 15000 Mcf/mo													
Customer 5	104746	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		110	109	102	104	116	145	210	162	106	89	91	98
		T-4 > 15000 Mcf/mo													
Customer 6	109359	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		101	195	191	202	236	162	298	278	218	183	205	198
		T-4 > 15000 Mcf/mo													
Customer 7	125929	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		257	53								2,312	1,139	1,922
		T-4 > 15000 Mcf/mo		2,106	2,374	2,360	2,477	2,387	2,489	3,510	2,912	2,551		1,333	369
Customer 8	142267	Decrease Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		(3,407)	(3,312)	(3,021)	(2,481)								
		T-4 > 15000 Mcf/mo			(176)	(560)	(2,224)	(4,689)	(5,368)	(9,524)	(9,493)	(6,117)	(4,750)	(4,287)	(3,012)
Customer 9	163794	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		728	736	729	786	824	788	809	928	880	811	724	719
		T-3 > 15000 Mcf/mo													
Customer 10	170399	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo					31	114			18		50	107	68
		T-4 301-15000 Mcf/mo		521	382	501	498	399	721	815	890	780	442	519	386
		T-4 > 15000 Mcf/mo													
Customer 11	170404	Increase Load	T4												
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		1,150	965	1,092	1,218	1,332	965	1,446	1,515	1,141	648	1,244	1,114
		T-4 > 15000 Mcf/mo													
Customer 12	224258	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		336	469	477	572	428	327	642	609	610	546	498	296
		T-3 > 15000 Mcf/mo													
Customer 13	239982	Increase Load	T3												
		T-3 Bill													
		T-3 0-15000 Mcf/mo		15,000	15,000	15,000	15,000	5,170	4,664	15,000	14,918	15,000	15,000	14,991	
		T-3 > 15000 Mcf/mo		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
Customer 15	170394	Plant Closing	T3												
		T-3 Bill									(1)	(1)	(1)	(1)	(1)
		T-3 0-15000 Mcf/mo													
		T-3 > 15000 Mcf/mo													
Customer 25	Various	New Rate / New Load	Special Contract												
		Sp K Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-
		Sp K Volumes		(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338	7,341
		Sp K Rate													
		Sp K Disfr. Charge		62,169	59,645	63,289	68,456	35,854	50,584	45,474	33,924	32,366	16,291	9,377	5,902
Customer 26	177358A	Plant Closing	T4												
		T-4 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(297)	(1)
		T-4 301-15000 Mcf/mo		(1,494)	(2,120)	(1,905)	(2,380)	(3,782)	(7,623)	(5,326)	(2,005)	(2,569)	(844)	-	-
		T-4 > 15000 Mcf/mo													
Customer 27	40-170402	Alternative source	G2												
		G-2 Bill													
		G-2 0-15000 Mcf/mo								(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	

G-2 > 15000 Mcf/mo (34,899) (90,742) (30,630) (38,094) (72,430)

Customer 28	8000113860	Moved to G-1	T3											
		T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-3 0-15000 Mcf/mo		-	-	(2)	-	(89)	(654)	(403)	(326)	(376)	-	-
		T-3 > 15000 Mcf/mo												

Customer 28	8000113860	Moved from T3	G1											
		G-1 Bill		1	1	1	1	1	1	1	1	1	1	1
		G-1 0-300 Mcf/mo		-	-	2	-	89	654	403	326	376	-	-
		G-1 301-15000 Mcf/mo												
		G-1 > 15000 Mcf/mo												

Customer 29	400264749	Moved to G-1	T4											
		T-4 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo		(145)	(150)	(127)	(154)	(300)	(300)	(300)	(211)	(218)	(58)	(63)
		T-4 301-15000 Mcf/mo						(162)	(232)	(98)				
		T-4 > 15000 Mcf/mo												

Customer 30	400264749	Moved from T4	G1											
		G-1 Bill		1	1	1	1	1	1	1	1	1	1	1
		G-1 0-300 Mcf/mo		145	150	127	154	300	300	300	211	218	58	63
		G-1 301-15000 Mcf/mo						162	232	98				
		G-1 > 15000 Mcf/mo												

Customer 31	8000138458	Moved to T4	G1											
		G-1 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		G-1 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
		G-1 301-15000 Mcf/mo		(361)	(42)	(1,267)	(1,542)	(2,767)	(4,630)	(5,222)	(5,329)	(3,814)	(4,193)	(4,268)
		G-1 > 15000 Mcf/mo												

Customer 31	8000138458	Moved from G1	T4											
		T-4 Bill		1	1	1	1	1	1	1	1	1	1	1
		T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300
		T-4 301-15000 Mcf/mo		662	198	1,981	2,381	4,165	6,876	7,738	7,894	5,689	6,240	6,350
		T-4 > 15000 Mcf/mo												2,043

Customer 32		New Customer	T4											
		T-4 Bill		1	1	1	1	1	1	1	1	1	1	1
		T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300
		T-4 301-15000 Mcf/mo		1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
		T-4 > 15000 Mcf/mo												

Customer 34		New Customer	T4											
		T-4 Bill		1	1	1	1	1	1	1	1	1	1	1
		T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300
		T-4 301-15000 Mcf/mo		950	950	950	950	950	950	950	950	950	950	950
		T-4 > 15000 Mcf/mo												

Summary														
		G-1 Bill		1	1	1	1	1	1	1	1	1	1	2
		G-1 0-300 Mcf/mo		(155)	(150)	(171)	(146)	89	654	403	237	294	(242)	(237)
		G-1 301-15000 Mcf/mo		(361)	(42)	(1,267)	(1,542)	(2,605)	(4,398)	(5,124)	(5,329)	(3,814)	(4,193)	(4,268)
		G-1 > 15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-
		G-2 Bill		-	-	-	-	-	-	-	-	-	-	-
		G-2 0-15000 Mcf/mo		-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
		G-2 > 15000 Mcf/mo		-	-	-	-	-	-	(34,899)	(90,742)	(30,630)	(38,094)	(72,430)
		T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)
		T-3 0-15000 Mcf/mo		16,737	16,210	17,346	16,357	6,333	5,125	16,048	16,129	16,114	16,357	16,213
		T-3 > 15000 Mcf/mo		25,000	25,000	25,000	26,825	27,037	27,091	27,353	27,139	27,074	26,843	26,887
		T-4 Bill		1	1	1	1	1	1	1	1	1	1	-
		T-4 0-300 Mcf/mo		455	450	473	477	414	300	300	407	382	592	647
		T-4 301-15000 Mcf/mo		6,982	5,664	8,013	8,712	12,041	10,936	15,677	19,323	14,539	18,366	18,227
		T-4 > 15000 Mcf/mo		2,106	2,565	1,800	253	(2,302)	(2,879)	(4,694)	(6,315)	(2,529)	(4,750)	(2,954)
		EDR Bill		-	-	-	-	-	-	-	-	-	-	-
		EDR 0-300 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-
		EDR 301-15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-
		EDR > 15000 Mcf/mo		-	-	-	-	-	-	-	-	-	-	-
		Sp K Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-
		Sp K Volumes		(21,056)	(20,446)	(21,608)	(25,561)	7,752	7,648	8,573	8,252	8,393	8,073	8,338
		Sp K Rate		-	-	-	-	-	-	-	-	-	-	-
		Sp K Distr. Charge		62,169	59,645	63,289	69,466	35,854	50,564	45,474	33,924	32,355	16,291	9,377

- 5 Expansions/Load Additions
- 3 Load Reductions
- 6 New Customers
- 3 Closings
- 3 Service Changes

Test Year	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
Residential													
Customers	157,594	159,580	157,189	155,047	155,912	153,510	153,825	155,116	158,490	159,482	160,183	160,439	1,885,367
Mcf	879,434	408,824	201,104	154,175	155,035	156,623	330,320	873,656	1,523,006	1,918,900	2,004,126	1,421,181	10,026,386
Commercial & Public Authority													
Customers	19,077	19,395	18,880	18,544	18,742	18,396	18,332	18,756	19,086	19,426	19,436	19,504	227,574
Mcf	506,276	303,165	207,110	184,297	186,707	184,688	259,787	593,484	787,294	970,750	1,004,616	750,386	5,848,560
Firm Industrial													
Customers	195	212	205	183	208	193	189	204	196	222	210	212	2,429
Mcf	41,965	35,123	28,027	22,480	23,559	25,141	28,480	30,327	70,917	114,623	78,067	69,312	568,020
Interruptible & Transportation													
Customers	221	224	221	220	219	219	218	221	221	222	229	223	2,657
Mcf	2,285,076	2,329,889	2,078,405	2,208,828	2,281,988	2,294,446	2,440,883	2,594,420	2,952,460	3,013,490	2,548,772	2,728,302	29,758,956

	Commercial & Public		Firm Industrial	Interruptible & Transportation	Total
	Residential	Authority			
Base Load per Customer (Jul & Aug)	1.01	10.00	121.37	10.452	
Total Base Load per year	1,900,000	2,275,830	294,853	27,765,875	
Average Daily Base Load per Customer	0.03311	0.32878	3.99033	343.61615	
Heating Load Per Year	8,126,386	3,572,730	273,187	1,991,081	
Annual HDDs	3,959	3,959	3,959	3,959	
Heating Load per Customer per HDD	0.01306	0.04759	0.34083	2.27174	
Peak Design Day HDD	60	60	60	60	
Peak Day per Average Customer	0.81658	3.18390	24.44018	479.92054	
Total Class Peak Day, Mcf	128,364	60,381	4,948	106,246	289,939

ATMOS ENERGY CORPORATION - KENTUCKY
SERVICE CHARGES
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Class of Customers	Rate	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	<u>Meter Sets</u>															
2	Regular Hours	\$34.00	88	92	138	294	553	421	175	112	138	83	98	108	88	92
3	After Hours	\$44.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	TOTAL Billed Orders		88	92	138	294	553	421	175	112	138	83	98	108	88	92
7	TOTAL Revenue		\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128
8																
9	<u>Turn on</u>															
10	Regular Hours	\$23.00	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857
11	After Hours	\$28.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	TOTAL Billed Orders		682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857
13	TOTAL Revenue		\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,859	\$15,686	\$19,711
14																
15	<u>Read</u>															
16	Regular Hours	\$12.00	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489
17	After Hours	\$14.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	TOTAL Billed Orders		1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489
19	TOTAL Revenue		\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868
20																
21	<u>Reconnect Delinquent Service</u>															
22	Regular Hours	\$39.00	168	294	219	293	261	81	316	475	766	525	514	518	168	294
23	After Hours	\$47.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	TOTAL Billed Orders		168	294	219	293	261	81	316	475	766	525	514	518	168	294
25	TOTAL Revenue		\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,169	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466
26																
27	<u>Seasonal Charge</u>															
28	Regular Hours	\$65.00	0	0	11	120	163	24	0	2	0	0	3	1	0	0
29	After Hours	\$73.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	TOTAL Billed Orders		0	0	11	120	163	24	0	2	0	0	3	1	0	0
27	TOTAL Revenue		\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0
28																
29	<u>Meter Test Charge</u>															
30	Regular Hours	\$20.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	After Hours	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	TOTAL Billed Orders		0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	TOTAL Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34																
35																
36	<u>Return Check Charge</u>															
37	Regular Hours	\$25.00	177	200	193	180	192	239	276	252	353	232	266	249	177	200
38	After Hours	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	TOTAL Billed Orders		177	200	193	180	192	239	276	252	353	232	266	249	177	200
40	TOTAL Revenue		\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000
41																
42	SUBTOTAL - OTHER OPERATING REVENUE		\$45,277	\$57,259	\$55,235	\$56,160	\$72,545	\$58,133	\$54,439	\$74,221	\$46,919	\$53,529	\$52,027	\$45,327	\$57,173	
43																
44	<u>Late Payment Fee</u>															
45	Rate	5%													\$59,820	\$55,150
46	TOTAL Revenue		\$94,787	\$107,859	\$107,697	\$139,890	\$190,335	\$190,794	\$208,506	\$233,521	\$268,697	\$198,709	\$161,333	\$132,539	\$105,147	\$112,323

Sep-17 (q)	Oct-17 (r)	Nov-17 (s)	Dec-17 (t)	Jan-18 (u)	Feb-18 (v)	Mar-18 (w)	Apr-18 (x)	May-18 (y)	Jun-18 (z)	Jul-18 (aa)	Aug-18 (ab)	Sep-18 (ac)	Oct-18 (ad)	Nov-18 (ae)	Dec-18 (af)	Jan-19 (ag)	Feb-19 (ah)	Mar-19 (ai)
138	294	553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
138	294	553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138
\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692
938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646
\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858
1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381
\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572
219	293	261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
219	293	261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766
\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874
11	120	163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	120	163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0
\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
193	180	192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
193	180	192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353
\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825
\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821
\$55,296	\$54,704	\$68,925	\$111,273	\$163,056	\$194,932	\$199,215	\$154,099	\$111,115	\$76,553	\$58,902	\$54,397	\$54,752	\$54,162	\$67,957	\$110,838	\$162,293	\$193,965	\$198,784
\$110,691	\$142,860	\$195,470	\$198,374	\$221,189	\$249,371	\$274,036	\$204,018	\$164,743	\$131,950	\$104,229	\$111,570	\$110,147	\$142,338	\$194,502	\$197,939	\$220,426	\$248,404	\$273,605

Apr-19 (aj)	May-19 (ak)	Jun-19 (al)	Jul-19 (am)	Aug-19 (an)	Sep-19 (ao)	Oct-19 (ap)	Nov-19 (aq)	Dec-19 (ar)	Jan-20 (as)	Feb-20 (at)	Mar-20 (au)	Apr-20 (av)	May-20 (aw)	Jun-20 (ax)	Jul-20 (ay)	Aug-20 (az)	Sep-20 (ba)	Oct-20 (bb)
83	98	108	88	92	138	294	553	421	175	112	138	83	98	108	88	92	138	294
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
83	98	108	88	92	138	294	553	421	175	112	138	83	98	108	88	92	138	294
\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,892	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996
430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603	682	857	938	1,731
\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,950	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813
911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220
\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640
525	514	518	168	294	219	293	261	81	316	475	766	525	514	518	168	294	219	293
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
525	514	518	168	294	219	293	261	81	316	475	766	525	514	518	168	294	219	293
\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427
0	3	1	0	0	11	120	163	24	0	2	0	0	3	1	0	0	11	120
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	3	1	0	0	11	120	163	24	0	2	0	0	3	1	0	0	11	120
\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
232	266	249	177	200	193	180	192	239	276	252	353	232	266	249	177	200	193	180
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
232	266	249	177	200	193	180	192	239	276	252	353	232	266	249	177	200	193	180
\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500
\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176
\$153,799	\$110,941	\$75,450	\$58,288	\$53,895	\$54,265	\$53,676	\$67,085	\$109,645	\$160,260	\$191,409	\$196,717	\$152,319	\$110,012	\$75,190	\$58,158	\$53,796	\$54,268	\$53,679
\$203,718	\$164,569	\$130,847	\$103,615	\$111,068	\$109,680	\$141,852	\$193,630	\$196,746	\$218,393	\$245,848	\$271,538	\$202,238	\$163,640	\$130,587	\$103,485	\$110,969	\$109,663	\$141,855

Nov-20 (bc)	Dec-20 (bd)	Jan-21 (be)	Feb-21 (bf)	Mar-21 (bg)	Apr-21 (bh)	May-21 (bi)	Jun-21 (bj)	Jul-21 (bk)	Aug-21 (bl)	Sep-21 (bm)	Oct-21 (bn)	Nov-21 (bo)	Dec-21 (bp)	Jan-22 (bq)	Feb-22 (br)	Mar-22 (bs)	Apr-22 (bt)	May-22 (bu)
553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138	83	98
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
553	421	175	112	138	83	98	108	88	92	138	294	553	421	175	112	138	83	98
\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332
2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2,887	1,855	641	520	646	430	547	603	682	857	938	1,731	2,887	1,855	641	520	646	430	547
\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581
1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,314	1,619	1,518	1,143	1,381	911	902	947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902
\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364	\$15,672	\$17,868	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824
261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766	525	514
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
261	81	316	475	766	525	514	518	168	294	219	293	261	81	316	475	766	525	514
\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046
163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0	0	3
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
163	24	0	2	0	0	3	1	0	0	11	120	163	24	0	2	0	0	3
\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353	232	266
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
192	239	276	252	353	232	266	249	177	200	193	180	192	239	276	252	353	232	266
\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650
\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628
\$67,059	\$109,538	\$160,047	\$191,130	\$196,180	\$151,943	\$109,790	\$75,276	\$58,226	\$53,860	\$54,354	\$53,766	\$67,178	\$109,809	\$160,470	\$191,647	\$196,617	\$152,271	\$110,017
\$193,604	\$196,639	\$218,180	\$245,569	\$271,001	\$201,862	\$163,418	\$130,673	\$103,553	\$111,033	\$109,749	\$141,942	\$193,723	\$196,910	\$218,603	\$246,086	\$271,438	\$202,190	\$163,645

Jun-22 (bv)	Jul-22 (bw)	Aug-22 (bx)	Sep-22 (by)	Oct-22 (bz)	Nov-22 (ca)	Dec-22 (cb)	Jan-23 (cc)	Feb-23 (cd)	Mar-23 (ce)	Apr-23 (cf)	May-23 (cg)	Jun-23 (ch)
108	88	92	138	294	553	421	175	112	138	83	98	108
0	0	0	0	0	0	0	0	0	0	0	0	0
108	88	92	138	294	553	421	175	112	138	83	98	108
\$3,672	\$2,992	\$3,128	\$4,692	\$9,996	\$18,802	\$14,314	\$5,950	\$3,808	\$4,692	\$2,822	\$3,332	\$3,672
603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603
0	0	0	0	0	0	0	0	0	0	0	0	0
603	682	857	938	1,731	2,887	1,855	641	520	646	430	547	603
\$13,869	\$15,686	\$19,711	\$21,574	\$39,813	\$66,401	\$42,665	\$14,743	\$11,960	\$14,858	\$9,890	\$12,581	\$13,869
947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947
0	0	0	0	0	0	0	0	0	0	0	0	0
947	1,306	1,489	1,254	1,220	1,314	1,619	1,518	1,143	1,381	911	902	947
\$11,364	\$15,672	\$17,858	\$15,048	\$14,640	\$15,768	\$19,428	\$18,216	\$13,716	\$16,572	\$10,932	\$10,824	\$11,364
518	168	294	219	293	261	81	316	475	766	525	514	518
0	0	0	0	0	0	0	0	0	0	0	0	0
518	168	294	219	293	261	81	316	475	766	525	514	518
\$20,202	\$6,552	\$11,466	\$8,541	\$11,427	\$10,179	\$3,159	\$12,324	\$18,525	\$29,874	\$20,475	\$20,046	\$20,202
1	0	0	11	120	163	24	0	2	0	0	3	1
0	0	0	0	0	0	0	0	0	0	0	0	0
1	0	0	11	120	163	24	0	2	0	0	3	1
\$65	\$0	\$0	\$715	\$7,800	\$10,595	\$1,560	\$0	\$130	\$0	\$0	\$195	\$65
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
249	177	200	193	180	192	239	276	252	353	232	266	249
0	0	0	0	0	0	0	0	0	0	0	0	0
249	177	200	193	180	192	239	276	252	353	232	266	249
\$6,225	\$4,425	\$5,000	\$4,825	\$4,500	\$4,800	\$5,975	\$6,900	\$6,300	\$8,825	\$5,800	\$6,650	\$6,225
\$55,397	\$45,327	\$57,173	\$55,395	\$88,176	\$126,545	\$87,101	\$58,133	\$54,439	\$74,821	\$49,919	\$53,628	\$55,397
\$75,555	\$58,405	\$54,016	\$54,528	\$53,940	\$67,447	\$111,466	\$163,217	\$195,070	\$200,098	\$154,795	\$111,646	\$76,479
\$130,952	\$103,732	\$111,189	\$109,923	\$142,116	\$193,992	\$198,567	\$221,350	\$249,509	\$274,919	\$204,714	\$165,274	\$131,876

Atmos Energy - Kentucky
Actual & Normal Degree Days
Reference Period - Twelve Months Ending 06/30/2017

Line No.	Month	Actual Ddays	Normal Ddays	Lagged Actual Mo. Ddays (1)	Lagged Normal Mo. Ddays (1)
	(a)	(b)	(c)	(d)	(e)
1	Jul-16	0	0	0	0
2	Aug-16	0	0	0	0
3	Sep-16	14	24	0	2
4	Oct-16	80	213	40	89
5	Nov-16	391	500	204	358
6	Dec-16	815	808	671	665
7	Jan-17	687	894	788	852
8	Feb-17	459	728	604	889
9	Mar-17	448	519	432	607
10	Apr-17	106	212	226	354
11	May-17	62	59	93	121
12	Jun-17	0	2	4	22
13					
14		3,062	3,959	3,062	3,959

- (1) Based upon 16th of previous month through 15th of billing month.
(2) Per NOAA, as reported for stations in Paducah (34.7.0%), Evansville (24.0%), Louisville (4.4%), Lexington (13.9%) and Nashville (23.0%).

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Refer to Atmos's response to Commission Staff's First Request for Information, Item 6. Provide the amount of dividends paid for fiscal year 2016, fiscal year 2017, fiscal year 2018 to date, the base period, and the test period. If there are no dividends paid in the base period and forecasted test year, explain the reason(s) for not paying a dividend.

RESPONSE:

Total Cash Dividends paid for:

FY16 - \$175,125,919 or \$1.68 / share
FY17 - \$191,930,414 or \$1.80 / share
CY17 (Base) - \$196,027,052 or \$1.835 / share
FY18 YTD March - \$104,528,452 or \$.97 / share

The current indicated quarterly dividend for FY2018 is \$.485 / share. The indicated dividend for FY 2019, which includes the last six months of the test period, will not be determined until November 2018. Atmos Energy does not pay out stock dividends but only pays cash dividends.

Respondents: Joe Christian and Laura Gillham

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

Provide Atmos's Pipeline Replacement Program's ("PRP") average annual cost per mile to replace pipe since its inception in 2009, with a breakdown by cost components.

RESPONSE:

Please see Attachment 1.

FY11	\$440k/mile
FY12	\$692k/mile
FY13	\$648k/mile
FY14	\$705k/mile
FY15	\$616k/mile
FY16	\$703k/mile
FY17	\$1.12M/mile

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post-Hearing_1-03_Att1 - PRP Cost per Mile.xlsx, 1 Page.

Respondent: Greg Smith

KY 2017-00349
Staff Post-Hearing DR 1-03
Attachment 1

Expenditure Type	2011	2012	2013	2014	2015	2016	2017	2018
Contractor Labor	\$ 2,525,016.19	\$ 11,464,270.35	\$ 10,397,387.12	\$ 16,875,948.47	\$ 27,815,852.20	\$ 24,477,553.10	\$ 29,580,521.10	\$ 16,241,242.83
Materials with and without Stores	\$ 888,234.70	\$ 4,877,297.30	\$ 5,354,605.16	\$ 3,572,982.32	\$ 6,015,488.76	\$ 2,757,548.80	\$ 6,057,961.52	\$ 2,449,712.96
Company Labor	\$ 173,628.35	\$ 668,173.33	\$ 1,039,768.26	\$ 1,448,146.46	\$ 1,749,015.77	\$ 1,828,059.14	\$ 1,788,897.66	\$ 709,268.21
RUTTS	\$ 23,156.19	\$ 140,912.05	\$ 183,015.03	\$ 292,136.54	\$ 353,870.45	\$ 451,723.19	\$ 428,466.69	\$ 194,536.59
Company Labor and Associated Costs	\$ 196,784.54	\$ 809,085.38	\$ 1,222,783.29	\$ 1,740,283.00	\$ 2,102,886.22	\$ 2,279,782.33	\$ 2,217,364.35	\$ 903,804.80
Land / Land Rights / Permits	\$ 16,586.96	\$ 12,581.23	\$ 19,850.92	\$ 274,992.95	\$ 488,578.00	\$ 98,859.17	\$ 1,396,423.53	\$ 306,683.73
Miscellaneous	\$ 75,049.41	\$ 128,852.09	\$ 171,053.40	\$ 99,913.60	\$ 310,019.32	\$ 124,770.07	\$ 437,277.02	\$ 96,302.12
Travel Expenses	\$ 3,759.78	\$ 3,544.73	\$ 10,462.52	\$ 10,436.03	\$ 40,401.67	\$ 40,898.34	\$ 6,769.06	\$ 3,140.57
Equipment / Equipment Rental	\$ 29,969.75	\$ 15,438.44	\$ 15,694.16	\$ 29,004.39	\$ 1,851.19	\$ 48,645.58	\$ 63,433.33	\$ 12,621.12
Reimbursements	\$ -	\$ (68,521.31)	\$ (50,157.35)	\$ (1,934.06)	\$ (695.85)	\$ (2,878.24)	\$ (2,152.97)	\$ -
AFUDC	\$ 5,723.51	\$ 57,795.35	\$ 30,114.41	\$ 89,555.74	\$ 152,059.04	\$ 143,529.70	\$ 140,453.15	\$ 273,840.84
	\$ 3,741,124.84	\$ 17,300,343.56	\$ 17,171,793.64	\$ 22,691,182.45	\$ 36,926,440.56	\$ 29,968,708.85	\$ 39,898,050.10	\$ 20,287,348.97
Approx Miles Replaced	8.5	25.0	26.5	32.2	59.9	42.6	35.5	
Avg. Cost Per Mile to Replace	\$ 440,132	\$ 692,014	\$ 647,992	\$ 704,695	\$ 616,468	\$ 703,491	\$ 1,123,889	

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-04
Page 1 of 1

REQUEST:

Provide the number of miles of bare-steel pipeline that Atmos has remaining on its system, as well as the number of miles of pipeline that has been replaced as a result of the PRP.

RESPONSE:

As defined by the original 2009 PRP rate case, Atmos Energy has approximately 220 miles of bare/ineffectively coated steel (and associated services) remaining. By the end of 2018, we should be 42-45% complete with the program and are committed to complete bare steel replacement within the original 15 year schedule. Please also see Attachment 1 of Company's response to Staff Post-Hearing 1-03 for miles of pipeline replaced.

Respondent: Greg Smith

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-05
Page 1 of 1

REQUEST:

Provide the current one-year and five-year PRP project lists that have been prepared by engineering and the associated estimated cost for each identified project.

RESPONSE:

As stated during cross examination, Atmos Energy has detailed estimates for a pool of projects 12-18 months in advance and then an identified list of projects within our 5 year plan that may require longer term engineering design, permitting, or easement acquisition. Our detailed list of FY18 projects can be found as part of its 2018 PRP filing in Case No. 2017-00308 which was approved by the PSC on October 27, 2017.

Please see the below project lists in Attachment 1:

- FY 2019 KY PRP Project Detail
- FY 2020 - 2022 KY PRP Project Identification

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post-Hearing_1-05_Att1 - PRP Projects.xlsx, 4 Pages.

Respondent: Greg Smith

	Project Title:	Overall Project Description:	Project / CB Number	Main Installed (ft):	Main Retired	Main Size:	# Services Replaced:	LP / IP / HP	Contract Labor \$	ATO Labor \$	Material \$	Total
	PRP 2734.Cedar & High St	Replace 129' of 1.25" Bare Std., 817' of 3" Epoxy, 45' of 2" Epoxy, 132' of 4" PE, 1,078' of 4" Epoxy, 78' of 2" PE LP with 1350' of 2" PE LP. 25 Services	050.00000 - 00000	1,350		2"	25	LP/IP	\$ 21,747	\$ 35,640	\$ 2,600	\$ 59,987
Rowletts	2735											
	PRP 2735.Hwy 31W Rowletts	Replace 2800' of 2" Bare Std., 46' of 2" PE, 371' Hot Tar, 987' of 2" Mill Wrap, 900' of 2" Epoxy with 4800' of 2" PE., with 42 Services. No Leaks	050.00000 - 00000	4,800		2"	42	IP/IP	\$ 385,440	\$ 15,840	\$ 36,240	\$ 437,520
Cave City	2735											
Oakland	2735											
	PRP 2735.Church St.	Replace 19' of 4" PE, 637' of 1.25" Bare Std., 2514' of 2" Bare Std., 1038' of 2" Epoxy, 143' of 2" Hot Tar, 25' of 2" Mill Wrap, 2110' of 1.25" Epoxy, 54' of 1.25" Hot Tar, with 1300' of 2" PE., 2700' of 4" PE., with 27 Services. No Leaks	050.00000 - 00000	4,000		2", 4"	27	IP/IP	\$ 328,200	\$ 13,200	\$ 19,450	\$ 360,850
Munfordville/Woodsonville	2735											
	PRP 2735.South St	Replace 35' of 2" PE, 338' of 4" Epoxy, 180' of 3" Epoxy 1,597' of 2" Epoxy 341' of 4" Mill Wrap, 98' of 1.25" Epoxy, 598' of 2" Mill Wrap., with 3,724' of 2" PE. 50 services.	050.00000 - 00000	3,724		2"	48	IP/IP	\$ 325,052	\$ 12,289	\$ 7,169	\$ 344,510
	PRP 2735.Woodsonville Rd	Replace 477' of 2" Epoxy, 186' of 1.25" Hot Tar, 555' of 2" Mill Wrap, 127' of 1" Hot Tar, 568' of 2" PE, 386' of 4" Epoxy, 1,220' of 1.5" Bare Std., 2,238' of 1.5" Adyl PE unlocateable, 82' of 2" Adyl PE unlocateable, 298' of 1.25" Epoxy, 125' of 1.5" Epoxy, 42' of 2" Hot Tar, with 5,265' of 2" PE. Replace Woodsonville TBS and retire 1- Reg Station with 2" Distribution Tie back. 28 services.	050.00000 - 00000	5,263		2"	28	IP/IP	\$ 370,978	\$ 17,368	\$ 42,131	\$ 430,477
Burgin	2737											
	PRP 2737.KY 33	Replace 333' of 1.25" Mill Wrap Bare Joint, 4,186' 2" Mill Wrap bare Joint, 4,007' of 4" Epoxy, 1,975' of 2" PE of which some is unlocateable, 170' of 3" Epoxy, 1,360' of 2" Epoxy, 164 Services.	050.00000 - 00000	10,295		2", 4"	164	IP/IP	\$ 742,387	\$ 33,974	\$ 33,348	\$ 810,209
Lancaster	2737											
	PRP 2737.W.Maple Ave	Replace 28' of 6" Mill-Wrap Bare Joint, 198' of Plastic, 676' of 4" Mill Wrap-Bare Joint, 5495' of 2" Mill Wrap - Bare Joint, 9711' of 2" Epoxy with 8450' of 2" PE., 1300' of 4" PE., with 125 Services	050.00000 - 00000	9,750		2", 4"	125	IP/IP	\$ 897,325	\$ 24,131	\$ 23,059	\$ 944,515
	PRP 2737.Cowden Ct	Replace 4,745' of Bare 2" Std. with 4,745' of 2" PE	050.00000 - 00000	4,745		2"	92	IP/IP	\$ 342,399	\$ 15,659	\$ 9,134	\$ 367,192
Danville	2737											
	PRP 2737.Hwy 150	Replace 4,750' 4" Bare Std, IP with 6" PE IP & 1,525' 2" Bare IP Std. With 2" PE IP. Allen Asphalt on the 4" line new 6" PE will eliminate pressure issues.	050.00000 - 00000	6275		2", 6"	40	IP/IP	\$ 485,529	\$ 20,708	\$ 49,960	\$ 556,197
Burgin	2737											
	PRP 2737 Burgin HPD -Shakertown	Replace 10,000' 2" bare with 4" steel; replace 28,000 3" bare with 6" PE	050.00000 - 00000	38,000		4", 6"		HPD/IP	\$ 2,210,218	\$ 4,148	\$ 870,794	\$3,085,160
Campbellsville	2738											
	PRP 2738.Robinson Ave	Replace 8335' of Bare Std. LP with 7735' of 2" & 600' 4" PE IP retire 3-LP Stations	050.00000 - 00000	8335		2", 4"	107	LP/IP	\$ 665,803	\$ 27,506	\$ 18,025	\$ 711,334
	PRP 2738.Baptist St	Replace 4,345' of 2" Epoxy, 277' of 4" Bare Std., 663' of 4" PE, 140' of 2" Bare Std, 34' of 4" Epoxy LP with 5,442' of 2" PE IP. retire 2-LP Reg Sations, 43 Services	050.00000 - 00000	5442		2"	43	LP/IP	\$ 447,805	\$ 17,959	\$ 10,476	\$ 476,240
	PRP 2738.Springfield Calvary	Replace 16 miles of 4" bare with 6" steel - carried from F18	050.44145 - 43698	52800		6"		HPD	\$ 5,014,620			\$5,014,620

FY 2020 - 2022 KY PRP Project Identification										
Town	Cost Center	Description	Replacement Footage	Main Size:	# Services	LP / IP / HP	Contract Labor	ATO Labor	Material \$	Total \$
Hopkinsville	2736									
	PRP.2736.N.19th & S. Main	Replace 306' of 4" N/A Plastic, 360' of 2" Bare Stl., 1285' of 2" Epoxy, 1322' of 4" Bare Stl., 1304' of 6" Bare Stl., 452' of 2" Plastic, 18' of 6" Epoxy, 1722' of 4" Epoxy, with 4045' of 2" PE., 2345' of 4" PE., with 95 Services	6390	2", 4"	95	IP/IP	\$ 338,492	\$ 15,815	\$ 20,039	\$ 374,346
Paducah	2637									
	PRP.2637.Paducah Lateral Replacement	Install 62,900' 12" steel to replace 6" bare steel from Texas Gas Purchase to Meachem Lane; downrate 8" existing 1955 transmission line to distribution; Magnolia River design, land, material only for 2020					\$ 4,000,000			\$ 4,000,000
	PRP.2637.Paducah Lateral Replacement	Install 62,900' 12" steel to replace 6" bare steel from Texas Gas Purchase to Meachem Lane; downrate 8" existing 1955 transmission line to distribution; Magnolia River turnkey; construction for 2021, 2022	11,650			HPD	\$ 5,000,000			\$ 5,000,000
Storage	2609									
	PRP.2609.Fruithill to Elkton replacement	Install 14 miles 12" steel from Fruithill to Elkton, to replace 10" bare steel; rebuild purchase station; Magnolia River turnkey project -- design, material, land for 2022				HPD	\$ 7,000,000			\$ 7,000,000
	PRP.2609.Fruithill to Elkton replacement	Install 14 miles 12" steel from Fruithill to Elkton, to replace 10" bare steel; rebuild purchase station; Magnolia River turnkey project -- construction for 2023	73,920			HPD	\$ 33,000,000			\$ 33,000,000
Bowling Green	2734									
	PRP.2734.Centerline phase III	Phase II from F19: Install 22,750' 8" steel to retire 1930 and 1938 Texas Gas lines; Magnolia River turnkey - construction 2020	22,750			HPD	\$ 9,000,000			\$ 9,000,000
Russellville	2734									
	Russellville, 9th. St.	Replace 2000' of 2" bare and 5000' of 4" bare with PE	7000	2", 4"	71		\$ 447,830	\$ 17,325	\$ 29,975	\$ 495,130
Owensboro	2636									
	PRP.2634.Old Hartford Rd Replacement	Replace one mile 8" bare steel along Old Hartford Road	5280			HPD	\$ 2,500,000			\$ 2,500,000
Harrodsburg	2737									
	PRP.2737.Harrodsburg Lateral Replacement	Install 52,800' 12" steel from Tennessee Gas Pipeline to Harrodsburg, to replace 6" bare steel; Magnolia River design, land, material only for 2020					\$ 3,000,000			\$ 3,000,000
	PRP.2737.Harrodsburg Lateral Replacement	Install 52,800' 12" steel from Tennessee Gas Pipeline to Harrodsburg, to replace 6" bare steel; Magnolia River turnkey - construction 2021, 2022	26,400				\$ 11,500,000			\$ 11,500,000
	PRP.2737.Harrodsburg Lateral Replacement	Install 52,800' 12" steel from Tennessee Gas Pipeline to Harrodsburg, to replace 6" bare steel; Magnolia River turnkey - construction 2021, 2022	26,400			HPD	\$ 11,500,000			
Lancaster	2737									
	Project 1: PRP.2737 KY 52-Danville St	Replace 2749' of 6" Mill Wrap - Bare Joint, 946' of 4" Mill Wrap - Bare Joint, 21' of 4" Epoxy, 329' of 2" Mill Wrap - Bare Joint, with 510' of 2" PE., 2125' of 4" PE., 4050' of 6" PE., with 125 Services	6,685	2", 4", 6"	125	IP/IP	\$ 545,496	\$ 16,545	\$ 52,180	\$ 614,221
	PRP.2737.Campbell St	Replace 104' of 1.25 Epoxy, 215' of 1.25 Bare Stl., 7151' of 2" Mill Wrap - Bare Joint, 192' of 2" Bare Stl., 751' of 2" Epoxy, 746' of 4" Mill Wrap - Bare joint, 43' of Plastic, 97' of 4" Epoxy, with 6745' of 2" PE., 825' of 4" PE., with 112 Services	7,570	2", 4"	112	IP/IP	\$828,751.00	\$18,736.00	\$17,295.00	\$864,782.00
	PRP.2737.Lancaster to Stanford bare replacement	Install 11 miles 6" steel from Lancaster to Stanford, to replace 4" bare steel; rebuild purchase station; Magnolia River turnkey project -- design, material, land for 2022				HPD	\$ 3,000,000			\$ 3,000,000
	PRP.2737.Lancaster to Stanford bare replacement	Install 11 miles 6" steel from Lancaster to Stanford, to replace 4" bare steel; rebuild purchase station; Magnolia River turnkey project -- construction for 2023	58,080			HPD	\$ 22,000,000			\$ 22,000,000

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-06
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REQUEST:

Provide a list of Atmos's other operating divisions in other states, indicate whether a Research and Development Rider is approved for such divisions, and if so, provide the corresponding tariffed rate. If Research and Development is funded through base rates, provide the amount that is included in revenue requirements for that purpose.

RESPONSE:

Please see Attachment 1. Also, please see the Company's response to Staff DR No. 2-11.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post-Hearing DR_1-06-Att1 - GTI.xls

Respondent: Mark Martin

Provide a list of Atmos's other operating divisions in other states, indicate whether a Research and Development Rider is approved for such divisions, and if so, provide the corresponding tarified rate. If Research and Development is funded through base rates, provide the amount that is included in revenue requirements for that purpose.

Division	Jurisdiction	Method	Rate <i>per 1,000 cubic feet</i>	Amount included in Revenue Requirements
MS	MS	R&D Rider	\$0.0174	
KMD	KY	R&D Rider	\$0.0035	
	TN			
	VA	Base Rates		\$109K per year.
LA	LA	Base Rates		\$1.00 per meter per year. We remitted \$313K to LA RDC last year (based on previous rate of \$.90/meter)
MDTX	Mid-Texas	Base Rates		\$300K per year
WTX	West Texas	Base Rates		\$60K per year
CO-KS	CO			
	KS			

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
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Question No. 1-07
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REQUEST:

Refer to the Attorney General's response to Atmos's Request for Information, Item 20. Provide the amount of Directors' Stock expense that is included in Atmos's revenue requirement.

RESPONSE:

The gross amount of \$3,493,913 can be found in cell B67 on the "Div 002 FY18 Budget" tab in the relied upon file "OM for KY-2017 case.xlsx". Using the allocation factor of 5.2% results in \$181,683 being allocated to Kentucky in revenue requirement.

Respondent: Greg Waller

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-08
Page 1 of 1

REQUEST:

Refer to Mr. Baudino's Direct Testimony, where he proposed an adjustment to the interest rate of Atmos's \$450 million senior note maturing on March 15, 2019, from 8.5 percent to 4 percent. If Atmos believes the 4 percent interest rate is not attainable, provide the interest rate that Atmos finds reasonable, with supporting documentation.

RESPONSE:

As discussed at the hearing the on March 22, 2018, the AG's proposed 4 percent interest rate does not include all the components necessary to calculate a new overall cost of a hypothetical refinancing.

Please see Attachment 1 for the Company's current estimate of refinancing the \$450 million senior note as of March 15, 2018 as well as a hypothetical calculation of issuing \$450 million of debt, but without any pre-payment obligations.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post-Hearing_1-08_Att1 - \$450 MM Refinance.xlsx, 2 Pages.

Respondent: Joe Christian

Atmos Energy Corporation, Kentucky/Mid-States Division
Kentucky Jurisdiction Case No. 2017-00349
\$450 MM Refinance
Forecasted Test Period: Twelve Months Ended March 31, 2019

Staff Post Hearing 1-08
Witness: Christian

Workpaper Reference No(s).

Line No.	Issue (A)	Amount Outstanding (B)	Interest Rate (C)	Effective Annual Cost (D)
1	8.50% Sr Note due 3/15/2019	450,000,000	8.500%	
2	Make Whole Premium	38,250,000		
3	Underlying Treasury out (in) the money as of 03/15	73,000,000		
4	Sr Note due 3/15/2049	561,250,000		
5	Refinance - Underlying Treasury Yield Component [1]		3.782%	
6	Refinance - Credit Spread		1.000%	
7	Refinance - Optional Redemption Make Whole Premium [2]		0.500%	
8	Fees [3]		0.267%	
9				
10				31,145,225
11	Total		5.55%	\$ 31,145,225
12				
13	[1] FR 16(7)(f) Attachment 1 [2016 10K page 39]			
14	[2] AG DR No. 1-40 Att 1 Page 31 of 95			
15	[3] Estimated Fees	1,500,000		

Email from Dan on 03/16:

FYI - We would have to borrow an additional \$73mm to settle the swaps today.

Dan Meziere | VP & Treasurer | Atmos Energy Corporation | 972-855-3726 Office | 214-550-9326 Fax | Dan.Meziere@atmosenergy.com | www.at

Atmos Energy Corporation, Kentucky/Mid-States Division
 Kentucky Jurisdiction Case No. 2017-00349
 \$450 MM Refinance
 Forecasted Test Period: Twelve Months Ended March 31, 2019

Staff Post Hearing 1-08
 Witness: Christian

Workpaper Reference No(s).

Line No.	Issue (A)	Amount Outstanding (B)	Interest Rate (C)	Effective Annual Cost (D)
1	8.50% Sr Note due 3/15/2019	450,000,000	8.500%	
2	Make Whole Premium			
3	Underlying Treasury out (in) the money as of 03/15	73,000,000		
4	Sr Note due 3/15/2049	<u>523,000,000</u>		
5	Refinance - Underlying Treasury Yield Component [1]		3.782%	
6	Refinance - Credit Spread		1.000%	
7	Refinance - Optional Redemption Make Whole Premium [2]		0.000%	
8	Fees [3]		0.287%	
9				
10				<u>26,509,860</u>
11	Total		<u>5.07%</u>	\$ <u>26,509,860</u>
12				
13	[1] FR 16(7)(l) Attachment 1 [2016 10K page 39]			
14	[2] AG DR No. 1-40 Att 1 Page 31 of 95			
15	[3] Estimated Fees	1,500,000		

Email from Dan on 03/16:

FYI - We would have to borrow an additional \$73mm to settle the swaps today.

Dan Meziere | VP & Treasurer | Atmos Energy Corporation | 972-855-3726 Office | 214-550-9326 Fax | Dan.Meziere@atmosenergy.com | www.at

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-09
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REQUEST:

Provide Atmos's Kentucky system's annual lost and unaccounted for gas percentage for each year since 2009 until 2018 to date.

RESPONSE:

Atmos Energy reports annual system L&U information within Part G of the Distribution Annual Report filing. In 2009 the L&U for KY was 3.45%. For 2017, L&U was reported at 1.61%. The 2018 percentage is not yet available due to the fact that the reporting period ends June 30. Also, as a reminder, L&U varies due to many factors other than number of leaks, including but not limited to system throughput and weather.

2009	2010	2011	2012	2013	2014	2015	2016	2017
3.45%	2.20%	0.94%	0.84%	2.32%	1.16%	2.15%	1.28%	1.61%

Respondent: Laura Gillham

Case No. 2017-00349
Atmos Energy Corporation, Kentucky Division
Staff Post-Hearing DR Set No. 1
Question No. 1-10
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REQUEST:

Provide Mr. Vander Weide's updated Return on Equity ("ROE") based upon the most current information available, with supporting documentation of the same, and a detailed explanation of the change in proposed ROE.

RESPONSE:

In his direct testimony, Dr. Vander Weide estimated Atmos Energy's cost of equity by applying standard cost of equity methods, including the DCF, the ex ante risk premium method, the ex post risk premium method, and the CAPM to market data for proxy groups of publicly-traded natural gas utilities. Dr. Vander Weide provides a complete description of these methods and his application of these methods in his direct testimony. Dr. Vander Weide updated his cost of equity studies using market data through January 2018 in his rebuttal testimony, implementing his analyses in the same manner as those presented in his direct testimony. Using the same methods as those presented in his direct and rebuttal testimonies, Dr. Vander Weide updated his cost of equity studies using market data through February 2018. The average result of Dr. Vander Weide's cost of equity studies is 10.6 percent (see Table 1 below), an average result which is 30 basis points higher than the average result Dr. Vander Weide obtained from the studies he presented in his direct testimony and 20 basis points higher than the average result he obtained in the results presented in his rebuttal testimony. The schedules supporting this analysis are attached.

Table 1
Cost of Equity Model Results Using Market Data through February 2018

Method	Model Result
DCF	9.5%
Ex Ante Risk Premium	11.1%
Ex Post Risk Premium	10.6%
CAPM - Historical	10.0%
CAPM - DCF-based	11.5%
Average	10.6%

Dr. Vander Weide is not aware of any change in the Company's proposed ROE in this proceeding. If direct testimony were being filed at this time, based on these updated studies, Dr. Vander Weide would recommend a return on equity equal to 10.6 percent.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff Post-Hearing_1-10_Att1 - Vander Weide Support.docx, 25 Pages.

Respondent: James Vander Weide

- | | |
|------------|---|
| Schedule 1 | Summary of Discounted Cash Flow Analysis for Natural Gas Distribution Utilities |
| Schedule 2 | Comparison of the DCF Expected Return on an Investment in Natural Gas Utilities to the Interest Rate on Moody's A-Rated Utility Bonds |
| Schedule 3 | Comparative Returns on S&P 500 Stock Index and Moody's A-Rated Bonds 1937—2018 |
| Schedule 4 | Comparative Returns on S&P Utility Stock Index and Moody's A-Rated Bonds 1937—2018 |
| Schedule 5 | Using the Arithmetic Mean to Estimate the Cost of Equity Capital |
| Schedule 6 | Calculation of Capital Asset Pricing Model Cost of Equity Using the Ibbotson® SBBI® 6.9 Percent Risk Premium |
| Schedule 7 | Comparison of Risk Premiums on S&P500 and S&P Utilities 1937 – 2018 |
| Schedule 8 | Calculation of Capital Asset Pricing Model Cost of Equity Using DCF Estimate of the Expected Rate of Return on the Market Portfolio |

**SCHEDULE 1
SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS
FOR NATURAL GAS DISTRIBUTION UTILITIES**

	COMPANY	MOST RECENT QUARTERLY DIVIDEND (d ₀)	STOCK PRICE (P ₀)	FORECAST OF FUTURE EARNINGS GROWTH	MARKET CAP \$ (MIL)	DCF MODEL RESULT
1	Atmos Energy	0.485	83.873	7.3%	9,205	9.9%
2	Chesapeake Utilities	0.325	74.833	6.0%	1,120	8.0%
3	New Jersey Resources	0.273	39.792	6.0%	3,438	9.1%
4	NiSource Inc.	0.195	24.830	8.7%	7,922	12.2%
5	Northwest Nat. Gas	0.473	58.717	4.0%	1,617	7.6%
6	ONE Gas Inc.	0.460	71.188	6.0%	3,566	8.8%
7	South Jersey Inds.	0.280	30.205	6.0%	2,160	10.2%
8	UGI Corp.	0.250	46.693	6.2%	7,561	8.6%
9	Average			6.3%	0.15%	9.3%
10	Market-weighted Average					9.8%
11	Average, simple, market-weighted					9.5%

Notes:

- d₀ = Most recent quarterly dividend.
- d₁,d₂,d₃,d₄ = Next four quarterly dividends, calculated by multiplying the last four quarterly dividends per *Value Line* and *Yahoo Finance*, by the factor (1 + g).
- P₀ = Average of the monthly high and low stock prices during the three months ending February 2018 per Thomson Reuters.
- FC = Flotation costs expressed as a percent of gross proceeds.
- g = Average of I/B/E/S and *Value Line* forecasts of future earnings growth February 2018.
- k = Cost of equity using the quarterly version of the DCF model shown by the formula below:

$$k = \frac{d_1(1+k)^{.75} + d_2(1+k)^{.50} + d_3(1+k)^{.25} + d_4}{P_0(1-FC)} + g$$

SCHEDULE 2
COMPARISON OF DCF EXPECTED RETURN
ON AN EQUITY INVESTMENT IN NATURAL GAS DISTRIBUTION UTILITIES
TO THE INTEREST RATE ON A-RATED UTILITY BONDS

In this analysis, I compute a natural gas utility equity risk premium by comparing the DCF estimated cost of equity for a natural gas utility proxy group to the interest rate on A-rated utility bonds. For each month in my June 1998 through February 2018 study period:

DCF = Average DCF-estimated cost of equity on a portfolio of proxy companies;
Bond Yield = Yield to maturity on an investment in A-rated utility bonds; and
Risk Premium = DCF – Bond yield.

A more detailed description of my ex ante risk premium method is contained in Appendix 4.

LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
1	Jun-98	0.1154	0.0703	0.0451
2	Jul-98	0.1186	0.0703	0.0483
3	Aug-98	0.1234	0.0700	0.0534
4	Sep-98	0.1273	0.0693	0.0580
5	Oct-98	0.1260	0.0696	0.0564
6	Nov-98	0.1211	0.0703	0.0508
7	Dec-98	0.1185	0.0691	0.0494
8	Jan-99	0.1195	0.0697	0.0498
9	Feb-99	0.1243	0.0709	0.0534
10	Mar-99	0.1257	0.0726	0.0531
11	Apr-99	0.1260	0.0722	0.0538
12	May-99	0.1221	0.0747	0.0474
13	Jun-99	0.1208	0.0774	0.0434
14	Jul-99	0.1222	0.0771	0.0451
15	Aug-99	0.1220	0.0791	0.0429
16	Sep-99	0.1226	0.0793	0.0433
17	Oct-99	0.1233	0.0806	0.0427
18	Nov-99	0.1240	0.0794	0.0446
19	Dec-99	0.1280	0.0814	0.0466
20	Jan-00	0.1301	0.0835	0.0466
21	Feb-00	0.1344	0.0825	0.0519
22	Mar-00	0.1344	0.0828	0.0516
23	Apr-00	0.1316	0.0829	0.0487
24	May-00	0.1292	0.0870	0.0422
25	Jun-00	0.1295	0.0836	0.0459
26	Jul-00	0.1317	0.0825	0.0492
27	Aug-00	0.1290	0.0813	0.0477
28	Sep-00	0.1257	0.0823	0.0434
29	Oct-00	0.1260	0.0814	0.0446
30	Nov-00	0.1251	0.0811	0.0440
31	Dec-00	0.1239	0.0784	0.0455
32	Jan-01	0.1261	0.0780	0.0481
33	Feb-01	0.1261	0.0774	0.0487
34	Mar-01	0.1275	0.0768	0.0507

LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
35	Apr-01	0.1227	0.0794	0.0433
36	May-01	0.1302	0.0799	0.0503
37	Jun-01	0.1304	0.0785	0.0519
38	Jul-01	0.1338	0.0778	0.0560
39	Aug-01	0.1327	0.0759	0.0568
40	Sep-01	0.1268	0.0775	0.0493
41	Oct-01	0.1268	0.0763	0.0505
42	Nov-01	0.1268	0.0757	0.0511
43	Dec-01	0.1254	0.0783	0.0471
44	Jan-02	0.1236	0.0766	0.0470
45	Feb-02	0.1241	0.0754	0.0487
46	Mar-02	0.1189	0.0776	0.0413
47	Apr-02	0.1159	0.0757	0.0402
48	May-02	0.1162	0.0752	0.0410
49	Jun-02	0.1170	0.0741	0.0429
50	Jul-02	0.1242	0.0731	0.0511
51	Aug-02	0.1234	0.0717	0.0517
52	Sep-02	0.1260	0.0708	0.0552
53	Oct-02	0.1250	0.0723	0.0527
54	Nov-02	0.1221	0.0714	0.0507
55	Dec-02	0.1216	0.0707	0.0509
56	Jan-03	0.1219	0.0706	0.0513
57	Feb-03	0.1232	0.0693	0.0539
58	Mar-03	0.1195	0.0679	0.0516
59	Apr-03	0.1162	0.0664	0.0498
60	May-03	0.1126	0.0636	0.0490
61	Jun-03	0.1114	0.0621	0.0493
62	Jul-03	0.1127	0.0657	0.0470
63	Aug-03	0.1139	0.0678	0.0461
64	Sep-03	0.1127	0.0656	0.0471
65	Oct-03	0.1123	0.0643	0.0480
66	Nov-03	0.1089	0.0637	0.0452
67	Dec-03	0.1071	0.0627	0.0444
68	Jan-04	0.1059	0.0615	0.0444
69	Feb-04	0.1039	0.0615	0.0424
70	Mar-04	0.1037	0.0597	0.0440
71	Apr-04	0.1041	0.0635	0.0406
72	May-04	0.1045	0.0662	0.0383
73	Jun-04	0.1036	0.0646	0.0390
74	Jul-04	0.1011	0.0627	0.0384
75	Aug-04	0.1008	0.0614	0.0394
76	Sep-04	0.0976	0.0598	0.0378
77	Oct-04	0.0974	0.0594	0.0380
78	Nov-04	0.0962	0.0597	0.0365
79	Dec-04	0.0970	0.0592	0.0378
80	Jan-05	0.0990	0.0578	0.0412
81	Feb-05	0.0979	0.0561	0.0418
82	Mar-05	0.0979	0.0583	0.0396
83	Apr-05	0.0988	0.0564	0.0424
84	May-05	0.0981	0.0553	0.0427

LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
85	Jun-05	0.0976	0.0540	0.0436
86	Jul-05	0.0966	0.0551	0.0415
87	Aug-05	0.0969	0.0550	0.0419
88	Sep-05	0.0980	0.0552	0.0428
89	Oct-05	0.0990	0.0579	0.0411
90	Nov-05	0.1049	0.0588	0.0461
91	Dec-05	0.1045	0.0580	0.0465
92	Jan-06	0.0982	0.0575	0.0407
93	Feb-06	0.1124	0.0582	0.0542
94	Mar-06	0.1127	0.0598	0.0529
95	Apr-06	0.1100	0.0629	0.0471
96	May-06	0.1056	0.0642	0.0414
97	Jun-06	0.1049	0.0640	0.0409
98	Jul-06	0.1087	0.0637	0.0450
99	Aug-06	0.1041	0.0620	0.0421
100	Sep-06	0.1053	0.0600	0.0453
101	Oct-06	0.1030	0.0598	0.0432
102	Nov-06	0.1033	0.0580	0.0453
103	Dec-06	0.1035	0.0581	0.0454
104	Jan-07	0.1013	0.0596	0.0417
105	Feb-07	0.1018	0.0590	0.0428
106	Mar-07	0.1018	0.0585	0.0433
107	Apr-07	0.1007	0.0597	0.0410
108	May-07	0.0967	0.0599	0.0368
109	Jun-07	0.0970	0.0630	0.0340
110	Jul-07	0.1006	0.0625	0.0381
111	Aug-07	0.1021	0.0624	0.0397
112	Sep-07	0.1014	0.0618	0.0396
113	Oct-07	0.1080	0.0611	0.0469
114	Nov-07	0.1083	0.0597	0.0486
115	Dec-07	0.1084	0.0616	0.0468
116	Jan-08	0.1113	0.0602	0.0511
117	Feb-08	0.1139	0.0621	0.0518
118	Mar-08	0.1147	0.0621	0.0526
119	Apr-08	0.1167	0.0629	0.0538
120	May-08	0.1069	0.0627	0.0442
121	Jun-08	0.1062	0.0638	0.0424
122	Jul-08	0.1086	0.0640	0.0446
123	Aug-08	0.1123	0.0637	0.0486
124	Sep-08	0.1130	0.0649	0.0481
125	Oct-08	0.1213	0.0756	0.0457
126	Nov-08	0.1221	0.0760	0.0461
127	Dec-08	0.1162	0.0654	0.0508
128	Jan-09	0.1131	0.0639	0.0492
129	Feb-09	0.1155	0.0630	0.0524
130	Mar-09	0.1198	0.0642	0.0556
131	Apr-09	0.1146	0.0648	0.0498
132	May-09	0.1225	0.0649	0.0576
133	Jun-09	0.1208	0.0620	0.0588
134	Jul-09	0.1145	0.0597	0.0548

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ATTACHMENT 1
TO STAFF POST HEARING DR NO. 1-10
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LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
135	Aug-09	0.1109	0.0571	0.0538
136	Sep-09	0.1109	0.0553	0.0556
137	Oct-09	0.1146	0.0555	0.0592
138	Nov-09	0.1148	0.0564	0.0584
139	Dec-09	0.1123	0.0579	0.0544
140	Jan-10	0.1198	0.0577	0.0621
141	Feb-10	0.1167	0.0587	0.0580
142	Mar-10	0.1074	0.0584	0.0490
143	Apr-10	0.0934	0.0582	0.0352
144	May-10	0.0970	0.0552	0.0418
145	Jun-10	0.0953	0.0546	0.0407
146	Jul-10	0.1050	0.0526	0.0524
147	Aug-10	0.1038	0.0501	0.0537
148	Sep-10	0.1034	0.0501	0.0533
149	Oct-10	0.1050	0.0510	0.0540
150	Nov-10	0.1041	0.0536	0.0505
151	Dec-10	0.1029	0.0557	0.0472
152	Jan-11	0.1019	0.0557	0.0462
153	Feb-11	0.1004	0.0568	0.0436
154	Mar-11	0.1014	0.0556	0.0458
155	Apr-11	0.1031	0.0555	0.0476
156	May-11	0.1018	0.0532	0.0486
157	Jun-11	0.1020	0.0526	0.0494
158	Jul-11	0.1035	0.0527	0.0508
159	Aug-11	0.1179	0.0469	0.0710
160	Sep-11	0.1155	0.0448	0.0707
161	Oct-11	0.1150	0.0452	0.0698
162	Nov-11	0.1120	0.0425	0.0695
163	Dec-11	0.1092	0.0435	0.0657
164	Jan-12	0.1078	0.0434	0.0644
165	Feb-12	0.1081	0.0436	0.0645
166	Mar-12	0.1081	0.0448	0.0633
167	Apr-12	0.1133	0.0440	0.0693
168	May-12	0.1203	0.0420	0.0783
169	Jun-12	0.1013	0.0408	0.0605
170	Jul-12	0.0978	0.0393	0.0585
171	Aug-12	0.1025	0.0400	0.0625
172	Sep-12	0.1040	0.0402	0.0638
173	Oct-12	0.1011	0.0391	0.0620
174	Nov-12	0.1032	0.0384	0.0648
175	Dec-12	0.1023	0.0400	0.0623
176	Jan-13	0.1013	0.0415	0.0598
177	Feb-13	0.0982	0.0418	0.0564
178	Mar-13	0.1018	0.0420	0.0598
179	Apr-13	0.1001	0.0400	0.0601
180	May-13	0.1000	0.0417	0.0583
181	Jun-13	0.1000	0.0453	0.0547
182	Jul-13	0.0983	0.0468	0.0515
183	Aug-13	0.0982	0.0473	0.0509
184	Sep-13	0.0991	0.0480	0.0511

LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
185	Oct-13	0.0998	0.0470	0.0528
186	Nov-13	0.0964	0.0477	0.0487
187	Dec-13	0.0966	0.0481	0.0485
188	Jan-14	0.0948	0.0463	0.0485
189	Feb-14	0.1019	0.0453	0.0566
190	Mar-14	0.1027	0.0451	0.0576
191	Apr-14	0.1081	0.0441	0.0640
192	May-14	0.1069	0.0426	0.0643
193	Jun-14	0.1059	0.0429	0.0630
194	Jul-14	0.1075	0.0423	0.0652
195	Aug-14	0.1069	0.0413	0.0656
196	Sep-14	0.1058	0.0424	0.0634
197	Oct-14	0.1131	0.0406	0.0725
198	Nov-14	0.1113	0.0409	0.0704
199	Dec-14	0.1105	0.0395	0.0710
200	Jan-15	0.1043	0.0358	0.0685
201	Feb-15	0.1043	0.0367	0.0676
202	Mar-15	0.1062	0.0374	0.0688
203	Apr-15	0.1072	0.0375	0.0697
204	May-15	0.1067	0.0417	0.0650
205	Jun-15	0.1020	0.0439	0.0581
206	Jul-15	0.0974	0.0440	0.0534
207	Aug-15	0.0949	0.0425	0.0524
208	Sep-15	0.0975	0.0439	0.0536
209	Oct-15	0.0961	0.0429	0.0532
210	Nov-15	0.1007	0.0440	0.0567
211	Dec-15	0.1027	0.0435	0.0592
212	Jan-16	0.1017	0.0427	0.0590
213	Feb-16	0.1002	0.0411	0.0591
214	Mar-16	0.0973	0.0416	0.0557
215	Apr-16	0.0974	0.0400	0.0574
216	May-16	0.0944	0.0393	0.0551
217	Jun-16	0.0963	0.0378	0.0585
218	Jul-16	0.0952	0.0357	0.0595
219	Aug-16	0.0971	0.0359	0.0612
220	Sep-16	0.0978	0.0366	0.0612
221	Oct-16	0.0990	0.0377	0.0613
222	Nov-16	0.1041	0.0408	0.0633
223	Dec-16	0.1032	0.0427	0.0605
224	Jan-17	0.1021	0.0414	0.0607
225	Feb-17	0.0991	0.0418	0.0573
226	Mar-17	0.0983	0.0423	0.0560
227	Apr-17	0.0975	0.0412	0.0563
228	May-17	0.0984	0.0412	0.0572
229	Jun-17	0.0968	0.0394	0.0574
230	Jul-17	0.0975	0.0399	0.0576
231	Aug-17	0.0955	0.0386	0.0569
232	Sep-17	0.0957	0.0387	0.0570
233	Oct-17	0.0975	0.0391	0.0584
234	Nov-17	0.0975	0.0383	0.0592

LINE	DATE	DCF	BOND YIELD	RISK PREMIUM
235	Dec-17	0.0915	0.0379	0.0536
236	Jan-18	0.0938	0.0386	0.0552
237	Feb-18	0.0994	0.0409	0.0585

Notes: A-rated utility bond yield information from the Mergent Bond Record. DCF results are calculated using a quarterly DCF model as follows:

- D₀ = Latest quarterly dividend per *Value Line* and Yahoo Finance.
- P₀ = Average of the monthly high and low stock prices for each month from Thomson Reuters.
- FC = Flotation costs expressed as a percent of gross proceeds.
- g = I/B/E/S forecast of future earnings growth for each month.
- k = Cost of equity using the quarterly version of the DCF model shown by the formula below:

$$k = \left[\frac{d_0(1+g)^{\frac{1}{4}}}{P_0(1-FC)} + (1+g)^{\frac{1}{4}} \right]^4 - 1$$

My estimate of the ex ante risk premium on an investment in my proxy natural gas utility group as compared to an investment in A-rated utility bonds is given by the equation:

$$RP_{\text{PROXY}} = \frac{8.61}{(14.94)} - \frac{.598 \times I_A}{(-6.316)^1}$$

Using the forecast 5.9 percent yield to maturity on A-rated utility bonds, the regression equation produces an ex ante risk premium based on the proxy group equal to 5.1 percent (8.61 – .60 x 5.9 = 5.1). Adding an estimated risk premium of 5.1 percent to the 5.9 percent forecasted yield to maturity on A-rated utility bonds produces a cost of equity estimate of 11.0 percent for the electric company proxy group using the ex ante risk premium method.

1	Constant coefficient				8.61%
2	Bond coefficient				(0.598)
3	Forecast bond yield =				6.1%
4	Bond coefficient x Bond yield =				(0.036)
5	Ex Ante Risk Premium				4.96%
6	Forecast bond yield =				6.1%
7	Ex Ante Risk Premium Cost of Equity =				11.1%

Forecast utility bond yield from Value Line and EIA. Value Line Selection & Opinion (March 2, 2018) projects a AAA-rated Corporate bond yield equal to 5.7 percent. The average spread between A-rated utility bonds and Aaa-rated Corporate bonds is 27 basis points (A-rated utility, 4.09 percent, less Aaa-rated Corporate, 3.82 percent, equals 27 basis points). Adding 27 basis points to the 5.7 percent Value Line Aaa Corporate bond forecast equals a forecast yield of 6.0 percent for the A-rated utility bonds. The EIA forecasts an AA-rated utility bond yield equal to 6.11 percent. The average spread between AA-rated utility and A-rated utility bonds is 18 basis points (4.09 percent less 3.91 percent). Adding 18 basis points to EIA's 6.11 percent AA-utility bond yield forecast equals a forecast yield for A-rated utility bonds equal to 6.3 percent. The average of the forecasts (6.0 percent using Value Line data and 6.3 percent using EIA data) is 6.1 percent.

¹ The t-statistics are shown in parentheses.

**SCHEDULE 3
COMPARATIVE RETURNS ON S&P 500 STOCK INDEX
AND MOODY'S A-RATED BONDS 1937 to 2018**

LINE	YEAR	S&P 500 STOCK PRICE	STOCK DIVIDEND YIELD	STOCK RETURN	A-RATED BOND PRICE	BOND RETURN	RISK PREMIUM
1	2018	2,789.80	0.0198		\$102.46		
2	2017	2,275.12	0.0209	24.71%	\$96.13	10.75%	13.97%
3	2016	1,918.60	0.0222	20.80%	\$95.48	4.87%	15.93%
4	2015	2,028.18	0.0208	-3.32%	\$107.65	-7.59%	4.26%
5	2014	1,822.36	0.0210	13.39%	\$89.89	24.20%	-10.81%
6	2013	1,481.11	0.0220	25.24%	\$97.45	-3.65%	28.89%
7	2012	1,300.58	0.0214	16.02%	\$94.36	7.52%	8.50%
8	2011	1,282.62	0.0185	3.25%	\$77.36	27.14%	-23.89%
9	2010	1,123.58	0.0203	16.18%	\$75.02	8.44%	7.74%
10	2009	865.58	0.0310	32.91%	\$68.43	15.48%	17.43%
11	2008	1,378.76	0.0206	-35.16%	\$72.25	0.24%	-35.40%
12	2007	1,424.16	0.0181	-1.38%	\$72.91	4.59%	-5.97%
13	2006	1,278.72	0.0183	13.20%	\$75.25	2.20%	11.01%
14	2005	1,181.41	0.0177	10.01%	\$74.91	5.80%	4.21%
15	2004	1,132.52	0.0162	5.94%	\$70.87	11.34%	-5.40%
16	2003	895.84	0.0180	28.22%	\$62.26	20.27%	7.95%
17	2002	1,140.21	0.0138	-20.05%	\$57.44	15.35%	-35.40%
18	2001	1,335.63	0.0116	-13.47%	\$56.40	8.93%	-22.40%
19	2000	1,425.59	0.0118	-5.13%	\$52.60	14.82%	-19.95%
20	1999	1,248.77	0.0130	15.46%	\$63.03	-10.20%	25.66%
21	1998	963.35	0.0162	31.25%	\$62.43	7.38%	23.87%
22	1997	766.22	0.0195	27.68%	\$56.62	17.32%	10.36%
23	1996	614.42	0.0231	27.02%	\$60.91	-0.48%	27.49%
24	1995	465.25	0.0287	34.93%	\$50.22	29.26%	5.68%
25	1994	472.99	0.0269	1.05%	\$60.01	-9.65%	10.71%
26	1993	435.23	0.0288	11.56%	\$53.13	20.48%	-8.93%
27	1992	416.08	0.0290	7.50%	\$49.56	15.27%	-7.77%
28	1991	325.49	0.0382	31.65%	\$44.84	19.44%	12.21%
29	1990	339.97	0.0341	-0.85%	\$45.60	7.11%	-7.96%
30	1989	285.41	0.0364	22.76%	\$43.06	15.18%	7.58%
31	1988	250.48	0.0366	17.61%	\$40.10	17.36%	0.25%
32	1987	264.51	0.0317	-2.13%	\$48.92	-9.84%	7.71%
33	1986	208.19	0.0390	30.95%	\$39.98	32.36%	-1.41%
34	1985	171.61	0.0451	25.83%	\$32.57	35.05%	-9.22%
35	1984	166.39	0.0427	7.41%	\$31.49	16.12%	-8.72%
36	1983	144.27	0.0479	20.12%	\$29.41	20.65%	-0.53%
37	1982	117.28	0.0595	28.96%	\$24.48	36.48%	-7.51%

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LINE	YEAR	S&P 500 STOCK PRICE	STOCK DIVIDEND YIELD	STOCK RETURN	A-RATED BOND PRICE	BOND RETURN	RISK PREMIUM
38	1981	132.97	0.0480	-7.00%	\$29.37	-3.01%	-3.99%
39	1980	110.87	0.0541	25.34%	\$34.69	-3.81%	29.16%
40	1979	99.71	0.0533	16.52%	\$43.91	-11.89%	28.41%
41	1978	90.25	0.0532	15.80%	\$49.09	-2.40%	18.20%
42	1977	103.80	0.0399	-9.06%	\$50.95	4.20%	-13.27%
43	1976	96.86	0.0380	10.96%	\$43.91	25.13%	-14.17%
44	1975	72.56	0.0507	38.56%	\$41.76	14.75%	23.81%
45	1974	96.11	0.0364	-20.86%	\$52.54	-12.91%	-7.96%
46	1973	118.40	0.0269	-16.14%	\$58.51	-3.37%	-12.77%
47	1972	103.30	0.0296	17.58%	\$56.47	10.69%	6.89%
48	1971	93.49	0.0332	13.81%	\$53.93	12.13%	1.69%
49	1970	90.31	0.0356	7.08%	\$50.46	14.81%	-7.73%
50	1969	102.00	0.0306	-8.40%	\$62.43	-12.76%	4.36%
51	1968	95.04	0.0313	10.45%	\$66.97	-0.81%	11.26%
52	1967	84.45	0.0351	16.05%	\$78.69	-9.81%	25.86%
53	1966	93.32	0.0302	-6.48%	\$86.57	-4.48%	-2.00%
54	1965	86.12	0.0299	11.35%	\$91.40	-0.91%	12.26%
55	1964	76.45	0.0305	15.70%	\$92.01	3.68%	12.02%
56	1963	65.06	0.0331	20.82%	\$93.56	2.61%	18.20%
57	1962	69.07	0.0297	-2.84%	\$89.60	8.89%	-11.73%
58	1961	59.72	0.0328	18.94%	\$89.74	4.29%	14.64%
59	1960	58.03	0.0327	6.18%	\$84.36	11.13%	-4.95%
60	1959	55.62	0.0324	7.57%	\$91.55	-3.49%	11.06%
61	1958	41.12	0.0448	39.74%	\$101.22	-5.60%	45.35%
62	1957	45.43	0.0431	-5.18%	\$100.70	4.49%	-9.67%
63	1956	44.15	0.0424	7.14%	\$113.00	-7.35%	14.49%
64	1955	35.60	0.0438	28.40%	\$116.77	0.20%	28.20%
65	1954	25.46	0.0569	45.52%	\$112.79	7.07%	38.45%
66	1953	26.18	0.0545	2.70%	\$114.24	2.24%	0.46%
67	1952	24.19	0.0582	14.05%	\$113.41	4.26%	9.79%
68	1951	21.21	0.0634	20.39%	\$123.44	-4.89%	25.28%
69	1950	16.88	0.0665	32.30%	\$125.08	1.89%	30.41%
70	1949	15.36	0.0620	16.10%	\$119.82	7.72%	8.37%
71	1948	14.83	0.0571	9.28%	\$118.50	4.49%	4.79%
72	1947	15.21	0.0449	1.99%	\$126.02	-2.79%	4.79%
73	1946	18.02	0.0356	-12.03%	\$126.74	2.59%	-14.63%
74	1945	13.49	0.0460	38.18%	\$119.82	9.11%	29.07%
75	1944	11.85	0.0495	18.79%	\$119.82	3.34%	15.45%
76	1943	10.09	0.0554	22.98%	\$118.50	4.49%	18.49%
77	1942	8.93	0.0788	20.87%	\$117.63	4.14%	16.73%

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LINE	YEAR	S&P 500 STOCK PRICE	STOCK DIVIDEND YIELD	STOCK RETURN	A- RATED BOND PRICE	BOND RETURN	RISK PREMIUM
78	1941	10.55	0.0638	-8.98%	\$116.34	4.55%	-13.52%
79	1940	12.30	0.0458	-9.65%	\$112.39	7.08%	-16.73%
80	1939	12.50	0.0349	1.89%	\$105.75	10.05%	-8.16%
81	1938	11.31	0.0784	18.36%	\$99.83	9.94%	8.42%
82	1937	17.59	0.0434	-31.36%	\$103.18	0.63%	-31.99%
83	Average			11.4%		6.7%	4.7%

Note: See Appendix 5 for an explanation of how stock and bond returns are derived and the source of the data presented.

**ATMOS ENERGY
EXHIBIT_(JVW-1)
SCHEDULE 4
COMPARATIVE RETURNS ON S&P UTILITY STOCK INDEX
AND MOODY'S A-RATED BONDS 1937 to 2018**

LINE	YEAR	S&P UTILITY STOCK PRICE	STOCK DIVIDEND YIELD	STOCK RETURN	A- RATED BOND PRICE	BOND RETURN	RISK PREMIUM
1	2018				\$102.46		
2	2017			11.72%	\$96.13	10.75%	0.97%
3	2016			17.44%	\$95.48	4.87%	12.57%
4	2015			-3.90%	\$107.65	-7.59%	3.69%
5	2014			28.91%	\$89.89	24.20%	4.71%
6	2013			13.01%	\$97.45	-3.65%	16.66%
7	2012			2.09%	\$94.36	7.52%	-5.43%
8	2011			19.99%	\$77.36	27.14%	-7.15%
9	2010			7.04%	\$75.02	8.44%	-1.40%
10	2009			10.71%	\$68.43	15.48%	-4.77%
11	2008			-25.90%	\$72.25	0.24%	-26.14%
12	2007			16.56%	\$72.91	4.59%	11.96%
13	2006			20.76%	\$75.25	2.20%	18.56%
14	2005			16.05%	\$74.91	5.80%	10.25%
16	2003			23.48%	\$62.26	20.27%	3.21%
17	2002	243.79	0.0362		\$57.44		
18	2001	307.70	0.0287	-17.90%	\$56.40	8.93%	-26.83%
19	2000	239.17	0.0413	32.78%	\$52.60	14.82%	17.96%
20	1999	253.52	0.0394	-1.72%	\$63.03	-10.20%	8.48%
21	1998	228.61	0.0457	15.47%	\$62.43	7.38%	8.09%
22	1997	201.14	0.0492	18.58%	\$56.62	17.32%	1.26%
23	1996	202.57	0.0454	3.83%	\$60.91	-0.48%	4.31%
24	1995	153.87	0.0584	37.49%	\$50.22	29.26%	8.23%
25	1994	168.70	0.0496	-3.83%	\$60.01	-9.65%	5.82%
26	1993	159.79	0.0537	10.95%	\$53.13	20.48%	-9.54%
27	1992	149.70	0.0572	12.46%	\$49.56	15.27%	-2.81%
28	1991	138.38	0.0607	14.25%	\$44.84	19.44%	-5.19%
29	1990	146.04	0.0558	0.33%	\$45.60	7.11%	-6.78%
30	1989	114.37	0.0699	34.68%	\$43.06	15.18%	19.51%
31	1988	106.13	0.0704	14.80%	\$40.10	17.36%	-2.55%
32	1987	120.09	0.0588	-5.74%	\$48.92	-9.84%	4.10%
33	1986	92.06	0.0742	37.87%	\$39.98	32.36%	5.51%
34	1985	75.83	0.0860	30.00%	\$32.57	35.05%	-5.04%
35	1984	68.50	0.0925	19.95%	\$31.49	16.12%	3.83%
36	1983	61.89	0.0948	20.16%	\$29.41	20.65%	-0.49%
37	1982	51.81	0.1074	30.20%	\$24.48	36.48%	-6.28%
38	1981	52.01	0.0978	9.40%	\$29.37	-3.01%	12.41%
39	1980	50.26	0.0953	13.01%	\$34.69	-3.81%	16.83%
40	1979	50.33	0.0893	8.79%	\$43.91	-11.89%	20.68%

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LINE	YEAR	S&P UTILITY STOCK PRICE	STOCK DIVIDEND YIELD	STOCK RETURN	A- RATED BOND PRICE	BOND RETURN	RISK PREMIUM
41	1978	52.40	0.0791	3.96%	\$49.09	-2.40%	6.36%
42	1977	54.01	0.0714	4.16%	\$50.95	4.20%	-0.04%
43	1976	46.99	0.0776	22.70%	\$43.91	25.13%	-2.43%
44	1975	38.19	0.0920	32.24%	\$41.76	14.75%	17.49%
45	1974	48.60	0.0713	-14.29%	\$52.54	-12.91%	-1.38%
46	1973	60.01	0.0556	-13.45%	\$58.51	-3.37%	-10.08%
47	1972	60.19	0.0542	5.12%	\$56.47	10.69%	-5.57%
48	1971	63.43	0.0504	-0.07%	\$53.93	12.13%	-12.19%
49	1970	55.72	0.0561	19.45%	\$50.46	14.81%	4.64%
50	1969	68.65	0.0445	-14.38%	\$62.43	-12.76%	-1.62%
51	1968	68.02	0.0435	5.28%	\$66.97	-0.81%	6.08%
52	1967	70.63	0.0392	0.22%	\$78.69	-9.81%	10.03%
53	1966	74.50	0.0347	-1.72%	\$86.57	-4.48%	2.76%
54	1965	75.87	0.0315	1.34%	\$91.40	-0.91%	2.25%
55	1964	67.26	0.0331	16.11%	\$92.01	3.68%	12.43%
56	1963	63.35	0.0330	9.47%	\$93.56	2.61%	6.86%
57	1962	62.69	0.0320	4.25%	\$89.60	8.89%	-4.64%
58	1961	52.73	0.0358	22.47%	\$89.74	4.29%	18.18%
59	1960	44.50	0.0403	22.52%	\$84.36	11.13%	11.39%
60	1959	43.96	0.0377	5.00%	\$91.55	-3.49%	8.49%
61	1958	33.30	0.0487	36.88%	\$101.22	-5.60%	42.48%
62	1957	32.32	0.0487	7.90%	\$100.70	4.49%	3.41%
63	1956	31.55	0.0472	7.16%	\$113.00	-7.35%	14.51%
64	1955	29.89	0.0461	10.16%	\$116.77	0.20%	9.97%
65	1954	25.51	0.0520	22.37%	\$112.79	7.07%	15.30%
66	1953	24.41	0.0511	9.62%	\$114.24	2.24%	7.38%
67	1952	22.22	0.0550	15.36%	\$113.41	4.26%	11.10%
68	1951	20.01	0.0606	17.10%	\$123.44	-4.89%	21.99%
69	1950	20.20	0.0554	4.60%	\$125.08	1.89%	2.71%
70	1949	16.54	0.0570	27.83%	\$119.82	7.72%	20.10%
71	1948	16.53	0.0535	5.41%	\$118.50	4.49%	0.92%
72	1947	19.21	0.0354	-10.41%	\$126.02	-2.79%	-7.62%
73	1946	21.34	0.0298	-7.00%	\$126.74	2.59%	-9.59%
74	1945	13.91	0.0448	57.89%	\$119.82	9.11%	48.79%
75	1944	12.10	0.0569	20.65%	\$119.82	3.34%	17.31%
76	1943	9.22	0.0621	37.45%	\$118.50	4.49%	32.96%
77	1942	8.54	0.0940	17.36%	\$117.63	4.14%	13.22%
78	1941	13.25	0.0717	-28.38%	\$116.34	4.55%	-32.92%
79	1940	16.97	0.0540	-16.52%	\$112.39	7.08%	-23.60%
80	1939	16.05	0.0553	11.26%	\$105.75	10.05%	1.21%
81	1938	14.30	0.0730	19.54%	\$99.83	9.94%	9.59%
82	1937	24.34	0.0432	-36.93%	\$103.18	0.63%	-37.55%
83	Average			10.6%		6.7%	4.0%

See Appendix 5 for an explanation of how stock and bond returns are derived and the source of the data presented. Standard & Poor's discontinued its S&P Utilities Index in December 2001 and replaced its utilities stock index with separate indices for electric and natural gas utilities. In this study, the stock returns beginning in 2002 are based on the total returns for the EEI Index of U.S. shareholder-owned electric utilities, as reported by EEI on its website.
<http://www.eei.org/whatwedo/DataAnalysis/IndusFinanAnalysis/Pages/QtrlyFinancialUpdates.aspx>

**ATMOS ENERGY
 EXHIBIT (JVW-1)
 SCHEDULE 5
 USING THE ARITHMETIC MEAN TO ESTIMATE
 THE COST OF EQUITY CAPITAL**

Consider an investment that in a given year generates a return of 30 percent with probability equal to .5 and a return of -10 percent with a probability equal to .5. For each one dollar invested, the possible outcomes of this investment at the end of year one are:

ENDING WEALTH	PROBABILITY
\$1.30	0.50
\$0.90	0.50

At the end of year two, the possible outcomes are:

ENDING WEALTH			PROBABILITY	VALUE X PROBABILITY
(1.30) (1.30)	=	\$1.69	0.25	0.4225
(1.30) (.9)	=	\$1.17	0.50	0.5850
(.9) (.9)	=	\$0.81	0.25	0.2025
Expected Wealth	=			\$1.21

The expected value of this investment at the end of year two is \$1.21. In a competitive capital market, the cost of equity is equal to the expected rate of return on an investment. In the above example, the cost of equity is that rate of return which will make the initial investment of one dollar grow to the expected value of \$1.21 at the end of two years. Thus, the cost of equity is the solution to the equation:

$$1(1+k)^2 = 1.21 \text{ or}$$

$$k = (1.21/1)^{.5} - 1 = 10\%.$$

The arithmetic mean of this investment is:

$$(30\%) (.5) + (-10\%) (.5) = 10\%.$$

Thus, the arithmetic mean is equal to the cost of equity capital.

The geometric mean of this investment is:

$$[(1.3) (.9)]^{.5} - 1 = .082 = 8.2\%.$$

Thus, the geometric mean is not equal to the cost of equity capital.

The lesson is obvious: for an investment with an uncertain outcome, the arithmetic mean is the best measure of the cost of equity capital.

SCHEDULE 6
CALCULATION OF CAPITAL ASSET PRICING MODEL COST OF EQUITY
USING THE IBBOTSON® SBBI® 6.9 PERCENT RISK PREMIUM

LINE	COMPANY	VALUE LINE BETA	RISK-FREE RATE	MARKET RISK PREMIUM	BETA X RISK PREMIUM	CAPM COST OF EQUITY	MARKET CAP \$ (MIL)	SIZE PREMIUM	SIZE- ADJUSTED CAPM
1	Atmos Energy	0.70	4.1%	6.9%	4.9%	9.1%	9,205	1.02%	10.1%
2	Chesapeake Utilities	0.70	4.1%	6.9%	4.9%	9.1%	1,120	1.75%	10.9%
3	New Jersey Resources	0.75	4.1%	6.9%	5.2%	9.5%	3,438	1.02%	10.5%
4	NiSource Inc.	0.60	4.1%	6.9%	4.2%	8.4%	7,922	1.02%	9.4%
5	Northwest Nat. Gas	0.65	4.1%	6.9%	4.5%	8.8%	1,617	1.75%	10.5%
6	ONE Gas Inc.	0.70	4.1%	6.9%	4.9%	9.1%	3,566	1.02%	10.1%
7	South Jersey Inds.	0.80	4.1%	6.9%	5.6%	9.8%	2,160	1.75%	11.6%
8	Southwest Gas	0.75	4.1%	6.9%	5.2%	9.5%	3,316	1.02%	10.5%
9	Spire Inc.	0.65	4.1%	6.9%	4.5%	8.8%	3,200	1.02%	9.8%
10	UGI Corp.	0.90	4.1%	6.9%	6.2%	10.5%	7,561	1.02%	11.5%
11	Historical CAPM Result					9.2%			10.5%
1	CAPM Using 0.88 beta	0.88	4.1%	6.9%	6.1%	10.4%			

NOTES				
Estimates of Premiums for Company Size				
Decile	Smallest Mkt. Cap. (\$Millions)	Largest Mkt. Cap. (\$Millions)	Premium	
Large-Cap (No Adjustment)	10,712,000		0	
Mid-Cap (3-5)	2,392,689	10,711,194	1.02%	
Low-Cap (6-8)	569,279	2,390,899	1.75%	
Micro-Cap (9-10)	2,516	567,843	3.67%	

RISK-FREE RATE	4.1%	FORECAST YIELD ON LONG-TERM U.S. TREASURY BONDS		
Market Risk Premium	6.9%	Ibbotson		
Flotation - Natural Gas Utilities	0.15%			

Estimates of size premia from *2017 Valuation Handbook, Guide to Cost of Capital, Market Results Through 2016*, Duff & Phelps, John Wiley & Sons, Inc., Appendix 3. Ibbotson® SBB1® risk premium; Value Line beta for comparable companies from Value Line Investment Analyzer. Historical 0.88 beta determined from ratio of Utility stock returns to market returns over the period 1936 to 2018. Forecast bond yield from Value Line and EIA. Value Line forecasts a yield on 10-year Treasury notes equal to 3.6 percent. The spread between the average yield on 10-year Treasury notes (2.58 percent) and 20-year Treasury bonds (2.73 percent) is 15 basis points. Adding 15 basis points to Value Line's 3.6 percent forecasted yield on 10-year Treasury notes produces a forecasted yield of 3.75 percent for 20-year Treasury bonds (see Value Line Investment Survey, Selection & Opinion, Dec. 1, 2017). EIA (Annual Energy Outlook, release Feb. 6, 2018) forecasts a yield of 4.07 percent on 10-year Treasury notes. Adding the 15 basis point spread between 10-year Treasury notes and 20-year Treasury bonds to the EIA forecast of 4.07 percent for 10-year Treasury notes produces an EIA forecast for 20-year Treasury bonds equal to 4.22 percent. The average of the forecasts is 4.0 percent (3.75 percent using Value Line data and 4.22 percent using EIA data).

SCHEDULE 7
COMPARISON OF RISK PREMIUMS ON S&P500 AND S&P UTILITIES 1937 – 2018

YEAR	S&P UTILITIES STOCK RETURN	SP500 STOCK RETURN	10-YR. TREASURY BOND YIELD	UTILITIES RISK PREMIUM	MARKET RISK PREMIUM
2017	0.1172	0.2471	0.0233	0.0939	0.2238
2016	0.1744	0.2080	0.0184	0.1560	0.1896
2015	-0.0390	-0.0332	0.0214	-0.0604	-0.0546
2014	0.2891	0.1339	0.0254	0.2637	0.1085
2013	0.1301	0.2524	0.0235	0.1066	0.2289
2012	0.0209	0.1602	0.0180	0.0029	0.1422
2011	0.1999	0.0325	0.0278	0.1721	0.0047
2010	0.0704	0.1618	0.0322	0.0382	0.1296
2009	0.1071	0.3291	0.0326	0.0745	0.2965
2008	-0.2590	-0.3516	0.0367	-0.2957	-0.3883
2007	0.1656	-0.0138	0.0463	0.1193	-0.0601
2006	0.2076	0.1320	0.0479	0.1597	0.0841
2005	0.1605	0.1001	0.0429	0.1176	0.0572
2004	0.2284	0.0594	0.0427	0.1857	0.0167
2003	0.2348	0.2822	0.0401	0.1947	0.2421
2002	-0.1473	-0.2005	0.0461	-0.1934	-0.2466
2001	-0.1790	-0.1347	0.0502	-0.2292	-0.1849
2000	0.3278	-0.0513	0.0603	0.2675	-0.1116
1999	-0.0172	0.1546	0.0564	-0.0736	0.0982
1998	0.1547	0.3125	0.0526	0.1021	0.2599
1997	0.1858	0.2768	0.0635	0.1223	0.2133
1996	0.0383	0.2702	0.0644	-0.0261	0.2058
1995	0.3749	0.3493	0.0658	0.3091	0.2835
1994	-0.0383	0.0105	0.0708	-0.1091	-0.0603
1993	0.1095	0.1156	0.0587	0.0508	0.0569
1992	0.1246	0.0750	0.0701	0.0545	0.0049
1991	0.1425	0.3165	0.0786	0.0639	0.2379
1990	0.0033	-0.0085	0.0855	-0.0822	-0.0940
1989	0.3468	0.2276	0.0850	0.2618	0.1426
1988	0.1480	0.1761	0.0884	0.0596	0.0877
1987	-0.0574	-0.0213	0.0838	-0.1412	-0.1051
1986	0.3787	0.3095	0.0768	0.3019	0.2327
1985	0.3000	0.2583	0.1062	0.1938	0.1521
1984	0.1995	0.0741	0.1244	0.0751	-0.0503
1983	0.2016	0.2012	0.1110	0.0906	0.0902
1982	0.3020	0.2896	0.1300	0.1720	0.1596
1981	0.0940	-0.0700	0.1391	-0.0451	-0.2091

YEAR	S&P UTILITIES STOCK RETURN	SP500 STOCK RETURN	10-YR. TREASURY BOND YIELD	UTILITIES RISK PREMIUM	MARKET RISK PREMIUM
1980	0.1301	0.2534	0.1146	0.0155	0.1388
1979	0.0879	0.1652	0.0944	-0.0065	0.0708
1978	0.0396	0.1580	0.0841	-0.0445	0.0739
1977	0.0416	-0.0906	0.0742	-0.0326	-0.1648
1976	0.2270	0.1096	0.0761	0.1509	0.0335
1975	0.3224	0.3856	0.0799	0.2425	0.3057
1974	-0.1429	-0.2086	0.0756	-0.2185	-0.2842
1973	-0.1345	-0.1614	0.0684	-0.2029	-0.2298
1972	0.0512	0.1758	0.0621	-0.0109	0.1137
1971	-0.0007	0.1381	0.0616	-0.0623	0.0765
1970	0.1945	0.0708	0.0735	0.1210	-0.0027
1969	-0.1438	-0.0840	0.0667	-0.2105	-0.1507
1968	0.0528	0.1045	0.0565	-0.0037	0.0480
1967	0.0022	0.1605	0.0507	-0.0485	0.1098
1966	-0.0172	-0.0648	0.0492	-0.0664	-0.1140
1965	0.0134	0.1135	0.0428	-0.0294	0.0707
1964	0.1611	0.1570	0.0419	0.1192	0.1151
1963	0.0947	0.2082	0.0400	0.0547	0.1682
1962	0.0425	-0.0284	0.0395	0.0030	-0.0679
1961	0.2247	0.1894	0.0388	0.1859	0.1506
1960	0.2252	0.0618	0.0412	0.1840	0.0206
1959	0.0500	0.0757	0.0433	0.0067	0.0324
1958	0.3688	0.3974	0.0332	0.3356	0.3642
1957	0.0790	-0.0518	0.0365	0.0425	-0.0883
1956	0.0716	0.0714	0.0318	0.0398	0.0396
1955	0.1016	0.2840	0.0282	0.0734	0.2558
1954	0.2237	0.4552	0.0240	0.1997	0.4312
1953	0.0962	0.0270	0.0281	0.0681	-0.0011
1952	0.1536	0.1405	0.0248	0.1288	0.1157
1951	0.1710	0.2039	0.0241	0.1469	0.1798
1950	0.0460	0.3230	0.0205	0.0255	0.3025
1949	0.2783	0.1610	0.0193	0.2590	0.1417
1948	0.0541	0.0928	0.0215	0.0326	0.0713
1947	-0.1041	0.0199	0.0185	-0.1226	0.0014
1946	-0.0700	-0.1203	0.0174	-0.0874	-0.1377
1945	0.5789	0.3818	0.0173	0.5616	0.3645
1944	0.2065	0.1879	0.0209	0.1856	0.1670
1943	0.3745	0.2298	0.0207	0.3538	0.2091
1942	0.1736	0.2087	0.0211	0.1525	0.1876
1941	-0.2838	-0.0898	0.0199	-0.3037	-0.1097
1940	-0.1652	-0.0965	0.0220	-0.1872	-0.1185
1939	0.1126	0.0189	0.0235	0.0891	-0.0046

YEAR	S&P UTILITIES STOCK RETURN	SP500 STOCK RETURN	10-YR. TREASURY BOND YIELD	UTILITIES RISK PREMIUM	MARKET RISK PREMIUM
1938	0.1954	0.1836	0.0255	0.1699	0.1581
1937	-0.3693	-0.3136	0.0269	-0.3962	-0.3405
Risk Premium 1937 to 2018				0.0552	0.0628
RP Utilities/RP SP500				0.88	

SCHEDULE 8
CALCULATION OF CAPITAL ASSET PRICING MODEL COST OF EQUITY
USING DCF ESTIMATE OF THE EXPECTED RATE OF RETURN
ON THE MARKET PORTFOLIO

LINE	COMPANY	VALUE LINE BETA	RISK- FREE RATE	DCF S&P 500	MARKET RISK PREMIUM	BETA X RISK PREMIUM	CAPM COST OF EQUITY
1	Atmos Energy	0.70	4.1%	13.2%	9.1%	6.38%	10.6%
2	Chesapeake Utilities	0.70	4.1%	13.2%	9.1%	6.38%	10.6%
3	New Jersey Resources	0.75	4.1%	13.2%	9.1%	6.83%	11.1%
4	NiSource Inc.	0.60	4.1%	13.2%	9.1%	5.47%	9.7%
5	Northwest Nat. Gas	0.65	4.1%	13.2%	9.1%	5.92%	10.2%
6	ONE Gas Inc.	0.70	4.1%	13.2%	9.1%	6.38%	10.6%
7	South Jersey Inds.	0.80	4.1%	13.2%	9.1%	7.29%	11.5%
8	Southwest Gas	0.75	4.1%	13.2%	9.1%	6.83%	11.1%
9	Spire Inc.	0.65	4.1%	13.2%	9.1%	5.92%	10.2%
10	UGI Corp.	0.90	4.1%	13.2%	9.1%	8.20%	12.4%
11	DCF CAPM Result						10.8%
	Using Beta Equal to 0.88						
	Historical Utility Beta	0.88	4.1%	13.2%	9.1%	8.02%	12.3%

Value Line beta for comparable companies from Value Line Investment Analyzer. Forecast bond yield from Value Line and EIA. Value Line forecasts a yield on 10-year Treasury notes equal to 3.8 percent. The spread between the average yield on 10-year Treasury notes (2.86 percent) and 20-year Treasury bonds (3.02 percent) is 16 basis points. Adding 16 basis points to Value Line's 3.8 percent forecasted yield on 10-year Treasury notes produces a forecasted yield of 4 percent for 20-year Treasury bonds (see Value Line Investment Survey, Selection & Opinion, March 2, 2018). EIA forecasts a yield of 4.07 percent on 10-year Treasury notes. Adding the 16 basis point spread between 10-year Treasury notes and 20-year Treasury bonds to the EIA forecast of 4.07 percent for 10-year Treasury notes produces an EIA forecast for 20-year Treasury bonds equal to 4.2 percent. The average of the forecasts is 4.1 percent (4.0 percent using Value Line data and 4.2 percent using EIA data).

SCHEDULE 8 (CONTINUED)
CALCULATION OF CAPITAL ASSET PRICING MODEL COST OF EQUITY
USING DCF ESTIMATE OF THE EXPECTED RATE OF RETURN
ON THE MARKET PORTFOLIO
SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS FOR S&P 500 COMPANIES

	COMPANY	STOCK PRICE (P ₀)	D ₀	FORECAST OF FUTURE EARNINGS GROWTH	MODEL RESULT	MARKET CAP \$ (MILS)
1	ABBOTT LABORATORIES	58.77	1.12	11.76%	13.9%	105,077
2	ACCENTURE CLASS A	155.66	2.66	10.07%	12.0%	100,307
3	AETNA	183.13	2.00	10.33%	11.5%	58,363
4	AGILENT TECHS.	69.66	0.60	10.69%	11.6%	23,226
5	ALLIANCE DATA SYSTEMS	249.60	2.28	12.93%	14.0%	13,518
6	AMERICAN EXPRESS	97.46	1.40	10.03%	11.6%	83,266
7	AMETEK	74.03	0.56	11.33%	12.2%	17,709
8	AON CLASS A	138.94	1.44	12.56%	13.7%	34,677
9	APPLE	169.89	2.52	11.68%	13.3%	874,911
10	AT&T	37.47	2.00	9.38%	15.3%	228,096
11	AUTOMATIC DATA PROC.	117.06	2.52	13.42%	15.9%	51,499
12	AVERY DENNISON	116.31	1.80	12.20%	13.9%	10,446
13	BALL	38.66	0.40	10.43%	11.6%	13,869
14	BANK OF NEW YORK MELLON	55.42	0.96	9.35%	11.3%	56,674
15	BAXTER INTL.	66.82	0.64	13.12%	14.2%	35,827
16	BECTON DICKINSON	226.76	3.00	14.03%	15.5%	59,337
17	BRISTOL MYERS SQUIBB	62.90	1.60	12.04%	14.9%	112,583
18	BROWN-FORMAN 'B'	53.09	0.51	10.99%	12.1%	14,979
19	CAPITAL ONE FINL.	98.33	1.60	13.65%	15.5%	48,400
20	CBS 'B'	57.30	0.72	13.58%	15.0%	19,118
21	CENTERPOINT EN.	27.95	1.11	8.60%	13.0%	11,600
22	CH ROBINSON WWD.	90.99	1.84	9.86%	12.1%	12,912
23	CHURCH & DWIGHT CO.	48.76	0.87	10.20%	12.2%	12,441
24	CIGNA	206.57	0.04	13.83%	13.9%	47,072
25	CISCO SYSTEMS	40.06	1.32	9.48%	13.1%	213,560
26	CITIGROUP	76.10	1.28	14.08%	16.0%	197,433
27	CLOROX	140.70	3.84	7.99%	11.0%	17,043
28	COGNIZANT TECH.SLTN.'A'	74.80	0.80	13.82%	15.0%	47,732
29	COMCAST 'A'	40.12	0.76	8.82%	10.9%	184,429
30	COSTCO WHOLESALE	188.59	2.00	10.86%	12.0%	84,130
31	CUMMINS	176.54	4.32	10.69%	13.4%	27,437
32	DELTA AIR LINES	54.83	1.22	12.10%	14.6%	37,360
33	DISCOVER FINANCIAL SVS.	76.25	1.40	11.70%	13.8%	28,214
34	DOMINION ENERGY	78.49	3.34	6.86%	11.5%	49,386
35	DOWDUPONT	72.29	1.52	10.18%	12.5%	167,573
36	DR PEPPER SNAPPLE GROUP	107.16	2.32	11.21%	13.6%	20,692
37	EATON	81.29	2.64	11.73%	15.4%	36,444
38	ECOLAB	135.02	1.64	12.38%	13.8%	37,982
39	ELI LILLY	83.26	2.25	12.13%	15.2%	86,519
40	ESTEE LAUDER COS.'A'	132.20	1.52	13.67%	15.0%	31,672
41	EXPEDIA	121.14	1.20	14.09%	15.2%	14,439

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	COMPANY	STOCK PRICE (P ₀)	D ₀	FORECAST OF FUTURE EARNINGS GROWTH	MODEL RESULT	MARKET CAP \$ (MILS)
42	EXPEDITOR INTL.OF WASH.	64.09	0.84	10.13%	11.6%	11,394
43	FEDEX	249.63	2.00	13.73%	14.6%	65,416
44	FIDELITY NAT.INFO.SVS.	96.87	1.28	12.88%	14.4%	32,396
45	FLUOR	54.61	0.84	14.53%	16.3%	8,063
46	FMC	89.92	0.66	15.41%	16.3%	11,196
47	GAP	32.81	0.93	8.95%	12.1%	12,937
48	HCA HEALTHCARE	93.64	1.40	11.20%	12.9%	35,340
49	HERSHEY	108.02	2.62	9.62%	12.3%	15,093
50	HUMANA	264.83	2.00	14.43%	15.3%	37,037
51	HUNT JB TRANSPORT SVS.	116.75	0.96	15.07%	16.0%	13,234
52	ILLINOIS TOOL WORKS	167.42	3.12	13.23%	15.4%	55,518
53	INTEL	46.09	1.20	9.03%	11.9%	212,674
54	INTERNATIONAL PAPER	59.45	1.90	12.10%	15.7%	24,339
55	INTERPUBLIC GROUP	21.24	0.84	7.37%	11.7%	9,739
56	INTUIT	161.59	1.56	14.67%	15.8%	43,972
57	JACOBS ENGR.	66.40	0.60	12.07%	13.1%	8,952
58	JP MORGAN CHASE & CO.	109.69	2.24	9.18%	11.4%	393,577
59	JUNIPER NETWORKS	27.21	0.72	8.95%	11.9%	9,058
60	KIMBERLY-CLARK	117.17	4.00	7.48%	11.2%	40,717
61	KRAFT HEINZ	77.13	2.50	9.70%	13.3%	86,291
62	L BRANDS	53.52	2.40	8.32%	13.3%	13,808
63	MARRIOTT INTL.'A'	137.12	1.32	12.90%	14.0%	49,505
64	MATTEL	16.50	0.60	9.87%	13.9%	5,692
65	MCCORMICK & COMPANY NV.	103.46	2.08	10.48%	12.7%	12,776
66	MICROSOFT	88.17	1.68	11.07%	13.2%	708,381
67	MOLSON COORS BREWING 'B'	80.73	1.64	9.86%	12.1%	15,921
68	MONDELEZ INTERNATIONAL CL.A	43.68	0.88	10.82%	13.1%	65,651
69	MOODY'S	155.12	1.76	14.12%	15.4%	32,145
70	NETAPP	57.96	0.80	14.36%	15.9%	15,140
71	NEXTERA ENERGY	154.19	4.44	8.85%	12.0%	73,467
72	NORTHROP GRUMMAN	321.33	4.40	12.48%	14.0%	61,975
73	PACKAGING CORP.OF AM.	120.26	2.52	12.29%	14.7%	11,263
74	PAYCHEX	67.66	2.00	9.28%	12.5%	23,997
75	PERKINELMER	75.35	0.28	13.74%	14.2%	8,420
76	PNC FINL.SVS.GP.	149.70	3.00	12.47%	14.7%	75,021
77	PPG INDUSTRIES	116.01	1.80	10.15%	11.9%	29,026
78	PRAXAIR	154.95	3.30	8.63%	11.0%	44,107
79	PROCTER & GAMBLE	87.54	2.76	7.47%	10.9%	208,235
80	PVH	143.30	0.15	12.95%	13.1%	11,428
81	QUEST DIAGNOSTICS	101.16	2.00	9.19%	11.4%	14,178
82	REPUBLIC SVS.'A'	66.11	1.38	13.76%	16.2%	21,575
83	ROCKWELL AUTOMATION	194.81	3.34	10.17%	12.1%	23,712
84	ROCKWELL COLLINS	135.67	1.32	11.51%	12.6%	22,253
85	S&P GLOBAL	175.09	2.00	14.57%	15.9%	48,058
86	SEAGATE TECH.	46.72	2.52	8.41%	14.4%	14,646
87	SOUTHWEST AIRLINES	61.23	0.50	15.19%	16.1%	34,260
88	STRYKER	157.66	1.88	9.95%	11.3%	59,894

	COMPANY	STOCK PRICE (P ₀)	D ₀	FORECAST OF FUTURE EARNINGS GROWTH	MODEL RESULT	MARKET CAP \$ (MILS)
89	SYMANTEC	27.49	0.30	10.15%	11.4%	17,123
90	TAPESTRY	45.99	1.35	10.45%	13.7%	14,261
91	TEXAS INSTRUMENTS	105.51	2.48	12.26%	14.9%	102,961
92	THERMO FISHER SCIENTIFIC	202.37	0.68	11.77%	12.1%	84,620
93	TIFFANY & CO	103.49	2.00	10.28%	12.4%	12,610
94	TIME WARNER	93.08	1.61	10.16%	12.1%	74,374
95	TOTAL SYSTEM SERVICES	81.83	0.52	14.67%	15.4%	15,825
96	TRACTOR SUPPLY	72.58	1.08	13.78%	15.5%	8,423
97	UNITED PARCEL SER. 'B'	120.24	3.64	10.82%	14.2%	73,230
98	V F	76.52	1.84	9.07%	11.7%	29,609
99	WALGREENS BOOTS ALLIANCE	72.93	1.60	12.33%	14.8%	70,258
100	WALT DISNEY	108.19	1.68	10.77%	12.5%	160,186
101	WASTE MANAGEMENT	85.00	1.86	11.29%	13.7%	36,927
102	WELLS FARGO & CO	60.92	1.56	9.37%	12.2%	295,426
103	XILINX	69.72	1.40	9.47%	11.7%	17,096
104	Market-weighted Average				13.2%	

Notes: In applying the DCF model to the S&P 500, I include in the DCF analysis only those companies in the S&P 500 group which pay a dividend, have a positive growth rate, and have at least three analysts' long-term growth estimates. To be conservative, I also eliminate those 25% of companies with the highest and lowest DCF results.

- D₀ = Current dividend per Thomson Reuters.
- P₀ = Average of the monthly high and low stock prices during the three months ending February 2018 per Thomson Reuters.
- g = I/B/E/S forecast of future earnings growth February 2018.
- k = Cost of equity using the quarterly version of the DCF model shown below:

$$k = \left[\frac{d_0(1+g)^4}{P_0} \right] - 1$$

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REQUEST:

Provide documentation from the Internal Revenue Service that supports Atmos's position regarding the application of the consistency rule to the tax issues.

RESPONSE:

The consistency rule in the normalization provision requires that any estimate or projection used for ratemaking purposes that includes any element of tax expense, depreciation expense, or reserve for deferred taxes must also include the other two elements. Mr. Kollen's proposal to include a surcredit tracker for the Company's net operating loss carryforward ADIT asset would not comply for this rule since the elements of tax expense and depreciation expense would not also be included. Mr. Kollen's suggestion that the net operating loss carryforward ADIT asset is not protected by the normalization provisions, and therefore not subject to the consistency rule, is contrary to the PLR the Company requested and received at this Commission's direction.

Please see page 39 of IRC Section 168 (Attachment 1) for the consistency rule. This section is summarized below:

Section 168(i)(9)(B) of the Internal Revenue Code provides that the normalization requirements are not satisfied if the taxpayer for ratemaking purposes uses a procedure or adjustment that is inconsistent with the requirements of section 168(i)(9)(A). Inconsistent procedures or adjustments include any procedure or adjustment that uses an estimate or projection of tax expense, depreciation expense, or reserve for deferred taxes unless such estimate or projection is also used for ratemaking purposes for all three of such items, as well as with respect to rate base.

Please also see page 4 of PLR 201534001 (Exhibit JKS-R-1 page 9) as submitted with the Rebuttal Testimony of Jennifer Story. The relevant section is summarized below:

Regarding the first issue, § 1.167(l)-1(h)(6)(i) provides that a taxpayer does not use a normalization method of regulated accounting if, for ratemaking purposes, the amount of the reserve for deferred taxes which is excluded from the base to which the taxpayer's rate of return is applied, or which is treated as no-cost capital in those rate cases in which the rate of return is based upon the cost of capital, exceeds the amount of such reserve for deferred taxes for the period used in determining the taxpayer's expense in computing cost of service in such ratemaking. Because the ADIT account, the reserve account for deferred taxes, reduces rate base, it is clear that the portion of an NOLC that is attributable to accelerated depreciation must be taken into account in calculating the amount of the reserve for deferred taxes (ADIT). Thus, to reduce Taxpayer's rate base by the full amount of its ADIT account balance unreduced by the balance of its NOLC-related account balance would be inconsistent with the requirements of § 168(i)(9) and § 1.167(l)-1.

For convenience, Exhibit JKS-R-1 is also attached to this response as Attachment 2.

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ATTACHMENTS:

ATTACHMENT 1 -Atmos Energy Corporation, Staff Post-Hearing_1-11_Att1 - IRC Section 168.pdf, 52 Pages.

ATTACHMENT 2 -Atmos Energy Corporation, Staff Post-Hearing_1-11_Att2 - Exhibit JKS-R-1.pdf, 12 Pages.

Respondent: Jennifer Story

§168 Accelerated cost recovery system. [Amended by the Tax Cuts and Jobs Act, P.L. 115-97; see Code history for details.]

Internal Revenue Code (RIA)

Internal Revenue Code

§ 168 Accelerated cost recovery system. [Amended by the Tax Cuts and Jobs Act, P.L. 115-97; see Code history for details.]

(a) General rule.

Except as otherwise provided in this section , the depreciation deduction provided by section 167(a) for any tangible property shall be determined by using-

(1)

the applicable depreciation method,

(2)

the applicable recovery period, and

(3)

the applicable convention.

(b) Applicable depreciation method.

For purposes of this section -

(1) In general.

Except as provided in paragraphs (2) and (3) , the applicable depreciation method is-

(A) the 200 percent declining balance method,

(B) switching to the straight line method for the 1st taxable year for which using the straight line method with respect to the adjusted basis as of the beginning of such year will yield a larger allowance.

(2) 150 percent declining balance method in certain cases.

Paragraph (1) shall be applied by substituting "150 percent" for "200 percent" in the case of-

(A) any 15-year or 20-year property not referred to in paragraph (3) ,

(B) any property (other than property described in paragraph (3)) which is a qualified smart electric meter or qualified smart electric grid system, or

(C) any property (other than property described in paragraph (3)) with respect to which the taxpayer elects under paragraph (5) to have the provisions of this paragraph apply.

(3) Property to which straight line method applies.

The applicable depreciation method shall be the straight line method in the case of the following property:

(A) Nonresidential real property.

(B) Residential rental property.

(C) Any railroad grading or tunnel bore.

(D) Property with respect to which the taxpayer elects under paragraph (5) to have the provisions of this paragraph apply.

(E) Property described in subsection (e)(3)(D)(ii) .

(F) Water utility property described in subsection (e)(5) .

(G) Qualified improvement property described in subsection (e)(6) .

(H) Repealed.

(I) Repealed.

(4) Salvage value treated as zero.

Salvage value shall be treated as zero.

(5) Election.

An election under paragraph (2)(D) or (3)(D) may be made with respect to 1 or more classes of property for any taxable year and once made with respect to any class shall apply to all property in such class placed in service during such taxable year. Such an election, once made, shall be irrevocable.

(c) Applicable recovery period.

For purposes of this section , the applicable recovery period shall be determined in accordance with the following table:

In the case of:	The applicable recovery period is:
3-year property	3 years
5-year property	5 years
7-year property	7 years
10-year property	10 years
15-year property	15 years
20-year property	20 years
Water utility property	25 years
Residential rental property	27.5 years
Nonresidential real property	39 years
Any railroad grading or tunnel bore	50 years

(d) Applicable convention.

For purposes of this section -

(1) In general.

Except as otherwise provided in this subsection , the applicable convention is the half-year convention.

(2) Real property.

In the case of-

(A) nonresidential real property,

(B) residential rental property, and

(C) any railroad grading or tunnel bore,

the applicable convention is the mid-month convention.

(3) Special rule where substantial property placed in service during last 3 months of taxable year.

(A) In general. Except as provided in regulations, if during any taxable year-

(i) the aggregate bases of property to which this section applies placed in service during the last 3 months of the taxable year, exceed

(ii) 40 percent of the aggregate bases of property to which this section applies placed in service during such taxable year,

the applicable convention for all property to which this section applies placed in service during such taxable year shall be the mid-quarter convention.

(B) Certain property not taken into account. For purposes of subparagraph (A) , there shall not be taken into account-

(i) any nonresidential real property, residential rental property, and railroad grading or tunnel bore, and

(ii) any other property placed in service and disposed of during the same taxable year.

(4) Definitions.

(A) Half-year convention. The half-year convention is a convention which treats all property placed in service during any taxable year (or disposed of during any taxable year) as placed in service (or disposed of) on the mid-point of such taxable year.

(B) Mid-month convention. The mid-month convention is a convention which treats all property placed in service during any month (or disposed of during any month) as placed in service (or disposed of) on the mid-point of such month.

(C) Mid-quarter convention. The mid-quarter convention is a convention which treats all property placed in service during any quarter of a taxable year (or disposed of during any quarter of a taxable year) as placed in service (or disposed of) on the mid-point of such quarter.

(e) Classification of property.

For purposes of this section -

(1) In general.

Except as otherwise provided in this subsection, property shall be classified under the following table:

Property shall be treated as:	If such property has a class life (in years) of:
3-year property	4 or less
5-year property	More than 4 but less than 10
7-year property	10 or more but less than 16
10-year property	16 or more but less than 20
15-year property	20 or more but less than 25
20-year property	25 or more.

(2) Residential rental or nonresidential real property.

(A) Residential rental property.

(i) Residential rental property. The term "residential rental property" means any building or structure if 80 percent or more of the gross rental income from such building or structure for the taxable year is rental income from dwelling units.

(ii) Definitions. For purposes of clause (i) -

(I) the term "dwelling unit" means a house or apartment used to provide living accommodations in a building or structure, but does not include a unit in a hotel, motel, or other establishment more than one-half of the units in which are used on a transient basis, and

(II) if any portion of the building or structure is occupied by the taxpayer, the gross rental income from such building or structure shall include the rental value of the portion so occupied.

(B) Nonresidential real property. The term "nonresidential real property" means section 1250 property which is not-

(i) residential rental property, or

(ii) property with a class life of less than 27.5 years.

(3) Classification of certain property.

(A) 3-year property. The term "3-year property" includes-

(i) any race horse-

(I) which is placed in service before January 1, 2018, and

(II) which is placed in service after December 31, 2017, and which is more than 2 years old at the time such horse is placed in service by such purchaser,

(ii) any horse other than a race horse which is more than 12 years old at the time it is placed in service, and

(iii) any qualified rent-to-own property.

(B) 5-year property. The term "5-year property" includes-

(i) any automobile or light general purpose truck,

(ii) any semi-conductor manufacturing equipment,

(iii) any computer-based telephone central office switching equipment,

(iv) any qualified technological equipment,

(v) any section 1245 property used in connection with research and experimentation,

(vi) any property which-

(I) is described in subparagraph (A) of section 48(a)(3) (or would be so described if "solar or wind energy" were substituted for "solar energy" in clause (i) thereof and the last sentence of such section did not apply to such subparagraph),

(II) is described in paragraph (15) of section 48(l) (as in effect on the day before the date of the enactment [11/5/90] of the Revenue Reconciliation Act of 1990) and is a qualifying small power production facility within the meaning of section 3(17)(C) of the Federal Power Act (16 U.S.C. 796(17)(C)), as in effect on September 1, 1986, or

(III) is described in section 48(l)(3)(A)(ix) (as in effect on the date before the date of the enactment of the Revenue Reconciliation Act of 1990), and

(vii) any machinery or equipment (other than any grain bin, cotton ginning asset, fence, or other land improvement) which is used in a farming business (as defined in section 263A(e)(4)), the original use of which commences with the taxpayer after December 31, 2017.

Nothing in any provision of law shall be construed to treat property as not being described in clause (vi)(I) (or the corresponding provisions of prior law) by reason of being public utility property (within the meaning of section 48(a)(3)).

(C) 7-year property. The term "7-year property" includes-

(i) any railroad track and

(ii) any motorsports entertainment complex,

(iii) any Alaska natural gas pipeline,

(iv) any natural gas gathering line the original use of which commences with the taxpayer after April 11, 2005, and

(v) any property which-

(I) does not have a class life, and

(II) is not otherwise classified under paragraph (2) or this paragraph .

(D) 10-year property. The term "10-year property" includes-

(i) any single purpose agricultural or horticultural structure (within the meaning of subsection (i)(13)),

(ii) any tree or vine bearing fruit or nuts,

(iii) any qualified smart electric meter, and

(iv) any qualified smart electric grid system.

(E) 15-year property. The term "15-year property" includes-

(i) any municipal wastewater treatment plant,

(ii) any telephone distribution plant and comparable equipment used for 2-way exchange of voice and data communications,

(iii) any section 1250 property which is a retail motor fuels outlet (whether or not food or other convenience items are sold at the outlet),

(iv) initial clearing and grading land improvements with respect to gas utility property,

(v) any section 1245 property (as defined in section 1245(a)(3)) used in the transmission at 69 or more kilovolts of electricity for sale and the original use of which commences with the taxpayer after April 11, 2005, and

(vi) any natural gas distribution line the original use of which commences with the taxpayer after April 11, 2005, and which is placed in service before January 1, 2011.

(ix) Repealed.

(F) 20-year property. The term "20-year property" means initial clearing and grading land improvements with respect to any electric utility transmission and distribution plant.

(4) Railroad grading or tunnel bore.

The term "railroad grading or tunnel bore" means all improvements resulting from excavations (including tunneling), construction of embankments, clearings, diversions of roads and streams, sodding of slopes, and from similar work necessary to provide, construct, reconstruct, alter, protect, improve, replace, or restore a roadbed or right-of-way for railroad track.

(5) Water utility property.

The term "water utility property" means property-

(A) which is an integral part of the gathering, treatment, or commercial distribution of water, and which, without regard to this paragraph, would be 20-year property, and

(B) any municipal sewer.

(6) Qualified improvement property.

(A) In general. The term "qualified improvement property" means any improvement to an interior portion of a building which is nonresidential real property if such improvement is placed in service after the date such building was first placed in service.

(B) Certain improvements not included. Such term shall not include any improvement for which the expenditure is attributable to-

(i) the enlargement of the building,

(ii) any elevator or escalator,

(iii) the internal structural framework of the building.

(7) Repealed.

(8) Repealed.

(f) Property to which section does not apply.

This section shall not apply to-

(1) Certain methods of depreciation.

Any property if-

(A) the taxpayer elects to exclude such property from the application of this section , and

(B) for the 1st taxable year for which a depreciation deduction would be allowable with respect to such property in the hands of the taxpayer, the property is properly depreciated under the unit-of-production method or any method of depreciation not expressed in a term of years (other than the retirement-replacement-betterment method or similar method).

(2) Certain public utility property.

Any public utility property (within the meaning of subsection (i)(10)) if the taxpayer does not use a normalization method of accounting.

(3) Films and video tape.

Any motion picture film or video tape.

(4) Sound recordings.

Any works which result from the fixation of a series of musical, spoken, or other sounds, regardless of the nature of the material (such as discs, tapes, or other phonorecordings) in which such sounds are embodied.

(5) Certain property placed in service in churning transactions.

(A) In general. Property-

(i) described in paragraph (4) of section 168(e) (as in effect before the amendments made by the Tax Reform Act of 1986), or

(ii) which would be described in such paragraph if such paragraph were applied by substituting "1987" for "1981" and "1986" for "1980" each place such terms appear.

(B) Subparagraph (A)(ii) not to apply. Clause (ii) of subparagraph (A) shall not apply to-

(i) any residential rental property or nonresidential real property,

(ii) any property if, for the 1st taxable year in which such property is placed in service-

(I) the amount allowable as a deduction under this section (as in effect before the date of the enactment of this paragraph) with respect to such property is greater than,

(II) the amount allowable as a deduction under this section (as in effect on or after such date and using the half-year convention) for such taxable year, or

(iii) any property to which this section (as amended by the Tax Reform Act of 1986) applied in the hands of the transferor.

(C) Special rule. In the case of any property to which this section would apply but for this paragraph , the depreciation deduction under section 167 shall be determined under the provisions of this section

as in effect before the amendments made by section 201 of the Tax Reform Act of 1986.

(g) Alternative depreciation system for certain property.

(1) In general.

In the case of-

(A) any tangible property which during the taxable year is used predominantly outside the United States,

(B) any tax-exempt use property,

(C) any tax-exempt bond financed property,

(D) any imported property covered by an Executive order under paragraph (6) ,

(E) any property to which an election under paragraph (7) applies,

(F) any property described in paragraph (8) , and

(G) any property with a recovery period of 10 years or more which is held by an electing farming business (as defined in section 163(j)(7)(C)),

the depreciation deduction provided by section 167(a) shall be determined under the alternative depreciation system.

(2) Alternative depreciation system.

For purposes of paragraph (1) , the alternative depreciation system is depreciation determined by using-

(A) the straight line method (without regard to salvage value),

(B) the applicable convention determined under subsection (d) , and

(C) a recovery period determined under the following table:

In the case of:

The recovery period shall be:

(i) Property not described in clause (ii) or (iii)	The class life.
(ii) Personal property with no class life	12 years.
(iii) Residential rental property	30 years.
(iv) Nonresidential real property	40 years.
(v) Any railroad grading or tunnel bore or water utility property	50 years.

(3) Special rules for determining class life.

(A) Tax-exempt use property subject to lease. In the case of any tax-exempt use property subject to a lease, the recovery period used for purposes of paragraph (2) shall (notwithstanding any other subparagraph of this paragraph) in no event be less than 125 percent of the lease term.

(B) Special rule for certain property assigned to classes. For purposes of paragraph (2) , in the case of property described in any of the following subparagraphs of subsection (e)(3) , the class life shall be determined as follows:

If property is described in subparagraph:

The class life is:

(A)(iii)	4
(B)(ii)	5
(B)(iii)	9.5
(B)(vii)	10
(C)(i)	10
(C)(iii)	22
(C)(iv)	14
(D)(i)	15
(D)(ii)	20
(D)(v)	20
(E)(i)	24
(E)(ii)	24
(E)(iii)	20
(E)(iv)	20
(E)(v)	30
(E)(vi)	35
(E)(vii)	30
(E)(viii)	35
(E)(ix)	39
(F)	25

(C) Qualified technological equipment. In the case of any qualified technological equipment, the recovery period used for purposes of paragraph (2) shall be 5 years.

(D) Automobiles, etc. In the case of any automobile or light general purpose truck, the recovery period used for purposes of paragraph (2) shall be 5 years.

(E) Certain real property. In the case of any section 1245 property which is real property with no class life, the recovery period used for purposes of paragraph (2) shall be 40 years.

(4) Exception for certain property used outside United States.

Subparagraph (A) of paragraph (1) shall not apply to-

(A) any aircraft which is registered by the Administrator of the Federal Aviation Agency and which is operated to and from the United States or is operated under contract with the United States;

(B) rolling stock which is used within and without the United States and which is-

(i) of a rail carrier subject to part A of subtitle IV of title 49, or

(ii) of a United States person (other than a corporation described in clause (i)) but only if the rolling stock is not leased to one or more foreign persons for periods aggregating more than 12 months in any 24-month period;

(C) any vessel documented under the laws of the United States which is operated in the foreign or domestic commerce of the United States;

(D) any motor vehicle of a United States person (as defined in section 7701(a)(30)) which is operated to and from the United States;

(E) any container of a United States person which is used in the transportation of property to and from the United States;

(F) any property (other than a vessel or an aircraft) of a United States person which is used for the purpose of exploring for, developing, removing, or transporting resources from the outer Continental Shelf (within the meaning of section 2 of the Outer Continental Shelf Lands Act, as amended and supplemented; (43 U.S.C. 1331));

(G) any property which is owned by a domestic corporation (other than a corporation which has an election in effect under section 936) or by a United States citizen (other than a citizen entitled to the benefits of section 931 or 933) and which is used predominantly in a possession of the United States by such a corporation or such a citizen, or by a corporation created or organized in, or under the law of, a possession of the United States;

(H) any communications satellite (as defined in section 103(3) of the Communications Satellite Act of 1962, 47 U.S.C. 702(3)), or any interest therein, of a United States person;

(I) any cable, or any interest therein, of a domestic corporation engaged in furnishing telephone service to which section 168(i)(10)(C) applies (or of a wholly owned domestic subsidiary of such a corporation), if such cable is part of a submarine cable system which constitutes part of a communication link exclusively between the United States and one or more foreign countries;

(J) any property (other than a vessel or an aircraft) of a United States person which is used in international or territorial waters within the northern portion of the Western Hemisphere for the purpose of exploring for, developing, removing, or transporting resources from ocean waters or deposits under such waters;

(K) any property described in section 48(l)(3)(A)(ix) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) which is owned by a United States person and which is used in international or territorial waters to generate energy for use in the United States; and

(L) any satellite (not described in subparagraph (H)) or other spacecraft (or any interest therein) held by a United States person if such satellite or other spacecraft was launched from within the United States.

For purposes of subparagraph (J) , the term "northern portion of the Western Hemisphere" means the area lying west of the 30th meridian west of Greenwich, east of the international dateline, and north of the Equator, but not including any foreign country which is a country of South America.

(5) Tax-exempt bond financed property.

For purposes of this subsection -

(A) In general. Except as otherwise provided in this paragraph , the term "tax-exempt bond financed property" means any property to the extent such property is financed (directly or indirectly) by an obligation the interest on which is exempt from tax under section 103(a) .

(B) Allocation of bond proceeds. For purposes of subparagraph (A) , the proceeds of any obligation shall be treated as used to finance property acquired in connection with the issuance of such obligation

in the order in which such property is placed in service.

(C) Qualified residential rental projects. The term "tax-exempt bond financed property" shall not include any qualified residential rental project (within the meaning of section 142(a)(7)).

(6) Imported property.

(A) Countries maintaining trade restrictions or engaging in discriminatory acts. If the President determines that a foreign country-

(i) maintains nontariff trade restrictions, including variable import fees, which substantially burden United States commerce in a manner inconsistent with provisions of trade agreements, or

(ii) engages in discriminatory or other acts (including tolerance of international cartels) or policies unjustifiably restricting United States commerce,

the President may by Executive order provide for the application of paragraph (1)(D) to any article or class of articles manufactured or produced in such foreign country for such period as may be provided by such Executive order. Any period specified in the preceding sentence shall not apply to any property ordered before (or the construction, reconstruction, or erection of which began before) the date of the Executive order unless the President determines an earlier date to be in the public interest and specifies such date in the Executive order.

(B) Imported property. For purposes of this subsection , the term "imported property" means any property if-

(i) such property was completed outside the United States, or

(ii) less than 50 percent of the basis of such property is attributable to value added within the United States.

For purposes of this subparagraph , the term "United States" includes the Commonwealth of Puerto Rico and the possessions of the United States.

(7) Election to use alternative depreciation system.

(A) In general. If the taxpayer makes an election under this paragraph with respect to any class of property for any taxable year, the alternative depreciation system under this subsection shall apply to all property in such class placed in service during such taxable year. Notwithstanding the preceding sentence, in the case of nonresidential real property or residential rental property, such election may be made separately with respect to each property.

(B) Election irrevocable. An election under subparagraph (A) , once made, shall be irrevocable.

(8) Electing real property trade or business.

The property described in this paragraph shall consist of any nonresidential real property, residential rental property, and qualified improvement property held by an electing real property trade or business (as defined in 163(j)(7)(B)).

(h) Tax-exempt use property.

(1) In general.

For purposes of this section -

(A) Property other than nonresidential real property. Except as otherwise provided in this subsection, the term "tax-exempt use property" means that portion of any tangible property (other than nonresidential real property) leased to a tax-exempt entity.

(B) Nonresidential real property.

(i) In general. In the case of nonresidential real property, the term "tax-exempt use property" means that portion of the property leased to a tax-exempt entity in a disqualified lease.

(ii) Disqualified lease. For purposes of this subparagraph , the term "disqualified lease" means any lease of the property to a tax-exempt entity, but only if-

(I) part or all of the property was financed (directly or indirectly) by an obligation the interest on which is exempt from tax under section 103(a) and such entity (or a related entity) participated in such financing,

(II) under such lease there is a fixed or determinable price purchase or sale option which involves such entity (or a related entity) or there is the equivalent of such an option,

(III) such lease has a lease term in excess of 20 years, or

(IV) such lease occurs after a sale (or other transfer) of the property by, or lease of the property from, such entity (or a related entity) and such property has been used by such entity (or a related entity) before such sale (or other transfer) or lease.

(iii) 35-percent threshold test. Clause (i) shall apply to any property only if the portion of such property leased to tax-exempt entities in disqualified leases is more than 35 percent of the property.

(iv) Treatment of improvements. For purposes of this subparagraph , improvements to a property (other than land) shall not be treated as a separate property.

(v) Leasebacks during 1st 3 months of use not taken into account. Subclause (IV) of clause (ii) shall not apply to any property which is leased within 3 months after the date such property is first used by the tax-exempt entity (or a related entity).

(C) Exception for short-term leases.

(i) In general. Property shall not be treated as tax-exempt use property merely by reason of a short-term lease.

(ii) Short-term lease. For purposes of clause (i) , the term "short-term lease" means any lease the term of which is-

(I) less than 3 years, and

(II) less than the greater of 1 year or 30 percent of the property's present class life.

In the case of nonresidential real property and property with no present class life, subclause (II) shall not apply.

(D) Exception where property used in unrelated trade or business. The term "tax-exempt use property" shall not include any portion of a property if such portion is predominantly used by the tax-exempt entity (directly or through a partnership of which such entity is a partner) in an unrelated trade or business the income of which is subject to tax under section 511 . For purposes of subparagraph (B)(iii) , any portion of a property so used shall not be treated as leased to a tax-exempt entity in a disqualified lease.

(E) Nonresidential real property defined. For purposes of this paragraph , the term "nonresidential real property" includes residential rental property.

(2) Tax-exempt entity.

(A) In general. For purposes of this subsection , the term "tax-exempt entity" means-

(i) the United States, any State or political subdivision thereof, any possession of the United States,

or any agency or instrumentality of any of the foregoing,

(ii) an organization (other than a cooperative described in section 521) which is exempt from tax imposed by this chapter,

(iii) any foreign person or entity, and

(iv) any Indian tribal government described in section 7701(a)(40) .

For purposes of applying this subsection , any Indian tribal government referred to in clause (iv) shall be treated in the same manner as a State.

(B) Exception for certain property subject to United States tax and used by foreign person or entity. Clause (iii) of subparagraph (A) shall not apply with respect to any property if more than 50 percent of the gross income for the taxable year derived by the foreign person or entity from the use of such property is-

(i) subject to tax under this chapter, or

(ii) included under section 951 in the gross income of a United States shareholder for the taxable year with or within which ends the taxable year of the controlled foreign corporation in which such income was derived.

For purposes of the preceding sentence, any exclusion or exemption shall not apply for purposes of determining the amount of the gross income so derived, but shall apply for purposes of determining the portion of such gross income subject to tax under this chapter.

(C) Foreign person or entity. For purposes of this paragraph , the term "foreign person or entity" means-

(i) any foreign government, any international organization, or any agency or instrumentality of any of the foregoing, and

(ii) any person who is not a United States person.

Such term does not include any foreign partnership or other foreign pass-thru entity.

(D) Treatment of certain taxable instrumentalities. For purposes of this subsection , a corporation shall not be treated as an instrumentality of the United States or of any State or political subdivision thereof if-

(i) all of the activities of such corporation are subject to tax under this chapter, and

(ii) a majority of the board of directors of such corporation is not selected by the United States or any State or political subdivision thereof.

(E) Certain previously tax-exempt organizations.

(i) In general. For purposes of this subsection , an organization shall be treated as an organization described in subparagraph (A)(ii) with respect to any property (other than property held by such organization) if such organization was an organization (other than a cooperative described in section 521) exempt from tax imposed by this chapter at any time during the 5-year period ending on the date such property was first used by such organization. The preceding sentence and subparagraph (D)(ii) shall not apply to the Federal Home Loan Mortgage Corporation.

(ii) Election not to have clause (i) apply.

(i) In general. In the case of an organization formerly exempt from tax under section 501(a) as an organization described in section 501(c)(12) , clause (i) shall not apply to such organization with respect to any property if such organization elects not to be exempt from tax under section 501(a) during the tax-exempt use period with respect to such property.

(II) Tax-exempt use period. For purposes of subclause (i) , the term "tax-exempt use period" means the period beginning with the taxable year in which the property described in subclause (i) is first used by the organization and ending with the close of the 15th taxable year following the last taxable year of the applicable recovery period of such property.

(III) Election. Any election under subclause (i) , once made, shall be irrevocable.

(iii) Treatment of successor organizations. Any organization which is engaged in activities substantially similar to those engaged in by a predecessor organization shall succeed to the treatment under this subparagraph of such predecessor organization.

(iv) First used. For purposes of this subparagraph , property shall be treated as first used by the organization-

(i) when the property is first placed in service under a lease to such organization, or

(II) in the case of property leased to (or held by) a partnership (or other pass-thru entity) in which the organization is a member, the later of when such property is first used by such partnership or pass-thru entity or when such organization is first a member of such partnership or pass-thru entity.

(3) Special rules for certain high technology equipment.

(A) Exemption where lease term is 5 years or less. For purposes of this section , the term "tax-exempt use property" shall not include any qualified technological equipment if the lease to the tax-exempt entity has a lease term of 5 years or less. Notwithstanding subsection (i)(3)(A)(i) , in determining a lease term for purposes of the preceding sentence, there shall not be taken into account any option of the lessee to renew at the fair market value rent determined at the time of renewal; except that the aggregate period not taken into account by reason of this sentence shall not exceed 24 months.

(B) Exception for certain property.

(i) In general. For purposes of subparagraph (A) , the term "qualified technological equipment" shall not include any property leased to a tax-exempt entity if-

(I) part or all of the property was financed (directly or indirectly) by an obligation the interest on which is exempt from tax under section 103(a) ,

(II) such lease occurs after a sale (or other transfer) of the property by, or lease of such property from, such entity (or related entity) and such property has been used by such entity (or a related entity) before such sale (or other transfer) or lease, or

(III) such tax-exempt entity is the United States or any agency or instrumentality of the United States.

(ii) Leasebacks during 1st 3 months of use not taken into account. Subclause (II) of clause (i) shall not apply to any property which is leased within 3 months after the date such property is first used by the tax-exempt entity (or a related entity).

(4) Related entities.

For purposes of this subsection -

(A)

(i) Each governmental unit and each agency or instrumentality of a governmental unit is related to each other such unit, agency, or instrumentality which directly or indirectly derives its powers, rights, and duties in whole or in part from the same sovereign authority.

(ii) For purposes of clause (i) , the United States, each State, and each possession of the United States shall be treated as a separate sovereign authority.

(B) Any entity not described in subparagraph (A)(i) is related to any other entity if the 2 entities have-

(i) significant common purposes and substantial common membership, or

(ii) directly or indirectly substantial common direction or control.

(C)

(i) An entity is related to another entity if either entity owns (directly or through 1 or more entities) a 50 percent or greater interest in the capital or profits of the other entity.

(ii) For purposes of clause (i) , entities treated as related under subparagraph (A) or (B) shall be treated as 1 entity.

(D) An entity is related to another entity with respect to a transaction if such transaction is part of an attempt by such entities to avoid the application of this subsection.

(5) Tax-exempt use of property leased to partnerships, etc., determined at partner level.

For purposes of this subsection -

(A) In general. In the case of any property which is leased to a partnership, the determination of whether any portion of such property is tax-exempt use property shall be made by treating each tax-exempt entity partner's proportionate share (determined under paragraph (6)(C)) of such property as being leased to such partner.

(B) Other pass-thru entities; tiered entities. Rules similar to the rules of subparagraph (A) shall also apply in the case of any pass-thru entity other than a partnership and in the case of tiered partnerships and other entities.

(C) Presumption with respect to foreign entities. Unless it is otherwise established to the satisfaction of the Secretary, it shall be presumed that the partners of a foreign partnership (and the beneficiaries of any other foreign pass-thru entity) are persons who are not United States persons.

(6) Treatment of property owned by partnerships, etc.

(A) In general. For purposes of this subsection , if-

(i) any property which (but for this subparagraph) is not tax-exempt use property is owned by a partnership which has both a tax-exempt entity and a person who is not a tax-exempt entity as partners, and

(ii) any allocation to the tax-exempt entity of partnership items is not a qualified allocation,

an amount equal to such tax-exempt entity's proportionate share of such property shall (except as provided in paragraph (1)(D)) be treated as tax-exempt use property.

(B) Qualified allocation. For purposes of subparagraph (A) , the term "qualified allocation" means any allocation to a tax-exempt entity which-

(i) is consistent with such entity's being allocated the same distributive share of each item of income, gain, loss, deduction, credit, and basis and such share remains the same during the entire period the entity is a partner in the partnership, and

(ii) has substantial economic effect within the meaning of section 704(b)(2) .

For purposes of this subparagraph , items allocated under section 704(c) shall not be taken into account.

(C) Determination of proportionate share.

(i) In general. For purposes of subparagraph (A) , a tax-exempt entity's proportionate share of any property owned by a partnership shall be determined on the basis of such entity's share of partnership items of income or gain (excluding gain allocated under section 704(c)), whichever results in the largest proportionate share.

(ii) Determination where allocations vary. For purposes of clause (i) , if a tax-exempt entity's share of partnership items of income or gain (excluding gain allocated under section 704(c)) may vary during the period such entity is a partner in the partnership, such share shall be the highest share such entity may receive.

(D) Determination of whether property used in unrelated trade or business. For purposes of this subsection, in the case of any property which is owned by a partnership which has both a tax-exempt entity and a person who is not a tax-exempt entity as partners, the determination of whether such property is used in an unrelated trade or business of such an entity shall be made without regard to section 514 .

(E) Other pass-thru entities; tiered entities. Rules similar to the rules of subparagraphs (A) , (B) , (C) , and (D) shall also apply in the case of any pass-thru entity other than a partnership and in the case of tiered partnerships and other entities.

(F) Treatment of certain taxable entities.

(i) In general. For purposes of this paragraph and paragraph (5) , except as otherwise provided in this subparagraph, any tax-exempt controlled entity shall be treated as a tax-exempt entity.

(ii) Election. If a tax-exempt controlled entity makes an election under this clause-

(I) such entity shall not be treated as a tax-exempt entity for purposes of this paragraph and paragraph (5) , and

(II) any gain recognized by a tax-exempt entity on any disposition of an interest in such entity (and any dividend or interest received or accrued by a tax-exempt entity from such tax-exempt controlled entity) shall be treated as unrelated business taxable income for purposes of section 511 .

Any such election shall be irrevocable and shall bind all tax-exempt entities holding interests in such tax-exempt controlled entity. For purposes of subclause (II) , there shall only be taken into account dividends which are properly allocable to income of the tax-exempt controlled entity which was not subject to tax under this chapter.

(iii) Tax-exempt controlled entity.

(I) In general. The term "tax-exempt controlled entity" means any corporation (which is not a tax-exempt entity determined without regard to this subparagraph and paragraph (2)(E)) if 50 percent or more (in value) of the stock in such corporation is held by 1 or more tax-exempt entities (other than a foreign person or entity).

(II) Only 5-percent shareholders taken into account in case of publicly traded stock. For purposes of subclause (I) , in the case of a corporation the stock of which is publicly traded on an established securities market, stock held by a tax-exempt entity shall not be taken into account unless such entity holds at least 5 percent (in value) of the stock in such corporation. For purposes of this subclause, related entities (within the meaning of paragraph (4)) shall be treated as 1 entity.

(III) Section 318 to apply. For purposes of this clause , a tax-exempt entity shall be treated as holding stock which it holds through application of section 318 (determined without regard to the 50-percent limitation contained in subsection (a)(2)(C) thereof).

(G) Regulations. For purposes of determining whether there is a qualified allocation under

subparagraph (B) , the regulations prescribed under paragraph (8) for purposes of this paragraph -

- (i) shall set forth the proper treatment for partnership guaranteed payments, and
- (ii) may provide for the exclusion or segregation of items.

(7) Lease.

For purposes of this subsection , the term "lease" includes any grant of a right to use property.

(8) Regulations.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection .

(i) Definitions and special rules.

For purposes of this section -

(1) Class life.

Except as provided in this section , the term "class life" means the class life (if any) which would be applicable with respect to any property as of January 1, 1986, under subsection (m) of section 167 (determined without regard to paragraph (4) and as if the taxpayer had made an election under such subsection). The Secretary, through an office established in the Treasury, shall monitor and analyze actual experience with respect to all depreciable assets. The reference in this paragraph to subsection (m) of section 167 shall be treated as a reference to such subsection as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 [11/5/90].

(2) Qualified technological equipment.

(A) In general. The term "qualified technological equipment" means-

- (i) any computer or peripheral equipment,
- (ii) any high technology telephone station equipment installed on the customer's premises, and
- (iii) any high technology medical equipment.

(B) Computer or peripheral equipment defined. For purposes of this paragraph -

- (i) In general. The term "computer or peripheral equipment" means-

(I) any computer, and

(II) any related peripheral equipment.

(ii) Computer. The term "computer" means a programmable electronically activated device which-

(I) is capable of accepting information, applying prescribed processes to the information, and supplying the results of these processes with or without human intervention, and

(II) consists of a central processing unit containing extensive storage, logic, arithmetic, and control capabilities.

(iii) Related peripheral equipment. The term "related peripheral equipment" means any auxiliary machine (whether on-line or off-line) which is designed to be placed under the control of the central processing unit of a computer.

(iv) Exceptions. The term "computer or peripheral equipment" shall not include-

(I) any equipment which is an integral part of other property which is not a computer,

(II) typewriters, calculators, adding and accounting machines, copiers, duplicating equipment, and similar equipment, and

(III) equipment of a kind used primarily for amusement or entertainment of the user.

(C) High technology medical equipment. For purposes of this paragraph , the term "high technology medical equipment" means any electronic, electromechanical, or computer-based high technology equipment used in the screening, monitoring, observation, diagnosis, or treatment of patients in a laboratory, medical, or hospital environment.

(3) Lease term.

(A) In general. In determining a lease term-

(i) there shall be taken into account options to renew,

(ii) the term of a lease shall include the term of any service contract or similar arrangement (whether or not treated as a lease under section 7701(e))-

(I) which is part of the same transaction (or series of related transactions) which includes the lease, and

(II) which is with respect to the property subject to the lease or substantially similar property, and

(iii) 2 or more successive leases which are part of the same transaction (or a series of related transactions) with respect to the same or substantially similar property shall be treated as 1 lease.

(B) Special rule for fair rental options on nonresidential real property or residential rental property. For purposes of clause (i) of subparagraph (A) , in the case of nonresidential real property or residential rental property, there shall not be taken into account any option to renew at fair market value determined at the time of renewal.

(4) General asset accounts.

Under regulations, a taxpayer may maintain 1 or more general asset accounts for any property to which this section applies. Except as provided in regulations, all proceeds realized on any disposition of property in a general asset account shall be included in income as ordinary income.

(5) Changes in use.

The Secretary shall, by regulations, provide for the method of determining the deduction allowable under section 167(a) with respect to any tangible property for any taxable year (and the succeeding taxable years) during which such property changes status under this section but continues to be held by the same person.

(6) Treatments of additions or improvements to property.

In the case of any addition to (or improvement of) any property-

(A) any deduction under subsection (a) for such addition or improvement shall be computed in the same manner as the deduction for such property would be computed if such property had been placed in service at the same time as such addition or improvement, and

(B) the applicable recovery period for such addition or improvement shall begin on the later of-

(i) the date on which such addition (or improvement) is placed in service, or

(ii) the date on which the property with respect to which such addition (or improvement) was made is placed in service.

(7) Treatment of certain transferees.

(A) In general. In the case of any property transferred in a transaction described in subparagraph (B) , the transferee shall be treated as the transferor for purposes of computing the depreciation deduction determined under this section with respect to so much of the basis in the hands of the transferee as does not exceed the adjusted basis in the hands of the transferor. In any case where this section as in effect before the amendments made by section 201 of the Tax Reform Act of 1986 applied to the property in the hands of the transferor, the reference in the preceding sentence to this section shall be treated as a reference to this section as so in effect.

(B) Transactions covered. The transactions described in this subparagraph are-

(i) any transaction described in section 332 , 351 , 361 , 721 , or 731 , and

(ii) any transaction between members of the same affiliated group during any taxable year for which a consolidated return is made by such group.

(C) Property reacquired by the taxpayer. Under regulations, property which is disposed of and then reacquired by the taxpayer shall be treated for purposes of computing the deduction allowable under subsection (a) as if such property had not been disposed of.

(8) Treatment of leasehold improvements.

(A) In general. In the case of any building erected (or improvements made) on leased property, if such building or improvement is property to which this section applies, the depreciation deduction shall be determined under the provisions of this section .

(B) Treatment of lessor improvements which are abandoned at termination of lease. An improvement-

(i) which is made by the lessor of leased property for the lessee of such property, and

(ii) which is irrevocably disposed of or abandoned by the lessor at the termination of the lease by such lessee,

shall be treated for purposes of determining gain or loss under this title as disposed of by the lessor when so disposed of or abandoned.

(C) Cross reference. For treatment of qualified long-term real property constructed or improved in connection with cash or rent reduction from lessor to lessee, see section 110(b) .

(9) Normalization rules.

(A) In general. In order to use a normalization method of accounting with respect to any public utility property for purposes of subsection (f)(2) -

(i) the taxpayer must, in computing its tax expense for purposes of establishing its cost of service for ratemaking purposes and reflecting operating results in its regulated books of account, use a method of depreciation with respect to such property that is the same as, and a depreciation period for such property that is no shorter than, the method and period used to compute its depreciation expense for such purposes; and

(ii) if the amount allowable as a deduction under this section with respect to such property (respecting all elections made by the taxpayer under this section) differs from the amount that would be allowable as a deduction under section 167 using the method (including the period, first and last year convention, and salvage value) used to compute regulated tax expense under clause (i) , the taxpayer must make adjustments to a reserve to reflect the deferral of taxes resulting from such difference.

(B) Use of inconsistent estimates and projections, etc.

(i) In general. One way in which the requirements of subparagraph (A) are not met is if the taxpayer, for ratemaking purposes, uses a procedure or adjustment which is inconsistent with the requirements of subparagraph (A) .

(ii) Use of inconsistent estimates and projections. The procedures and adjustments which are to be treated as inconsistent for purposes of clause (i) shall include any procedure or adjustment for ratemaking purposes which uses an estimate or projection of the taxpayer's tax expense, depreciation expense, or reserve for deferred taxes under subparagraph (A)(ii) unless such estimate or projection is also used, for ratemaking purposes, with respect to the other 2 such items and with respect to the rate base.

(iii) Regulatory authority. The Secretary may by regulations prescribe procedures and adjustments (in addition to those specified in clause (ii)) which are to be treated as inconsistent for purposes of clause (i) .

(C) Public utility property which does not meet normalization rules. In the case of any public utility property to which this section does not apply by reason of subsection (f)(2) , the allowance for depreciation under section 167(a) shall be an amount computed using the method and period referred to in subparagraph (A)(i) .

(10) Public utility property.

The term "public utility property" means property used predominantly in the trade or business of the furnishing or sale of-

(A) electrical energy, water, or sewage disposal services,

(B) gas or steam through a local distribution system,

(C) telephone services, or other communication services if furnished or sold by the Communications Satellite Corporation for purposes authorized by the Communications Satellite Act of 1962 (47 U.S.C. 701), or

(D) transportation of gas or steam by pipeline,

if the rates for such furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by any agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of any State or political subdivision thereof.

(11) Research and experimentation.

The term "research and experimentation" has the same meaning as the term research and experimental has under section 174 .

(12) Section 1245 and 1250 property.

The terms " section 1245 property" and " section 1250 property" have the meanings given such terms by sections 1245(a)(3) and 1250(c) , respectively.

(13) Single purpose agricultural or horticultural structure.

(A) In general. The term "single purpose agricultural or horticultural structure" means-

(i) a single purpose livestock structure, and

(ii) a single purpose horticultural structure.

(B) Definitions. For purposes of this paragraph -

(i) Single purpose livestock structure. The term "single purpose livestock structure" means any enclosure or structure specifically designed, constructed, and used-

(I) for housing, raising, and feeding a particular type of livestock and their produce, and

(II) for housing the equipment (including any replacements) necessary for the housing, raising, and feeding referred to in subclause (I) .

(ii) Single purpose horticultural structure. The term "single purpose horticultural structure" means-

(I) a greenhouse specifically designed, constructed, and used for the commercial production of plants, and

(II) a structure specifically designed, constructed, and used for the commercial production of mushrooms.

(iii) Structures which include work space. An enclosure or structure which provides work space shall be treated as a single purpose agricultural or horticultural structure only if such work space is solely for-

(I) the stocking, caring for, or collecting of livestock or plants (as the case may be) or their produce,

(II) the maintenance of the enclosure or structure, and

(III) the maintenance or replacement of the equipment or stock enclosed or housed therein.

(iv) Livestock. The term "livestock" includes poultry.

(14) Qualified rent-to-own property.

(A) In general. The term "qualified rent-to-own property" means property held by a rent-to-own dealer for purposes of being subject to a rent-to-own contract.

(B) Rent-to-own dealer. The term "rent-to-own dealer" means a person that, in the ordinary course of business, regularly enters into rent-to-own contracts with customers for the use of consumer property, if a substantial portion of those contracts terminate and the property is returned to such person before the receipt of all payments required to transfer ownership of the property from such person to the customer.

(C) Consumer property. The term "consumer property" means tangible personal property of a type generally used within the home for personal use.

(D) Rent-to-own contract. The term "rent-to-own contract" means any lease for the use of consumer property between a rent-to-own dealer and a customer who is an individual which-

(i) is titled "Rent-to-Own Agreement" or "Lease Agreement with Ownership Option," or uses other similar language,

(ii) provides for level (or decreasing where no payment is less than 40 percent of the largest payment), regular periodic payments (for a payment period which is a week or month),

(iii) provides that legal title to such property remains with the rent-to-own dealer until the customer makes all the payments described in clause (ii) or early purchase payments required under the contract to acquire legal title to the item of property,

(iv) provides a beginning date and a maximum period of time for which the contract may be in effect that does not exceed 156 weeks or 36 months from such beginning date (including renewals or options to extend),

(v) provides for payments within the 156-week or 36-month period that, in the aggregate, generally exceed the normal retail price of the consumer property plus interest,

(vi) provides for payments under the contract that, in the aggregate, do not exceed \$10,000 per item of consumer property,

(vii) provides that the customer does not have any legal obligation to make all the payments referred to in clause (ii) set forth under the contract, and that at the end of each payment period the customer may either continue to use the consumer property by making the payment for the next payment period or return such property to the rent-to-own dealer in good working order, in which case the customer does not incur any further obligations under the contract and is not entitled to a return of any payments previously made under the contract, and

(viii) provides that the customer has no right to sell, sublease, mortgage, pawn, pledge, encumber, or otherwise dispose of the consumer property until all the payments stated in the contract have been made.

(15) Motorsports entertainment complex.

(A) In general. The term "motorsports entertainment complex" means a racing track facility which-

(i) is permanently situated on land, and

(ii) during the 36-month period following the first day of the month in which the asset is placed in service, hosts 1 or more racing events for automobiles (of any type), trucks, or motorcycles which are open to the public for the price of admission.

(B) Ancillary and support facilities. Such term shall include, if owned by the taxpayer who owns the complex and provided for the benefit of patrons of the complex-

(i) ancillary facilities and land improvements in support of the complex's activities (including parking lots, sidewalks, waterways, bridges, fences, and landscaping),

(ii) support facilities (including food and beverage retailing, souvenir vending, and other nonlodging accommodations), and

(iii) appurtenances associated with such facilities and related attractions and amusements (including ticket booths, race track surfaces, suites and hospitality facilities, grandstands and viewing structures, props, walls, facilities that support the delivery of entertainment services, other special purpose structures, facades, shop interiors, and buildings).

(C) Exception. Such term shall not include any transportation equipment, administrative services assets, warehouses, administrative buildings, hotels, or motels.

(D) Termination. Such term shall not include any property placed in service after December 31, 2017.

(16) Alaska natural gas pipeline.

The term "Alaska natural gas pipeline" means the natural gas pipeline system located in the State of Alaska which-

(A) has a capacity of more than 500,000,000,000 Btu of natural gas per day, and

(B) is-

(i) placed in service after December 31, 2013, or

(ii) treated as placed in service on January 1, 2014, if the taxpayer who places such system in service before January 1, 2014, elects such treatment.

Such term includes the pipe, trunk lines, related equipment, and appurtenances used to carry natural gas, but does not include any gas processing plant.

(17) Natural gas gathering line.

The term "natural gas gathering line" means-

(A) the pipe, equipment, and appurtenances determined to be a gathering line by the Federal Energy Regulatory Commission, and

(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead or a commonpoint to the point at which such gas first reaches-

(i) a gas processing plant,

(ii) an interconnection with a transmission pipeline for which a certificate as an interstate transmission pipeline has been issued by the Federal Energy Regulatory Commission,

(iii) an interconnection with an intrastate transmission pipeline, or

(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.

(18) Qualified smart electric meters.

(A) In general. The term "qualified smart electric meter" means any smart electric meter which-

(i) is placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services, and

(ii) does not have a class life (determined without regard to subsection (e)) of less than 16 years.

(B) Smart electric meter. For purposes of subparagraph (A) , the term "smart electric meter" means any time-based meter and related communication equipment which is capable of being used by the taxpayer as part of a system that-

(i) measures and records electricity usage data on a time-differentiated basis in at least 24 separate time segments per day,

(ii) provides for the exchange of information between supplier or provider and the customer's electric meter in support of time-based rates or other forms of demand response,

(iii) provides data to such supplier or provider so that the supplier or provider can provide energy usage information to customers electronically, and

(iv) provides net metering.

(19) Qualified smart electric grid systems.

(A) In general. The term "qualified smart electric grid system" means any smart grid property which-

(i) is used as part of a system for electric distribution grid communications, monitoring, and management placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services, and

(ii) does not have a class life (determined without regard to subsection (e)) of less than 16 years.

(B) Smart grid property. For the purposes of subparagraph (A) , the term "smart grid property" means electronics and related equipment that is capable of-

(i) sensing, collecting, and monitoring data of or from all portions of a utility's electric distribution grid,

(ii) providing real-time, two-way communications to monitor or manage such grid, and

(iii) providing real time analysis of and event prediction based upon collected data that can be used to improve electric distribution system reliability, quality, and performance.

(j) Property on Indian reservations.

(1) In general.

For purposes of subsection (a) , the applicable recovery period for qualified Indian reservation property shall be determined in accordance with the table contained in paragraph (2) in lieu of the table contained in subsection (c) .

(2) Applicable recovery period for Indian reservation property.

For purposes of paragraph (1) -

In the case of:

3-year property

5-year property

The applicable recovery period is:

2 years

3 years

7-year property	4 years
10-year property	6 years
15-year property	9 years
20-year property	12 years
Nonresidential real property	22 years

(3) Deduction allowed in computing minimum tax.

For purposes of determining alternative minimum taxable income under section 55 , the deduction under subsection (a) for property to which paragraph (1) applies shall be determined under this section without regard to any adjustment under section 56 .

(4) Qualified Indian reservation property defined.

For purposes of this subsection -

(A) In general. The term "qualified Indian reservation property" means property which is property described in the table in paragraph (2) and which is-

(i) used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation,

(ii) not used or located outside the Indian reservation on a regular basis,

(iii) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 465(b)(3)(C)), and

(iv) not property (or any portion thereof) placed in service for purposes of conducting or housing class I, II, or III gaming (as defined in section 4 of the Indian Regulatory Act (25 U.S.C. 2703)).

(B) Exception for alternative depreciation property. The term "qualified Indian reservation property" does not include any property to which the alternative depreciation system under subsection (g) applies, determined-

(i) without regard to subsection (g)(7) (relating to election to use alternative depreciation system), and

(ii) after the application of section 280F(b) (relating to listed property with limited business use).

(C) Special rule for reservation infrastructure investment.

(i) In general. Subparagraph (A)(ii) shall not apply to qualified infrastructure property located outside of the Indian reservation if the purpose of such property is to connect with qualified infrastructure

property located within the Indian reservation.

(ii) Qualified infrastructure property. For purposes of this subparagraph , the term "qualified infrastructure property" means qualified Indian reservation property (determined without regard to subparagraph (A)(ii)) which-

(I) benefits the tribal infrastructure,

(II) is available to the general public, and

(III) is placed in service in connection with the taxpayer's active conduct of a trade or business within an Indian reservation.

Such term includes, but is not limited to, roads, power lines, water systems, railroad spurs, and communications facilities.

(5) Real estate rentals.

For purposes of this subsection , the rental to others of real property located within an Indian reservation shall be treated as the active conduct of a trade or business within an Indian reservation.

(6) Indian reservation defined.

For purposes of this subsection , the term "Indian reservation" means a reservation, as defined in-

(A) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)), or

(B) section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)).

For purposes of the preceding sentence, such section 3(d) shall be applied by treating the term "former Indian reservations in Oklahoma" as including only lands which are within the jurisdictional area of an Oklahoma Indian tribe (as determined by the Secretary of the Interior) and are recognized by such Secretary as eligible for trust land status under 25 CFR Part 151 (as in effect on the date of the enactment of this sentence).

(7) Coordination with nonrevenue laws.

Any reference in this subsection to a provision not contained in this title shall be treated for purposes of this subsection as a reference to such provision as in effect on the date of the enactment of this

paragraph.

(8) Election out.

If a taxpayer makes an election under this paragraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year. Such election, once made, shall be irrevocable.

(9) Termination.

This subsection shall not apply to property placed in service after December 31, 2017.

(k) Special allowance for certain property.

(1) Additional allowance.

In the case of any qualified property-

(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to the applicable percentage of the adjusted basis of the qualified property, and

(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

(2) Qualified property.

For purposes of this subsection -

(A) In general. The term "qualified property" means property-

(i)

(I) to which this section applies which has a recovery period of 20 years or less,

(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection ,

(III) which is water utility property, or

(IV) which is a qualified film or television production (as defined in subsection (d) of section 181) for

which a deduction would have been allowable under section 181 without regard to subsections (a)(2) and (g) of such section or this subsection, or

(V) which is a qualified live theatrical production (as defined in subsection (e) of section 181) for which a deduction would have been allowable under section 181 without regard to subsections (a)(2) and (g) of such section or this subsection,

(ii) the original use of which begins with the taxpayer or the acquisition of which by the taxpayer meets the requirements of clause (ii) of subparagraph (E) , and

(iii) which is placed in service by the taxpayer before January 1, 2027.

(B) Certain property having longer production periods treated as qualified property.

(i) In general. The term "qualified property" includes any property if such property-

(I) meets the requirements of clauses (i) and (ii) of subparagraph (A) ,

(II) is placed in service by the taxpayer before January 1, 2028,

(III) is acquired by the taxpayer (or acquired pursuant to a written contract entered into) before January 1, 2027,

(IV) has a recovery period of at least 10 years or is transportation property,

(V) is subject to section 263A , and

(VI) meets the requirements of clause (iii) of section 263A(f)(1)(B) (determined as if such clause also applies to property which has a long useful life (within the meaning of section 263A(f))).

(ii) Only pre-January 1, 2027 basis eligible for additional allowance. In the case of property which is qualified property solely by reason of clause (i) , paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2027.

(iii) Transportation property. For purposes of this subparagraph , the term "transportation property"

means tangible personal property used in the trade or business of transporting persons or property.

(iv) Application of subparagraph. This subparagraph shall not apply to any property which is described in subparagraph (C) .

(C) Certain aircraft. The term "qualified property" includes property-

(i) which meets the requirements of subparagraph (A)(ii) and subclauses (II) and (III) of subparagraph (B)(i) ,

(ii) which is an aircraft which is not a transportation property (as defined in subparagraph (B)(iii)) other than for agricultural or firefighting purposes,

(iii) which is purchased and on which such purchaser, at the time of the contract for purchase, has made a nonrefundable deposit of the lesser of-

(I) 10 percent of the cost, or

(II) \$100,000, and

(iv) which has-

(I) an estimated production period exceeding 4 months, and

(II) a cost exceeding \$200,000.

(D) Exception for alternative depreciation property. The term "qualified property" shall not include any property to which the alternative depreciation system under subsection (g) applies, determined-

(i) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

(ii) after application of section 280F(b) (relating to listed property with limited business use).

(E) Special rules.

(i) Self-constructed property. In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of subclause (III) of subparagraph (B)(i) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property before

January 1, 2027.

(ii) Acquisition requirements. An acquisition of property meets the requirements of this clause if-

(I) such property was not used by the taxpayer at any time prior to such acquisition, and

(II) the acquisition of such property meets the requirements of paragraphs (2)(A), (2)(B), (2)(C), and (3) of section 179(d).

(iii) Syndication. For purposes of subparagraph (A)(ii) , if-

(I) property is used by a lessor of such property and such use is the lessor's first use of such property,

(II) such property is sold by such lessor or any subsequent purchaser within 3 months after the date such property was originally placed in service (or, in the case of multiple units of property subject to the same lease, within 3 months after the date the final unit is placed in service, so long as the period between the time the first unit is placed in service and the time the last unit is placed in service does not exceed 12 months), and

(III) the user of such property after the last sale during such 3-month period remains the same as when such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date of such last sale.

(F) Coordination with section 280F . For purposes of section 280F -

(i) Automobiles. In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by \$8,000.

(ii) Listed property. The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2) .

(iii) Phase down. In the case of a passenger automobile acquired by the taxpayer before September 28, 2017, and placed in service by the taxpayer after September 27, 2017, clause (i) shall be applied by substituting for "\$8,000"-

(I) in the case of an automobile placed in service during 2018, \$6,400, and

(II) in the case of an automobile placed in service during 2019, \$4,800.

(G) Deduction allowed in computing minimum tax. For purposes of determining alternative minimum taxable income under section 55 , the deduction under section 167 for qualified property shall be determined without regard to any adjustment under section 56 .

(H) Production placed in service. For purposes of subparagraph (A) -

(i) a qualified film or television production shall be considered to be placed in service at the time of initial release or broadcast, and

(ii) a qualified live theatrical production shall be considered to be placed in service at the time of the initial live staged performance.

(3) Repealed

(4) Repealed

(5) Special rules for certain plants bearing fruits and nuts.

(A) In general. In the case of any specified plant which is planted before January 1, 2027, or is grafted before such date to a plant that has already been planted, by the taxpayer in the ordinary course of the taxpayer's farming business (as defined in section 263A(e)(4)) during a taxable year for which the taxpayer has elected the application of this paragraph-

(i) a depreciation deduction equal to the applicable percentage of the adjusted basis of such specified plant shall be allowed under section 167(a) for the taxable year in which such specified plant is so planted or grafted, and

(ii) the adjusted basis of such specified plant shall be reduced by the amount of such deduction.

(B) Specified plant. For purposes of this paragraph , the term "specified plant" means-

(i) any tree or vine which bears fruits or nuts, and

(ii) any other plant which will have more than one yield of fruits or nuts and which generally has a pre-productive period of more than 2 years from the time of planting or grafting to the time at which

such plant begins bearing fruits or nuts.

Such term shall not include any property which is planted or grafted outside of the United States.

(C) Election revocable only with consent. An election under this paragraph may be revoked only with the consent of the Secretary.

(D) Additional depreciation may be claimed only once. If this paragraph applies to any specified plant, such specified plant shall not be treated as qualified property in the taxable year in which placed in service.

(E) Deduction allowed in computing minimum tax. Rules similar to the rules of paragraph (2)(G) shall apply for purposes of this paragraph.

(F) Repealed.

(6) Applicable percentage.

For purposes of this subsection-

(A) In general. Except as otherwise provided in this paragraph, the term 'applicable percentage' means-

(i) in the case of property placed in service after September 27, 2017, and before January 1, 2023, 100 percent,

(ii) in the case of property placed in service after December 31, 2022, and before January 1, 2024, 80 percent,

(iii) in the case of property placed in service after December 31, 2023, and before January 1, 2025, 60 percent,

(iv) in the case of property placed in service after December 31, 2024, and before January 1, 2026, 40 percent, and

(v) in the case of property placed in service after December 31, 2025, and before January 1, 2027, 20 percent.

(B) Rule for property with longer 20 production periods. In the case of property described in subparagraph (B) or (C) of paragraph (2) , the term 'applicable percentage' means-

(i) in the case of property placed in service after September 27, 2017, and before January 1, 2024, 100 percent,

(ii) in the case of property placed in service after December 31, 2023, and before January 1, 2025, 80 percent,

(iii) in the case of property placed in service after December 31, 2024, and before January 1, 2026, 60 percent,

(iv) in the case of property placed in service after December 31, 2025, and before January 1, 2027, 40 percent, and

(v) in the case of property placed in service after December 31, 2026, and before January 1, 2028, 20 percent.

(C) Rule for plants bearing fruits and nuts. In the case of a specified plant described in paragraph (5) , the term 'applicable percentage means-

(i) in the case of a plant which is planted or grafted after September 27, 2017, and before January 1, 2023, 100 percent,

(ii) in the case of a plant which is planted or grafted after December 31, 2022, and before January 1, 2024, 80 percent,

(iii) in the case of a plant which is planted or grafted after December 31, 2023, and before January 1, 2025, 60 percent,

(iv) in the case of a plant which is planted or grafted after December 31, 2024, and before January 1, 2026, 40 percent, and

(v) in the case of a plant which is planted or grafted after December 31, 2025, and before January 1, 2027, 20 percent.

(7) Election out.

If a taxpayer makes an election under this paragraph with respect to any class of property for any taxable year, paragraphs (1) and (2)(F) shall not apply to any qualified property in such class placed in service during such taxable year. An election under this paragraph may be revoked only with the consent of the Secretary.

(8) Phase down.

In the case of qualified property acquired by the taxpayer before September 28, 2017, and placed in service by the taxpayer after September 27, 2017, paragraph (6) shall be applied by substituting for each percentage therein-

(A) "50 percent" in the case of-

- (i) property placed in service before January 1, 2018, and
- (ii) property described in subparagraph (B) or (C) of paragraph (2) which is placed in service in 2018,

(B) "40 percent" in the case of-

- (i) property placed in service in 2018 (other than property described in subparagraph (B) or (C) of paragraph (2)), and
- (ii) property described in subparagraph (B) or (C) of paragraph (2) which is placed in service in 2019,

(C) '30 percent' in the case of-

- (i) property placed in service in 2019 (other than property described in subparagraph (B) or (C) of paragraph (2)), and
- (ii) property described in subparagraph (B) or (C) of paragraph (2) which is placed in service in 2020, and

(D) "0 percent" in the case of-

- (i) property placed in service after 2019 (other than property described in subparagraph (B) or (C) of paragraph (2)), and
- (ii) property described in subparagraph (B) or (C) of paragraph (2) which is placed in service after 2020.

(9) Exception for certain property.

The term "qualified property" shall not include-

(A) any property which is primarily used in a trade or business described in clause (iv) of section 163(j)(7)(A), or

(B) any property used in a trade or business that has had floor plan financing indebtedness (as defined in paragraph (9) of section 163(j)), if the floor plan financing interest related to such indebtedness was taken into account under paragraph (1)(C) of such section .

(10) Special rule for property placed in service during certain periods.

(A) In general. In the case of qualified property placed in service by the taxpayer during the first taxable year ending after September 27, 2017, if the taxpayer elects to have this paragraph apply for such taxable year, paragraphs (1)(A) and (5)(A)(i) shall be applied by substituting "50 percent" for "the applicable percentage".

(B) Form of election. Any election under this paragraph shall be made at such time and in such form and manner as the Secretary may prescribe.

(l) Special allowance for second generation biofuel plant property.

(1) Additional allowance.

In the case of any qualified second generation biofuel plant property-

(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of such property, and

(B) the adjusted basis of such property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

(2) Qualified second generation biofuel plant property.

The term "qualified second generation biofuel plant property" means property of a character subject to the allowance for depreciation-

(A) which is used in the United States solely to produce second generation biofuel (as defined in section 40(b)(6)(E)),

(B) the original use of which commences with the taxpayer after the date of the enactment of this subsection,

(C) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after the date of the enactment of this subsection, but only if no written binding contract for the acquisition was in effect on or before the date of the enactment of this subsection, and

(D) which is placed in service by the taxpayer before January 1, 2018.

(3) Exceptions.

(A) Bonus depreciation property under subsection (k) . Such term shall not include any property to which subsection (k) applies.

(B) Alternative depreciation property. Such term shall not include any property described in subsection (k)(2)(D) .

(C) Tax-exempt bond-financed property. Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103 .

(D) Election out. If a taxpayer makes an election under this subparagraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

(4) Special rules.

For purposes of this subsection , rules similar to the rules of subsection (k)(2)(E) shall apply.

(5) Allowance against alternative minimum tax.

For purposes of this subsection , rules similar to the rules of subsection (k)(2)(G) shall apply.

(6) Recapture.

For purposes of this subsection , rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified second generation biofuel plant property which ceases to be qualified second

generation biofuel plant property.

(7) Denial of double benefit.

Paragraph (1) shall not apply to any qualified second generation biofuel plant property with respect to which an election has been made under section 179C (relating to election to expense certain refineries).

(m) Special allowance for certain reuse and recycling property.

(1) In general.

In the case of any qualified reuse and recycling property-

(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of the qualified reuse and recycling property, and

(B) the adjusted basis of the qualified reuse and recycling property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

(2) Qualified reuse and recycling property.

For purposes of this subsection -

(A) In general. The term "qualified reuse and recycling property" means any reuse and recycling property-

(i) to which this section applies,

(ii) which has a useful life of at least 5 years,

(iii) the original use of which commences with the taxpayer after August 31, 2008, and

(iv) which is-

(I) acquired by purchase (as defined in section 179(d)(2)) by the taxpayer after August 31, 2008, but only if no written binding contract for the acquisition was in effect before September 1, 2008, or

(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after August 31, 2008.

(B) Exceptions.

(i) Bonus depreciation property under subsection (k) . The term "qualified reuse and recycling property" shall not include any property to which subsection (k) (determined without regard to paragraph (4) thereof) applies.

(ii) Alternative depreciation property. The term "qualified reuse and recycling property" shall not include any property to which the alternative depreciation system under subsection (g) applies, determined without regard to paragraph (7) of subsection (g) (relating to election to have system apply).

(iii) Election out. If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

(C) Special rule for self-constructed property. In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after August 31, 2008.

(D) Deduction allowed in computing minimum tax. For purposes of determining alternative minimum taxable income under section 55 , the deduction under subsection (a) for qualified reuse and recycling property shall be determined under this section without regard to any adjustment under section 56 .

(3) Definitions.

For purposes of this subsection -

(A) Reuse and recycling property.

(i) In general. The term "reuse and recycling property" means any machinery and equipment (not including buildings or real estate), along with all appurtenances thereto, including software necessary to operate such equipment, which is used exclusively to collect, distribute, or recycle qualified reuse and recyclable materials.

(ii) Exclusion. Such term does not include rolling stock or other equipment used to transport reuse and recyclable materials.

(B) Qualified reuse and recyclable materials.

(i) In general. The term "qualified reuse and recyclable materials" means scrap plastic, scrap glass,

scrap textiles, scrap rubber, scrap packaging, recovered fiber, scrap ferrous and nonferrous metals, or electronic scrap generated by an individual or business.

(ii) Electronic scrap. For purposes of clause (i) , the term "electronic scrap" means-

(I) any cathode ray tube, flat panel screen, or similar video display device with a screen size greater than 4 inches measured diagonally, or

(II) any central processing unit.

(C) Recycling or recycle. The term "recycling" or "recycle" means that process (including sorting) by which worn or superfluous materials are manufactured or processed into specification grade commodities that are suitable for use as a replacement or substitute for virgin materials in manufacturing tangible consumer and commercial products, including packaging.

(n) Special allowance for qualified disaster assistance property.

(1) In general.

In the case of any qualified disaster assistance property-

(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of the qualified disaster assistance property, and

(B) the adjusted basis of the qualified disaster assistance property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

(2) Qualified disaster assistance property.

For purposes of this subsection -

(A) In general. The term "qualified disaster assistance property" means any property-

(i)

(I) which is described in subsection (k)(2)(A)(i), or

(II) which is nonresidential real property or residential rental property,

(ii) substantially all of the use of which is-

(I) in a disaster area with respect to a federally declared disaster occurring before January 1, 2010, and

(II) in the active conduct of a trade or business by the taxpayer in such disaster area,

(iii) which-

(I) rehabilitates property damaged, or replaces property destroyed or condemned, as a result of such federally declared disaster, except that, for purposes of this clause, property shall be treated as replacing property destroyed or condemned if, as part of an integrated plan, such property replaces property which is included in a continuous area which includes real property destroyed or condemned, and

(II) is similar in nature to, and located in the same county as, the property being rehabilitated or replaced,

(iv) the original use of which in such disaster area commences with an eligible taxpayer on or after the applicable disaster date,

(v) which is acquired by such eligible taxpayer by purchase (as defined in section 179(d)) on or after the applicable disaster date, but only if no written binding contract for the acquisition was in effect before such date, and

(vi) which is placed in service by such eligible taxpayer on or before the date which is the last day of the third calendar year following the applicable disaster date (the fourth calendar year in the case of nonresidential real property and residential rental property).

(B) Exceptions.

(i) Other bonus depreciation property. The term "qualified disaster assistance property" shall not include-

(I) any property to which subsection (k) (determined without regard to paragraph (4)), (l), or (m) applies,

(II) any property to which section 1400N(d) applies, and

(III) any property described in section 1400N(p)(3) .

(ii) Alternative depreciation property. The term "qualified disaster assistance property" shall not include any property to which the alternative depreciation system under subsection (g) applies, determined without regard to paragraph (7) of subsection (g) (relating to election to have system apply).

(iii) Tax-exempt bond financed property. Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103 .

(iv) Qualified revitalization buildings. Such term shall not include any qualified revitalization building with respect to which the taxpayer has elected the application of paragraph (1) or (2) of section 14001(a) .

(v) Election out. If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

(C) Special rules. For purposes of this subsection , rules similar to the rules of subparagraph (E) of subsection (k)(2) shall apply, except that such subparagraph shall be applied-

(i) by substituting "the applicable disaster date" for "December 31, 2007" each place it appears therein,

(ii) without regard to "and before January 1, 2015" in clause (i) thereof, and

(iii) by substituting "qualified disaster assistance property" for "qualified property" in clause (iv) thereof.

(D) Allowance against alternative minimum tax. For purposes of this subsection , rules similar to the rules of subsection (k)(2)(G) shall apply.

(3) Other definitions.

For purposes of this subsection -

(A) Applicable disaster date. The term "applicable disaster date" means, with respect to any federally declared disaster, the date on which such federally declared disaster occurs.

(B) Federally declared disaster. The term "federally declared disaster" has the meaning given such term under section 165(h)(3)(C)(i) .

(C) Disaster area. The term "disaster area" has the meaning given such term under section 165(h)(3)(C)(ii) .

(D) Eligible taxpayer. The term "eligible taxpayer" means a taxpayer who has suffered an economic loss attributable to a federally declared disaster.

(4) Recapture.

For purposes of this subsection , rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified disaster assistance property which ceases to be qualified disaster assistance property.



COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

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ATTORNEY GENERAL

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FRANKFORT, KENTUCKY 40601

December 12, 2014

Via electronic mail

Hon. Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

RE: Atmos Energy Corporation, Case No. 2013-00148

Dear Mr. DeRouen:

At the request of staff for the Commission and in response to Atmos Energy Corporation's ("Atmos") request for approval of its draft request to the Internal Revenue Service ("IRS") for a Private Letter Ruling ("PLR") on the issue of net operating loss carry-forward ("NOLC"), the Attorney General files the following comments to the draft. Moreover, the Attorney General files this in reply to Atmos' letter of counsel dated December 12, 2014.

As quoted in Atmos' November 7, 2014 cover letter to the Commission, the Final Order in Case No. 2013-00148 requested "a more definitive assessment of [the] issue" regarding NOLC, which was addressed by the Attorney General's expert witness, Bion Ostrander, during the case proceedings. While the Commission did not adopt Mr. Ostrander's proposal, it did order Atmos to request a PLR that would eliminate the ambiguity in the regulations. The draft proposed does not eliminate the ambiguity, but rather requests that the IRS answer two (2) unnecessarily specific questions, which may be summarized as confirmation that there is enough ambiguity in the law to permit Atmos to treat NOLC the way it chose to treat it. As such, the letter as currently drafted does not comport with the Commission's Order.

Rather, the question that should be presented is whether other options for treating the NOLC are reasonable and may be required by the Commission. In other words, the question presented should ask the broader question of whether the IRS requires a specific method to be used. At pages 23 to 29 of the draft letter, Atmos discusses the three (3) options or methodologies: (1) the "last dollars deducted method" (also known as the "with or without" method), (2) the "first dollars deducted" method, and (3) a ratable allocation. However, the rulings requested at page 9 of the draft only ask whether a computation on a "last dollars deducted" method is allowable. The Attorney General posits that the IRS has not cited a specific method, therefore the ratable allocation, for example, is an option that Atmos could utilize were the Commission to direct it to do so. At a minimum, the rulings requested on page 9

of the letter draft should more broadly address all approaches available to the IRS, including but not limited to “the ratable allocation method (and other allocation approaches available to the Service).”

The Attorney General requests that the Commission direct Atmos to consult its tax counsel and draft the letter and the PLR request in a manner that definitively addresses whether Atmos may legally adopt any of the methods referenced and still comply with the requirements of the Internal Revenue Code and Treasury Regulations.

Tendered by:



Jennifer Black Hans
Executive Director

And

Gregory T. Dutton
Assistant Attorney General

Cc: Hon. John N. Hughes
Mark Martin
Richard Raff
Virginia Gregg

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December 12, 2014

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2103-00148

Dear Mr. Derouen:

The Attorney General's email of yesterday related to the Private Letter Ruling (PLR) request of Atmos Energy contains nothing substantive to support its beliefs that the letter is improperly or inadequately drafted. Citing no legal authority or other basis for its contentions, the Attorney General seeks to become a participant in the drafting of the PLR. The Internal Revenue Service (IRS) revenue procedures cited in the November 7, 2014 letter to the Commission from Atmos Energy provide the only procedures for the submission of the PLR. This letter is not a joint or collaborative venture. The request for a ruling, its tone, tenor and substance is exclusively the province of the taxpayer. The opportunity for the AG to comment is specified in the IRS revenue procedures – a letter submitted to the IRS after the PLR has been submitted. The AG has no allowable participation in the drafting, review or submission of the PLR. The role of the Commission is also specified: an acknowledgement that the letter is adequate and complete. That role does not provide an opportunity for the Commission to be a co-author of the letter or to specify the terms of the letter. Even if there is disagreement about the content of the letter, Atmos as the taxpayer has the ultimate responsibility for its content. Given the explicit procedural requirements of the PLR process, the Attorney General's beliefs and opinions on the method of drafting the letter, submission of comments to the Commission and content of the letter are unsupported and unsupportable.

The PLR comports with the Commission's directive in the final order – it seeks a definitive ruling on whether not including net operating loss carryforward (NOLC) would be a normalization violation. Atmos Energy has included a request for determination of the appropriate allocation methodology as well. The PLR mentions all allocation methods and

discusses the merits of them beginning on page 24. It also addresses pitfalls with the ratable allocation approach specifically. (See pages 25-26). The PLR asks for the IRS's conclusion that the "with and without" methodology is the preferable and permissible methodology. Contrary to the AG's assertion, Atmos Energy has not neglected a proper discussion of other methodologies of the appropriate allocation.

Finally, the AG seems to suggest that the request be reworked to allow the IRS to opine that many options are available. Atmos Energy believes that a request crafted as such would not be received favorably by the IRS. Taxpayer ruling requests by definition are to be narrowly crafted and request a specific ruling, not a menu of options. Ruling requests that are broad, offer choices or do not reach a conclusion take longer to complete and can be at risk for getting an inconclusive or ambiguous outcome.

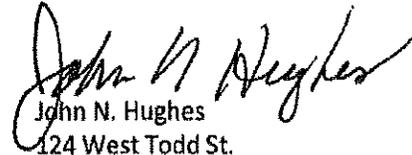
A meeting to discuss these issues is unnecessary and inappropriate. It would only impede the orderly process mandated by the IRS revenue procedures. The AG has no legal basis or authority to deviate from or to modify the Commission's role in the PLR process. Atmos is not opposed to comments by the AG, but those comments should be submitted in accord with the IRS procedures. Even if the AG were to provide the Commission with comments, those comments would not be incorporated into the PLR request. While those comments may inform the Commission of the AG's stance on the letter, they will have no direct impact on the substance of the letter itself. The drafting of the PLR is not a negotiated, mutually agreed to process.

If the Commission determines that it is unable to acknowledge the completeness of the letter as a result of the AG's comments, Atmos would still be obligated to submit the PLR to the IRS pursuant to the final order in this case. The effect of that action likely would result in a conference with the IRS to verify that Atmos has met the procedural requirements related to the Commission's participation in the process. For these reasons, Atmos Energy submits that the Commission should acknowledge the PLR for adequacy and completeness. Upon submission of the letter to the IRS, the Attorney General will have the ability to submit comments commensurate with the terms of the IRS revenue procedures.

Submitted By:

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November 7, 2014

RECEIVED

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

NOV 07 2014

**PUBLIC SERVICE
COMMISSION**

Re: Atmos Energy Corporation

Dear Mr. Derouen:

In its Order dated April 22, 2014 in Case No. 2013-00148, the Commission directed Atmos Energy Corporation (Atmos Energy) to submit a request to the Internal Revenue Service (IRS) for a Private Letter Ruling (PLR) on the issue of Net Operating Loss Carry-forward (NOLC). Specifically, the Commission stated:

Although we are rejecting the AG's proposal, the aforementioned ambiguity in the regulations and the significantly different interpretations of those regulations by the AG and Atmos-Ky. cause the Commission to conclude that it would be beneficial to have a more definitive assessment of this issue. Therefore, we find that Atmos-Ky. should seek a private-letter ruling from the IRS with the intent that such ruling be filed with the application in Atmos-Ky.'s next general rate case. (Order of April 22, 2014, Case No. 2013-00148, p. 7)

To comply with that directive, Atmos Energy has in consultation with its outside tax attorneys prepared a draft letter seeking a ruling on the regulatory implications of including NOLC in rate base. The letter sets forth the factual and legal issues to be resolved and requests a ruling on the specific issues raised. A copy of the letter is attached.

The IRS regulation for submitting a request for a PLR of this nature requires the Commission to review the letter and to acknowledge that the request is adequate and complete:

Excerpt from Rev. Proc. 2014-1, Appendix E, Section .01:

Rate orders; regulatory agency; normalization A letter ruling request that involves a question of whether a rate order that is proposed or issued by a regulatory agency will meet the normalization requirements of § 168(f)(2) (pre-Tax Reform Act of 1986, § 168(e)(3)) and former §§ 46(f) and 167(l) ordinarily will not be considered unless the taxpayer states in the letter ruling request whether—

(1) the regulatory authority responsible for establishing or approving the taxpayer's rates has reviewed the request and believes that the request is adequate and complete; and

(2) the taxpayer will permit the regulatory authority to participate in any Associate office conference concerning the request.

If the taxpayer or the regulatory authority informs a consumer advocate of the request for a letter ruling and the advocate wishes to communicate with the Service regarding the request, any such communication should be sent to: Internal Revenue Service, Associate Chief Counsel (Procedure and Administration), Attn: CC:PA:LPD:DRU, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044 (or, if a private delivery service is used: Internal Revenue Service, Associate Chief Counsel (Procedure and Administration), Attn: CC:PA:LPD:DRU, Room 5336, 1111 Constitution Ave., NW, Washington, DC 20224). These communications will be treated as third party contacts for purposes of § 6110.

Atmos Energy's submission of the proposed PLR to the Commission is for the purpose of complying with the regulation. After the Commission has reviewed the letter, representatives of Atmos Energy will be available to meet with the Commissioners and staff to respond to any questions about the substance of the letter or the filing procedures.

Once there is an agreement among Atmos Energy and the Commission regarding the adequateness and completeness of the PLR request, the Commission must acknowledge its review of and concurrence with the letter. To assist the Commission with the preparation of that acknowledgement, a draft letter is attached. The content of the letter conforms to the typical form and substance of similar letters from regulatory agencies. A copy of that letter will be submitted to the IRS with the PLR request.

As the regulation cited above states, if a consumer advocate - in this case the Attorney General's Office of Rate Intervention - is notified of the PLR request, it may submit comments directly to the IRS after the PLR request has been submitted to the IRS. Atmos Energy intends to provide a copy of the PLR request to the Attorney General after it is filed with the IRS as the regulation provides.

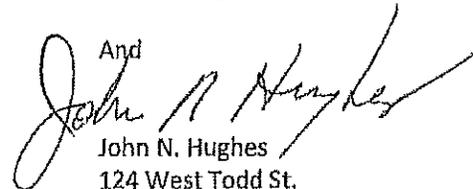
Atmos Energy anticipates that the IRS will take between four and six months to issue a ruling. It would like to submit the PLR request no later than December 15, 2014. To meet that objective, Atmos Energy would like to conclude its discussions with the Commission prior to that date.

Should you have any questions or if you would like to schedule a conference with Atmos Energy representatives to discuss these issues, please contact me.

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Attorneys for Atmos Energy
Corporation

Department of the Treasury
Internal Revenue Service
Private Letter Ruling

PLR 201534001 - Section 167 - Depreciation

Internal Revenue Service
Department of the Treasury
Washington, DC 20224

Number: 201534001
Release Date: 8/21/2015
Index Number: 167.22-01

Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
Telephone Number:

Refer Reply To:
CC:PSI:B06 PLR-103300-15
Date:
May 13, 2015

LEGEND:

- Taxpayer =
- State A =
- State B =
- State C =
- Commission =
- Year A =
- Year B =
- Date A =
- Date B =
- Date C =
- Date D =
- Case =
- Director =

Dear [redacted data]:

This letter responds to the request, dated January 9, 2015, submitted on behalf of Taxpayer for a ruling on the application of the normalization rules of the Internal Revenue Code to certain accounting and regulatory procedures, described below.

The representations set out in your letter follow.

Taxpayer is the common parent of an affiliated group of corporations and is incorporated under the laws of State A and State B. Taxpayer is engaged primarily in the businesses of regulated natural gas distribution, regulated natural gas transmission, and regulated natural gas storage. Taxpayer's regulated natural gas distribution business delivers gas to customers in several states, including State A. Taxpayer is subject to, as relevant for this ruling, the regulatory jurisdiction of Commission with respect to terms and conditions of service and as to the rates it may charge for the provision of its gas distribution service in State A. Taxpayer's rates are established on a "rate of return" basis.

Taxpayer filed a rate case application on Date A (Case). In its filing, Taxpayer's application was based on a fully

forecasted test period consisting of the twelve months ending on Date B. Taxpayer updated, amended, and supplemented its data several times during the course of the proceedings. In a final order dated Date C, rates were approved by Commission for service rendered on or after Date D.

In each year from Year A to Year B, Taxpayer incurred a net operating loss carryforward (NOLC). In each of these years, Taxpayer claimed accelerated depreciation, including "bonus depreciation" on its tax returns to the extent that such depreciation was available. On its regulatory books of account, Taxpayer "normalizes" the differences between regulatory depreciation and tax depreciation. This means that, where accelerated depreciation reduces taxable income, the taxes that a taxpayer would have paid if regulatory depreciation (instead of accelerated tax depreciation) were claimed constitute "cost-free capital" to the taxpayer. A taxpayer that normalizes these differences, like Taxpayer, maintains a reserve account showing the amount of tax liability that is deferred as a result of the accelerated depreciation. This reserve is the accumulated deferred income tax (ADIT) account. Taxpayer maintains an ADIT account. In addition, Taxpayer maintains an offsetting series of entries - a "deferred tax asset" and a "deferred tax expense" - that reflect that portion of those 'tax losses' which, while due to accelerated depreciation, did not actually defer tax because of the existence of an NOLC.

In the setting of utility rates in State C, a utility's rate base is offset by its ADIT balance. In its rate case filing and throughout the proceeding, Taxpayer maintained that the ADIT balance should be reduced by the amounts that Taxpayer calculates did not actually defer tax due to the presence of the NOLC, as represented in the deferred tax asset account. Thus, Taxpayer argued that the rate base should be reduced by its federal ADIT balance net of the deferred tax asset attributable to the federal NOLC. It also asserted that the failure to reduce its rate base offset by the deferred tax asset attributable to the federal NOLC would be inconsistent with the normalization rules. The attorney general for State C argued against Taxpayer's proposed calculation of ADIT.

Commission, in its final order, agreed with Taxpayer but concluded that the ambiguity in the relevant normalization regulations warranted an assessment of the issue by the IRS and this ruling request followed.

Taxpayer requests that we rule as follows:

1. Under the circumstances described above, the reduction of Taxpayer's rate base by the full amount of its ADIT account balance unreduced by the balance of its NOLC-related account balance would be inconsistent with (and, hence, violative of) the requirements of § 168(i)(9) and § 1.167(l)-1 of the Income Tax regulations.
2. For purposes of Ruling 1 above, the use of a balance of Taxpayer's NOLC-related account that is less than the amount attributable to accelerated depreciation computed on a "last dollars deducted" basis would be inconsistent with (and, hence, violative of) the requirements of § 168(i)(9) and § 1.167(l)-1 of the Income Tax regulations.

Law and Analysis

Section 168(f)(2) of the Code provides that the depreciation deduction determined under section 168 shall not apply to any public utility property (within the meaning of section 168(i)(10)) if the taxpayer does not use a normalization method of accounting.

In order to use a normalization method of accounting, section 168(i)(9)(A)(i) of the Code requires the taxpayer, in computing its tax expense for establishing its cost of service for ratemaking purposes and reflecting operating results in its regulated books of account, to use a method of depreciation with respect to public utility property that is the same as, and a depreciation period for such property that is not shorter than, the method and period used to compute its depreciation expense for such purposes. Under section 168(i)(9)(A)(ii), if the amount allowable as a deduction under section 168 differs from the amount that would be allowable as a deduction under section 167 using the method, period, first and last year convention, and salvage value used to compute regulated tax expense under section 168(i)(9)(A)(i), the taxpayer must make adjustments to a reserve to reflect the deferral of taxes resulting from such difference.

Section 168(l)(9)(B)(i) of the Code provides that one way the requirements of section 168(i)(9)(A) will not be satisfied is if the taxpayer, for ratemaking purposes, uses a procedure or adjustment which is inconsistent with such requirements. Under section 168(l)(9)(B)(ii), such inconsistent procedures and adjustments include the use of an estimate or projection of the taxpayer's tax expense, depreciation expense, or reserve for deferred taxes under section 168(i)(9)(A)(ii), unless such estimate or projection is also used, for ratemaking purposes, with respect to all three of these items and with respect to the rate base.

Former section 167(l) of the Code generally provided that public utilities were entitled to use accelerated methods for depreciation if they used a "normalization method of accounting." A normalization method of accounting was defined in former section 167(l)(3)(G) in a manner consistent with that found in section 168(i)(9)(A). Section 1.167(l)-1(a)(1) of the Income Tax Regulations provides that the normalization requirements for public utility property pertain only to the deferral of federal income tax liability resulting from the use of an accelerated method of depreciation for computing the allowance for depreciation under section 167 and the use of straight-line depreciation for computing tax expense and depreciation expense for purposes of establishing cost of services and for reflecting operating results in regulated books of account. These regulations do not pertain to other book-tax timing differences with respect to state income taxes, F.I.C.A. taxes, construction costs, or any other taxes and items.

Section 1.167(l)-1(h)(1)(i) provides that the reserve established for public utility property should reflect the total amount of the deferral of federal income tax liability resulting from the taxpayer's use of different depreciation methods for tax and ratemaking purposes.

Section 1.167(l)-1(h)(1)(iii) provides that the amount of federal income tax liability deferred as a result of the use of different depreciation methods for tax and ratemaking purposes is the excess (computed without regard to credits) of the amount the tax liability would have been had the depreciation method for ratemaking purposes been used over the amount of the actual tax liability. This amount shall be taken into account for the taxable year in which the different methods of depreciation are used. If, however, in respect of any taxable year the use of a method of depreciation other than a subsection (1) method for purposes of determining the taxpayer's reasonable allowance under section 167(a) results in a net operating loss carryover to a year succeeding such taxable year which would not have arisen (or an increase in such carryover which would not have arisen) had the taxpayer determined his reasonable allowance under section 167(a) using a subsection (1) method, then the amount and time of the deferral of tax liability shall be taken into account in such appropriate time and manner as is satisfactory to the district director.

Section 1.167(l)-1(h)(2)(i) provides that the taxpayer must credit this amount of deferred taxes to a reserve for deferred taxes, a depreciation reserve, or other reserve account. This regulation further provides that, with respect to any account, the aggregate amount allocable to deferred tax under section 167(1) shall not be reduced except to reflect the amount for any taxable year by which Federal income taxes are greater by reason of the prior use of different methods of depreciation. That section also notes that the aggregate amount allocable to deferred taxes may be reduced to reflect the amount for any taxable year by which federal income taxes are greater by reason of the prior use of different methods of depreciation under section 1.167(l)-1(h)(1)(i) or to reflect asset retirements or the expiration of the period for depreciation used for determining the allowance for depreciation under section 167(a).

Section 1.167(l)-1(h)(6)(i) provides that, notwithstanding the provisions of subparagraph (1) of that paragraph, a taxpayer does not use a normalization method of regulated accounting if, for ratemaking purposes, the amount of the reserve for deferred taxes under section 167(l) which is excluded from the base to which the taxpayer's rate of return is applied, or which is treated as no-cost capital in those rate cases in which the rate of return is based upon the cost of capital, exceeds the amount of such reserve for deferred taxes for the period used in determining the taxpayer's expense in computing cost of service in such ratemaking.

Section 1.167(l)-1(h)(6)(ii) provides that, for the purpose of determining the maximum amount of the reserve to be excluded from the rate base (or to be included as no-cost capital) under subdivision (i), above, if solely an historical period is used to determine depreciation for Federal income tax expense for ratemaking purposes, then the amount of the reserve account for that period is the amount of the reserve (determined under section 1.167(l)-1(h)(2)(i)) at the end of the historical period. If such determination is made by reference both to an historical portion and to a future portion of a period, the amount of the reserve account for the period is the amount of the reserve at the end of the historical portion of the period and a pro rata portion of the amount of any projected increase to be credited or decrease to be charged to the account during the future portion of the period.

Section 1.167(l)-1(h) requires that a utility must maintain a reserve reflecting the total amount of the deferral of federal income tax liability resulting from the taxpayer's use of different depreciation methods for tax and ratemaking purposes. Taxpayer has done so. Section 1.167(l)-1(h)(6)(i) provides that a taxpayer does not use a normalization method of regulated accounting if, for ratemaking purposes, the amount of the reserve for deferred taxes which is excluded from the base to which the taxpayer's rate of return is applied, or which is treated as no-cost capital in those rate cases in which the rate of return is based upon the cost of capital, exceeds the amount of such reserve for deferred taxes for the period used in determining the taxpayer's expense in computing cost of service in such ratemaking. Section 56(a)(1)(D) provides that, with respect to public utility property the Secretary shall prescribe the requirements of a normalization method of accounting for that section.

Regarding the first issue, § 1.167(l)-1(h)(6)(i) provides that a taxpayer does not use a normalization method of regulated accounting if, for ratemaking purposes, the amount of the reserve for deferred taxes which is excluded from the base to which the taxpayer's rate of return is applied, or which is treated as no-cost capital in those rate cases in which the rate of return is based upon the cost of capital, exceeds the amount of such reserve for deferred taxes for the period used in determining the taxpayer's expense in computing cost of service in such ratemaking. Because the ADIT account, the reserve account for deferred taxes, reduces rate base, it is clear that the portion of an NOLC that is attributable to accelerated depreciation must be taken into account in calculating the amount of the reserve for deferred taxes (ADIT). Thus, to reduce Taxpayer's rate base by the full amount of its ADIT account balance unreduced by the balance of its NOLC-related account balance would be inconsistent with the requirements of § 168(i)(9) and § 1.167(l)-1.

Regarding the second issue, § 1.167(l)-1(h)(1)(iii) makes clear that the effects of an NOLC must be taken into account for normalization purposes. Section 1.167(l)-1(h)(1)(iii) provides generally that, if, in respect of any year, the use of other than regulatory depreciation for tax purposes results in an NOLC carryover (or an increase in an NOLC which would not have arisen had the taxpayer claimed only regulatory depreciation for tax purposes), then the amount and time of the deferral of tax liability shall be taken into account in such appropriate time and manner as is satisfactory to the district director. While that section provides no specific mandate on methods, it does provide that the Service has discretion to determine whether a particular method satisfies the normalization requirements. The "last dollars deducted" methodology employed by Taxpayer ensures that the portion of the NOLC attributable to accelerated depreciation is correctly taken into account by maximizing the amount of the NOLC attributable to accelerated depreciation. This methodology provides certainty and prevents the possibility of "flow through" of the benefits of accelerated depreciation to ratepayers. Under these specific facts, any method other than the "last dollars deducted" method would not provide the same level of certainty and therefore the use of any other methodology is inconsistent with the normalization rules.

This ruling is based on the representations submitted by Taxpayer and is only valid if those representations are accurate. The accuracy of these representations is subject to verification on audit.

Except as specifically determined above, no opinion is expressed or implied concerning the Federal income tax consequences of the matters described above.

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Code provides it may not be used or cited as precedent. In accordance with the power of attorney on file with this office, a copy of this letter is being sent to your authorized representative. We are also sending a copy of this letter ruling to the Director.

Sincerely,

Peter C. Friedman
Senior Technician Reviewer, Branch 6
Office of the Associate Chief Counsel
(Passthroughs & Special Industries)