



September 14, 2020

Kent A. Chandler
Acting Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 2020-00229

Dear Mr. Chandler:

Atmos Energy Corporation submits for filing the Company's responses to Commission Staff's First Request for Information dated September 4, 2020 in the above referenced case.

Please feel free to contact me at 270.685.8024 if you have any questions and/or need any additional information.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Martin" followed by a circled "e" symbol.

Mark A. Martin
Vice President – Rates & Regulatory Affairs

Enclosures

cc: Randy Hutchinson
Eric Wilen

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF ATMOS ENERGY)
CORPORATION TO ESTABLISH PRP)
RIDER RATES FOR THE TWELVE MONTH) CASE NO. 2020-00229
PERIOD BEGINNING OCTOBER 1, 2020)

AFFIDAVIT

The Affiant, Mark A. Martin, being duly sworn, deposes and states that the attached responses to Staff's data requests are true and correct to the best of his knowledge and belief.



Mark A. Martin

STATE OF KENTUCKY
COUNTY OF DAVIESS

SUBSCRIBED AND SWORN before me by Mark A. Martin on this 9 day of
September, 2020.



Notary Public

Case No. 2020-00229
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-01
Page 1 of 1

REQUEST:

Refer to the application, Exhibits B and C.

- a. Explain why Atmos did not use a 13-month average of net plant during the forecasted period of October 1, 2020, through September 30, 2021, to calculate the Pipeline Replacement Rider (PRP) rate base.
- b. Confirm that calculating the PRP rate base to include all additions to and retirements from plant in service projected to occur during the forecasted period as if they had occurred on October 1, 2020, allows Atmos to earn a return on capital expenditures that, based on Atmos's own projections, will not yet have been made. If this cannot be confirmed, explain each basis for the response.

RESPONSE:

- a. Please see Attachment 1 for the Second Revised SHEET No. 38 from Atmos Energy's tariffs updated August 1, 2020, which requires a 12-month period ("fiscal year") and not a 13-month average.
- b. Confirm.

ATTACHMENT:

ATTACHMENT 1 - Staff_1-01_Att1 - Second Revised SHEET No. 38.pdf, 1 Page.

Respondent: Mark Martin

FOR ENTIRE SERVICE AREA

PSC KY. No. 2

Second Revised SHEET No. 38

Cancelling

First Revised SHEET No. 38

ATMOS ENERGY CORPORATION
(NAME OF UTILITY)

Pipeline Replacement Program Rider

PRP

1. Applicable

Applicable to all customers receiving service under the Company's Rate Schedules G-1, G-2, T-3 and T-4.

2. Calculation of Pipe Replacement Rider Revenue Requirement

The PRP Revenue Requirement includes the following:

- a) PRP-related Plant In-Service not included in base gas rates minus the associated PRP-related accumulated depreciation and accumulated deferred income taxes;
- b) Retirement and removal of plant related PRP construction;
- c) The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d) Depreciation expense on the PRP related Plant In-Service less retirement and removals;
- e) Reduction for savings in Operating and Maintenance expenses; and,
- f) Adjustment for ad valorem taxes.

3. Pipe Replacement Program Factors

All customers receiving service under tariff Rate Schedules G-1, G-2, T-3 and T-4 shall be assessed an adjustment to their applicable rate schedule that will enable the Company to complete the pipe replacement program. The allocation to G-1 residential, G-1 non-residential, G-2, T-3 and T-4 will be in proportion to their relative base revenue share approved in the Company's most recently concluded base rate case.

The PRP Rider may be filed annually on or around August 1st of each year. The filing will reflect the anticipated impact on the Company's revenue requirements of net plant additions related to bare-steel pipe replacement as offset by operations and maintenance expense reductions during the upcoming fiscal year ending each September as well as a balancing adjustment to reconcile collections with actual investment for the preceding program year. Such adjustment to the Rider will become effective with meter readings on and after the first billing cycle of October.

DATE OF ISSUE May 9, 2019
Month/Date/Year

DATE EFFECTIVE May 8, 2019
Month/Date/Year

Issued by Authority of an Order of the Public Service Commission in
Case No. 2018-00281 dated May 7, 2019

ISSUED
BY /s/ Mark A. Martin
Signature of Officer

TITLE Vice President – Rates and Regulatory Affairs

Case No. 2020-00229
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-02
Page 1 of 1

REQUEST:

Refer to the application, Exhibit F.

- a. Explain why Atmos compares the Accumulated Deferred Income Taxes from a two-year period to the revenue from a one-year period to determine that it is in a net operating loss position and calculate a net operating loss carryforward adjustment.
- b. Explain why the book and tax depreciation are constant monthly amounts for each year.

RESPONSE:

- a. While responding to this request, the Company identified an error on Exhibit F of the filed model. The incremental deferred income taxes and investment tax credits amount on row numbered 27, column AG should not include beginning of year ADIT amounts. When these amounts are excluded, the deferred taxes generated for the current test year is (\$620,075), rather than (\$1,158,758) as filed. Correcting this change results in an equal change to the forecasted change in NOLC on row numbered 29, column AG from \$147,428 as filed to (\$391,255) as corrected. Since the total required change in accumulated deferred income tax is equal to tax expense for the filing, and equal and offsetting corrections to the calculations of the deferred tax and NOLC components would be made, there is no overall change to the total ADIT amount included in Exhibit B in the calculation of the rate adjustment.

Please see Attachment 1 to the Company's response to Staff DR No. 1-04 for a revised PRP Model including the correction of this error.

- b. Consistent with prior year filings, total book and tax depreciation are calculated using fiscal year totals. Book and tax depreciation are then applied evenly over their respective twelve-month periods. For example, total book depreciation is the sum of full years depreciation on prior year additions and half-year depreciation on current year additions. This equation relies on the calculation of total annual depreciation expenses for prior and current fiscal years to calculate respective depreciation conventions.

Respondent: Mark Martin

Case No. 2020-00229
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-03
Page 1 of 1

REQUEST:

Refer to the application, Exhibit I. Confirm that the rates presented as those ordered in Case No. 2018-00281² are incorrect. If this cannot be confirmed, explain.

RESPONSE:

Confirm.

Respondent: Mark Martin

² Refer to the application, Exhibit I. Confirm that the rates presented as those ordered in Case No. 2018-002812 are incorrect. If this cannot be confirmed, explain.

Case No. 2020-00229
Atmos Energy Corporation, Kentucky Division
Staff DR Set No. 1
Question No. 1-04
Page 1 of 1

REQUEST:

Provide a revised PRP rate calculation that uses a 13-month average of net plant during the forecasted period to calculate the PRP rate base, the correct rates from Case No. 2018-00281, and any other revisions Atmos believes are appropriate. Provide this in Excel spreadsheet format, with formulas intact and unprotected and all rows and columns accessible, including the calculation of the 13-month average of net plant. If Atmos makes any other revisions it believes are appropriate when providing a revised rate calculation using a 13-month average of net plant during the forecasted period to calculate the PRP rate base and the correct rates from Case No. 2018-00281, describe each such revision and explain the basis for each such revision.

RESPONSE:

Please see Attachment 1 for a revised PRP Model including the correct rates from Case No. 2018-00281 and revisions to Exhibit F (please see the Company's response to Staff DR No. 1-02). Monthly net plant budget data necessary to reformulate the PRP model is not readily available at the time of this request; therefore, the revised PRP Model cannot include data to support the calculation of the 13-month average of net plant.

The revised PRP Model is consistent with all prior Company PRP Model filings since their inception in Case 2009-00354 and the Company's Tariff. Respectfully, the Company therefore requests that any formula or presentation changes to the PRP Model be addressed in a future rate case and reflected in the Company's Tariff prior to the PRP filing for which they are to take effect.

ATTACHMENT:

ATTACHMENT 1 - Staff_1-04_Att1 - 2021 KY PRP Model (Staff DR 1-04).pdf, 16 Pages.

Respondent: Mark Martin

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
SURCHARGE SUMMARY**

Line Number	Tariff Schedule	Customer Charge	Volumetric Charge
1	RESIDENTIAL (Rate G-1)	\$ 1.84	0.0000
2	NON-RESIDENTIAL (Rate G-1)	\$ 6.00	0.0000
3	INTERRUPTIBLE (Rate G-2)	\$ 27.39	
4			0.0319
5			0.0244
6	TRANSPORTATION (T-3)	\$ 30.61	
7			0.0576
8			0.0442
9	TRANSPORTATION (T-4)	\$ 30.90	
10			0.0870
11			0.0602
12			0.0481

ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
DEFICIENCY

Line Number	Description	Total
1	Project Additions	\$ 53,341,765
2	Project Retirements	(12,442,869)
3	Net Change to Gross Plant	<u>\$ 40,898,895</u>
4		
5	Cost of Removal to Accumulated Depr.	\$ 2,677,567
6	Retirements from Accumulated Depr.	12,442,869
7	Depreciation Accrual to Accumulated Depr.	(711,874)
8	Net Change to Accumulated Depreciation	<u>14,408,562</u>
9		
10	Net Change to Net Plant	\$ 55,307,457
11		
12	Accumulated Deferred Income Taxes	(1,011,330)
13	Net Change to Rate Base	<u>\$ 54,296,127</u>
14		
15	Rate of Return	7.49%
16	Required Operating Income	<u>\$ 4,066,573</u>
17		
18	Depreciation & Amortization Expense	533,873
19	O&M Savings	(18,695)
20	Ad Valorem Tax Increase	326,198
21	Income Taxes on Cost of Service Items	(209,923)
22	Income Taxes on Adjusted Interest Expense	(255,606)
23	Operating Income at Present Rates	<u>\$ 375,846</u>
24		
25	Deficiency	\$ 4,442,419
26	Tax Factor	74.52%
27	Total Rate Adjustment	<u>\$ 5,961,006</u>
28		
29	Project Cost True-up	\$ -
30	Revenue Recovery True-up	\$ -
31	Total True-up	<u>\$ -</u>
32		
33	Total Rate Adjustment	\$ 5,961,006

**ATMOS ENERGY CORPORATION
 KENTUCKY PIPE REPLACEMENT PROGRAM
 SURCHARGE CALCULATION OF FORECASTED ACTIVITY
 AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
 ADDITIONS**

<u>Line Number</u>	<u>Description</u>	<u>Mains</u>	<u>Services</u>	<u>Meters</u>	<u>Total</u>
1	Prior Year: 2020	17,785,635	8,506,495	358,168	26,650,299
2					
3	Current Year: 2021	16,583,188	9,684,233	424,045	26,691,466
4					
5	Total Additions	<u>\$ 34,368,823</u>	<u>\$ 18,190,729</u>	<u>\$ 782,213</u>	<u>\$ 53,341,765</u>

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
RETIREMENTS**

<u>Line Number</u>	<u>Description</u>	<u>Mains</u>	<u>Services</u>	<u>Meters</u>	<u>Total</u>
1	Prior Year: 2020	\$3,487,667	2,198,833	146,324	5,832,823
2					
3	Current Year: 2021	\$4,105,719	\$2,352,236	\$152,091	6,610,046
4					
5	Total Retirements	<u>\$ 7,593,386</u>	<u>\$ 4,551,069</u>	<u>\$ 298,415</u>	<u>\$ 12,442,869</u>

ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
DEPRECIATION EXPENSE

Line Number	Description	Mains	Services	Meters	Total
1	Net Change to Gross Plant	\$ 26,775,437	\$ 13,639,660	\$ 483,798	
2	Depreciation Rates	1.43%	2.25%	4.54%	
3	Proforma Annual Depreciation Expense	\$ 382,889	\$ 306,892	\$ 21,964	\$ 711,746
4					
5	Current Year Change to Net Plant	\$ 12,477,469	\$ 7,331,998	\$ 271,954	
6	Depreciation Rates	1.43%	2.25%	4.54%	
7	Proforma Annual Depreciation Expense	\$ 178,428	\$ 164,970	\$ 12,347	\$ 355,744
8					
9	Depreciation Accrual to Accumulated Depreciation from Prior Approved Filing				\$ 178,001
10	Accumulated Depreciation on Prior Additions (full years depreciation)				356,001
11	Accumulated Depreciation on Current Additions (half-year convention)				177,872
12					
13	Depreciation Accrual to Accumulated Depreciation				<u>\$ 711,874</u>

ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
DEFERRED INCOME TAXES

Line Number	Description	Mains	Services	Meters	Total
1	Net Change to Gross Plant - Book 2020	\$ 14,297,969	\$ 6,307,663	\$ 211,844	\$ 20,817,475
2	Repairs Percentage	21.99%	15.50%	0.08%	
3	Less: Repairs	\$ (3,144,123)	\$ (977,688)	\$ (169)	\$ (4,121,980)
4	Tax Basis Before Bonus	\$ 11,153,845	\$ 5,329,975	\$ 211,675	\$ 16,695,495
5	Bonus Depreciation %	0.00%	0.00%	0.00%	
6	Bonus Depreciation	\$ -	\$ -	\$ -	\$ -
7	Tax Basis	\$ 11,153,845	\$ 5,329,975	\$ 211,675	\$ 16,695,495
8					
9					
10	Net Change to Gross Plant - Book 2021	\$ 12,477,469	\$ 7,331,998	\$ 271,954	\$ 20,081,420
11	Repairs Percentage	19.50%	11.36%	0.00%	
12	Less: Repairs	\$ (2,433,106)	\$ (832,915)	\$ -	\$ (3,266,021)
13	Tax Basis Before Bonus	\$ 10,044,362	\$ 6,499,083	\$ 271,954	\$ 16,815,399
14	Bonus Depreciation %	0.00%	0.00%	0.00%	
15	Bonus Depreciation	\$ -	\$ -	\$ -	\$ -
16	Tax Basis	\$ 10,044,362	\$ 6,499,083	\$ 271,954	\$ 16,815,399
17					
18	FXA01 - Gross	\$ (5,577,230)	\$ (1,810,603)	\$ (169)	\$ (7,388,002)
19	Deferred Rate	24.95%	24.95%	24.95%	
20	FXA01 - Tax Effected	\$ (1,391,519)	\$ (451,745)	\$ (42)	\$ (1,843,306)
21	FXA01 - Tax Effected Prorated				\$ (880,780)
22					
23					
24	Book Depreciation	\$ 395,905	\$ 295,369	\$ 20,600	\$ 711,874
25	Tax Depreciation	\$ 2,119,526	\$ 828,361	\$ 33,417	\$ 2,981,303
26					
27	FXA02 - Gross	\$ 1,723,620	\$ 532,992	\$ 12,817	\$ 2,269,429
28	Deferred Rate	24.95%	24.95%	24.95%	
29	FXA02 - Tax Effected	\$ 430,043	\$ 132,981	\$ 3,198	\$ 566,223
30	FXA02 - Tax Effected Prorated				\$ (277,979)
31					
32	Calculation of Tax Depreciation				
33	Tax Basis - 2020	\$ 11,153,845	\$ 5,329,975	\$ 211,675	\$ 16,695,495
34	Tax Depreciation Rates - Year 1	5.00%	3.75%	3.75%	
35	Tax Depreciation Rates - Year 2	9.50%	7.22%	7.22%	
36	Tax Depreciation 2020	\$ 1,617,308	\$ 584,645	\$ 23,219	\$ 2,225,171
37					
38	Tax Basis - 2021	\$ 10,044,362	\$ 6,499,083	\$ 271,954	\$ 16,815,399
39	Tax Depreciation Rates - Year 1	5.00%	3.75%	3.75%	
40	Tax Depreciation 2021	\$ 502,218	\$ 243,716	\$ 10,198	\$ 756,132
41					
42					
43					
44					
45	Tax Rates				
46	Ad Valorem Tax Rate	0.798%			
47	Income Tax Rate	24.950%			
48	State Tax Rate	5.00%			
49	Federal Tax Rate	21.00%			
50	Uncollectible accounts expense	0.50%			
51	PSC Assessment	0.2000%			
52	Gross Up Factor	1.3418			

ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
RATE OF RETURN

Line Number	Description	Percent	Cost	Weighted Cost
1	ST Debt	2.21%	3.40%	0.08%
2	LT Debt	39.73%	4.56%	1.81%
3	Equity	<u>58.06%</u>	9.65%	<u>5.60%</u>
4		100.0%		7.49%

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
O&M SAVINGS**

<u>Line Number</u>	<u>Description</u>	<u>Annual Savings</u>	<u>Cumulative Savings</u>
1	First year 2020 savings	\$ 6,544	\$ 6,544
2	Second year 2021 savings	\$ 12,152	\$ 18,695

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
RATE DESIGN**

Exhibit I

Line Number	Case 2018-00281				Customer /		Revenue increase by Class	Budgeted Volumes	Budgeted Customer Counts	Customer Charge	Volumetric Charge
	Class of Customers	Rate	Total	Total Dollars	Ratio	Volumetric Charge Ratio					
1	RESIDENTIAL (Rate G-1)				58.74%		\$ 3,501,247		1,906,960		
2	FIRM BILLS	\$19.30	1,892,554	\$36,526,292		72.33%				\$ 1.84	
3	Sales: 1-300	1.3855	10,083,093	\$13,970,126		27.67%					
4	Sales: 301-15000	0.9578	0	\$0		0.00%					
5	Sales: Over 15000	0.7651	0	\$0		0.00%					
6	CLASS TOTAL (Mcf/month)		10,083,093	50,496,418							
7											
8	NON-RESIDENTIAL (Rate G-1)				24.23%		\$ 1,444,528		240,783		
9	FIRM BILLS	51.75	230,232	\$11,914,506		57.19%				\$ 6.00	
10	Sales: 1-300	1.3855	5,551,231	\$7,691,230		36.92%					
11	Sales: 301-15000	0.9578	1,281,930	\$1,227,833		5.89%					
12	Sales: Over 15000	0.7651	0	\$0		0.00%					
13	CLASS TOTAL (Mcf/month)		6,833,161	20,833,569							
14											
15	INTERRUPTIBLE (G-2)				0.35%		\$ 21,062		129		
16	INT BILLS	435.00	117	\$50,895		16.75%				\$ 27.39	
17	Sales: 1-15000	0.8327	192,004	\$159,881		52.63%		347,965			0.0319
18	Sales: Over 15000	0.6387	145,583	\$92,984		30.61%		263,838			0.0244
19	CLASS TOTAL (Mcf/month)		337,587	303,760				611,803			
20											
21	TRANSPORTATION (T-3)				7.92%		471,917		816		
22	TRANSPORTATION BILLS	435.00	828	\$360,190		5.29%				\$ 30.61	
23	Interrupt Transport: 1-15000	0.8327	5,286,320	\$4,401,919		64.68%		5,295,418			0.0576
24	Interrupt Transport: Over 15000	0.6387	3,200,358	\$2,044,068		30.03%		3,205,866			0.0442
25	CLASS TOTAL (Mcf/month)		8,486,677	6,806,177				8,501,284			
26											
27	TRANSPORTATION (T-4)				8.76%		522,253		1,428		
28	TRANSPORTATION BILLS	435.00	1,463	\$636,424		8.449%				\$ 30.90	
29	Firm Transport: 1-300	1.3855	427,240	\$591,941		7.859%		471,677			0.0870
30	Firm Transport: 301-15000	0.9578	5,580,036	\$5,344,558		70.957%		6,160,407			0.0602
31	Firm Transport: Over 15000	0.7651	1,253,720	\$959,221		12.735%		1,384,117			0.0481
32	CLASS TOTAL (Mcf/month)		7,260,996	7,532,144				8,016,201			
33											
34	Total Revenue			85,972,069	100.00%		\$ 5,961,006		2,150,115		
35											
36										KY Revenue Requirement	\$ 5,961,006
37											

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY
AS OF OCTOBER 2020 THROUGH SEPTEMBER 2021
CUSTOMERS & VOLUMES**

Line Number	Tariff	Description		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total	
<u>Customers</u>																	
1	G-1	Residential	Fiscal 2021 Bud	156,207	157,070	159,792	161,288	160,334	161,431	160,715	161,527	158,859	158,027	156,567	155,143	1,906,960	
2	G-1	Commercial Firm	Fiscal 2021 Bud	17,768	17,972	18,444	18,773	18,523	18,691	18,741	18,563	17,980	17,808	17,989	18,186	219,440	
3	G-1	Public Authority	Fiscal 2021 Bud	1,544	1,530	1,542	1,556	1,545	1,544	1,541	1,557	1,533	1,555	1,520	1,532	18,499	
4	G-1	Industrial Firm	Fiscal 2021 Bud	237	237	237	237	237	237	237	237	237	237	237	237	2,844	
5																	
6	G-2	Commercial Interruptible	Fiscal 2021 Bud	5	4	4	4	4	4	4	6	3	3	3	3	45	
7	G-2	Industrial Interruptible	Fiscal 2021 Bud	7	7	7	7	7	7	7	7	7	7	7	7	84	
8	G-2	Public Authority Interruptible	Fiscal 2021 Bud	-	-	-	-	-	-	-	-	-	-	-	-	-	
9																	
10	T-3	Transportation Interruptible	Fiscal 2021 Bud	68	68	68	68	68	68	68	68	68	68	68	68	816	
11	T-4	Transportation Firm	Fiscal 2021 Bud	119	119	119	119	119	119	119	119	119	119	119	119	1,428	
12				<u>175,955</u>	<u>177,007</u>	<u>180,213</u>	<u>182,052</u>	<u>180,836</u>	<u>182,102</u>	<u>181,432</u>	<u>182,083</u>	<u>178,806</u>	<u>177,824</u>	<u>176,510</u>	<u>175,295</u>	<u>2,150,115</u>	
13																	
14	<u>Volumes</u>																
15																	
16	G-2	Commercial Interruptible	Fiscal 2021 Bud	191	1,113	2,235	2,504	2,865	2,308	2,423	1,245	56	38	38	94	15,110	
17	G-2	Industrial Interruptible	Fiscal 2021 Bud	48,230	46,858	46,643	37,522	60,593	57,612	79,767	82,312	45,811	12,972	41,150	37,222	596,692	
18	G-2	Public Authority Interruptible	Fiscal 2021 Bud	-	-	-	-	-	-	-	-	-	-	-	-	-	
19																	
20	T-3	Transportation Interruptible	Fiscal 2021 Bud	637,628	731,813	803,862	754,258	808,228	723,926	787,742	700,053	692,095	605,183	626,612	629,885	8,501,284	
21	T-4	Transportation Firm	Fiscal 2021 Bud	532,763	646,811	794,628	762,084	910,791	766,341	800,085	619,947	588,651	532,269	505,222	556,609	8,016,201	
22				<u>1,218,811</u>	<u>1,426,596</u>	<u>1,647,368</u>	<u>1,556,368</u>	<u>1,782,477</u>	<u>1,550,187</u>	<u>1,670,018</u>	<u>1,403,557</u>	<u>1,326,613</u>	<u>1,150,462</u>	<u>1,173,021</u>	<u>1,223,810</u>	<u>17,129,288</u>	

**ATMOS ENERGY CORPORATION
KENTUCKY PIPE REPLACEMENT PROGRAM
SURCHARGE CALCULATION OF FORECASTED ACTIVITY**

2020 PROJECT DETAILS

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
PRP.2636.Allen St.FY20	Replace 148 ft of 1.25" Epoxy, 690 ft of 2" Hot Tar, 106 ft of 2" Epoxy, 117 ft of 3" Epoxy, 305 ft of 3" Hot Tar, 1,365 ft of 4" Epoxy, 3,275 ft of 4" Bare Steel, 319 ft of 4" LP PE with 3,550 ft of 2" PE., and 4,225 ft of 4" IP PE. Retire 1 LP Station. 148 Services	148	811,879			\$42,730					
	Contractor			358,530				18,870			
	Material			28,120	16,280						
	Overhead			109,383	4,606			5,338			
PRP.2636.Bluff Ave.FY20	Replace 133 ft of 1.25" PE, 2,935 ft of 4" Hot Tar, 1,187 ft of 2" Hot Tar, 1,474 ft of 2" Epoxy IP, with 2,467 ft of 2" HDPE and 3,357 ft of 4" IP HDPE. 142 Services	142	514,367			\$27,072					
	Contractor			343,995				18,105			
	Material			26,980	15,620						
	Overhead			104,949	4,419			5,122			
PRP.2636.Crabtree Ave.FY20	Replace 637 ft of 2" Mill Wrap Bare Joint, 1,781 ft of 2" Epoxy, 749 ft of 4" Mill Wrap Bare Joint, 6ft of 6" Epoxy, 2,430 ft of 8" Mill Wrap Bare Joint, 336 ft of 2" Hot Tar, 1,465 ft of 3" Hot Tar with 3,541 ft of 2" PE and 3,185 ft of 6" IP PE. 99 Services	99	713,950			\$37,576					
	Contractor			239,828				12,623			
	Material			18,810	10,890						
	Overhead			73,169	3,081			3,571			
PRP.2636.Oak Ave.FY20	Replace 2,372 ft of 4" Hot Tar and 945 ft of 2" Hot Tar IP with 2,879 ft of 2" HDPE. 87 Services	87	260,721			\$13,722					
	Contractor			210,758				11,093			
	Material			16,530	9,570						
	Overhead			64,300	2,707			3,138			
PRP.2636.Poplar St Alley.FY20	Replace 439 ft of 1.25" Epoxy, 2,056 ft of 8" Hot Tar, 506 ft of 2" Hot Tar, 1,464 ft of 4" Hot Tar, 149 ft of 8" Epoxy, 407 ft of 4" Mill Wrap, 424 ft of 4" Epoxy with 2,567 ft of 2" PE and 3,169 ft of 8" IP PE. 53 Services	53	626,862			\$32,993					
	Contractor			128,393				6,758			
	Material			10,070	5,830						
	Overhead			39,171	1,649			1,912			
PRP.2637.Ohio St.FY20	Replace 468 ft of 2" Epoxy, 258 ft of 2" PE, 2,726 ft of 2" Bare Stl, 1,819 ft of 4" Bare Stl. IP with 3,553 ft of 2" PE and 1,702 ft of 4" PE IP. 50 Services	50	510,163			\$26,851					
	Contractor			121,125				6,375			
	Material			9,500	5,500						
	Overhead			36,954	1,556			1,803			
PRP.2637.Old Mayfield Rd.FY20	Replace 207 ft of 2" Epoxy, 8,641 ft of 2" Bare Stl, 220 ft of 4" Bare Stl, 1,157 ft of 2" Epoxy, 615 ft of 2" PE, 3,797 ft of 6" Bare Stl, IP with 13,665 ft of 2" PE and 1,405 ft of 4" PE. IP. 262 Services	262	1,290,644			\$67,929					
	Contractor			634,695				33,405			
	Material			49,780	28,820						
	Overhead			193,638	8,153			9,450			
PRP.2637.S 28th St.FY20	Replace 9,503 ft of 2" Bare Stl, 398 ft of 2" PE, 2,187 ft of 4" Bare Stl, 535 ft of 1.25" Epoxy, 881 ft of 2" Epoxy, 1,084 ft of 6" Bare Stl, IP with 11,760 ft of 2" PE and 3,103 ft of 2" PE. IP 187 Services	187	1,298,526			\$68,343					
	Contractor			453,008				23,843			
	Material			35,530	20,570						
	Overhead			138,207	5,819			6,745			
PRP.2734.E 9th Russville.FY20	Replace 250 ft of 4" Mill Wrap Bare Joint, 5 ft of HDPE, 608 ft of 4" Bare Steel, 192 ft of 1.25" PE, 6,180 ft of 2" Bare Steel, 453 ft of 4" Mill Wrap, 1,106 ft of 2" PE, 570 ft of 3" Bare Steel, 1,963 ft of 2" Epoxy, 378 ft of 1" Bare Steel, 394 ft of 4" Epoxy, 325 ft of 4" PE, with 800 ft of 4" and 11,625 ft of 2" HDPE. 130 Services	130	1,040,317			\$54,754					
	Contractor			314,925				16,575			
	Material			24,700	14,300						
	Overhead			96,080	4,045			4,689			
PRP.2734.E Cedar St Fra.FY20	Replace 419 ft of 2" PE, 2,923 ft of 2" Bare Steel, 191 ft of 4" Epoxy, 52 ft of 3" Epoxy, 78 ft of 4" PE, 3,021 ft of 4" Bare Steel, 105 ft of 2" Epoxy LP, with 6,338 ft of 2" IP PE. 109 Services	109	502,238			\$26,434					
	Contractor			264,053				13,898			
	Material			20,710	11,990						
	Overhead			80,559	3,392			3,932			
PRP.2734.High St Alley.FY20	Replace 2,516 ft of 6" Bare Stl, 328 ft of 6" Epoxy and 17 ft of 4" Epoxy IP with 3,031 ft of 6" HDPE. 3 Services	3	548,844			\$28,887					
	Contractor			7,268				383			

	Material			12,540	4,983	
	Overhead			33,969	1,487	1,591
PRP.2734.4th St	Replace 430 ft. of 4" Bare Steel, 434 ft. of 1.25" Epoxy, 571 ft. of 4" Epoxy, 7 ft. of 4" PE, 512 ft. of 6" Mill Wrap, 3,891 ft. of 6" Mill Wrap Bare Joint, 427 ft. of 2" Epoxy and 379 ft. of 2" Bare Steel. Install 660 ft. of 2" and 4,427 ft. of 6" IP HDPE. 18 Services.	18	903,938			\$47,576
	Contractor			55,233		2,907
	Material			6,840	2,718	
	Overhead			18,529	811	868
PRP.2734.Brick St Franklin	Replace 204 ft. of 2" Epoxy, 342 ft. of 2" Bare Steel, 159 ft. of 4" Mill Wrap, 15 ft. of 3" Fusion Bond Epoxy, 542 ft. of 2" Mill Wrap, 78 ft. of 2" Fusion Bond Epoxy, 559 ft. of 2" Painted, 7 ft. of 4" PE, 2,894 ft. of 3" Bare Steel, 415 ft. of 2" PE, 1,223 ft. of 4" Bare Steel, 326 ft. of 1.25" PE. Install 4,935 ft. of 2" and 1,844 ft. of 4" IP HDPE. 80 Services	80	607,457			\$31,971
	Contractor			245,480		12,920
	Material			30,400	12,080	
	Overhead			82,350	3,606	3,857
PRP.2734.E 3rd Russellville	Replace 518 ft. of 1" Bare Steel, 5 ft. of 2" HDPE, 7 ft. of 4" Epoxy, 1,801 ft. of 2" Epoxy, 282 ft. of 2" PE, 4,265 ft. of 2" Bare Steel. Install 6,879 ft. of 2" PE. 101 Services	101	544,050			\$28,634
	Contractor			309,919		16,312
	Material			38,380	15,251	
	Overhead			103,967	4,552	4,869
PRP.2734.Gayle Way	Replace 1,447 ft. of 1.25" Bare Steel, 28 ft. of 6" PE, 372 ft. of 3" Bare Steel, 367 ft. of 2" PE, 318 ft. of 1.25" Epoxy, 2,218 ft. of 2" Bare Steel, 92 ft. of 2" Epoxy, 362 ft. of 6" Bare Steel. Install 1,627 ft. of 2" and 400 ft. of 6" IP HDPE. 56 Services	56	207,763			\$10,935
	Contractor			171,836		9,044
	Material			21,280	8,456	
	Overhead			57,645	2,524	2,700
PRP.2734.High St Alley	Replace 2,516 ft. of 6" Bare Stl, 328 ft. of 6" Epoxy and 17 ft. of 4" Epoxy IP. Install 3,031 ft. of 6" HDPE. 3 Services	3	566,501			\$29,816
	Contractor			9,206		485
	Material			1,140	453	
	Overhead			3,088	135	145
PRP.2734.LP W.KY Ave Franklin	Replace 2,758 ft. of 3" Bare Stl, 103 ft. of 4" Painted, 238 ft. of 2" PE, 573 ft. of 1.25" Steel, 6 ft. of 4" Fusion Bond Epoxy, 68 ft. of 2" Epoxy, 1,517 ft. of 4" Epoxy, 817 ft. of 3" Epoxy, 1,517 ft. of 6" Bare Steel, 633 ft. of 2" Bare Steel, 2,506 ft. of 4" Bare steel, 508 ft. of 4" PE, 183 ft. of 1.5" Bare Steel, 371 ft. of 4" Mill Wrap, 222 ft. of 4" Steel Unknown Coating. Install 1,700 ft. of 6" and 7,700 ft. of 2" IP HDPE. 137 Services	137	862,370			\$45,388
	Contractor			420,385		22,126
	Material			52,060	20,687	
	Overhead			141,025	6,175	6,604
PRP.2734.Pearl - Boat Lndg	Replace 1,305 ft. of 2" Bare Steel, 154 ft. of 2" PE and 187 ft. of 2" Steel. Install 1,434 ft. of 2" IP HDPE. 6 Services	6	141,855			\$7,466
	Contractor			18,411		969
	Material			2,280	906	
	Overhead			6,176	270	289
PRP.2734.Sycamore St	Replace 3,085 ft. of 4" Bare Steel, 30 ft. of 2" Millwrap Bare Joint, 496 ft. of 2" Unknown Coating, 218 ft. of 2" Mill Wrap, 813 ft. of 2" Painted, 265 ft. of 2" Fusion Bonded Epoxy, 136 ft. of 2" PE, 1,326 ft. of 2" Bare Steel HP and IP. Install 1,650 ft. of 2" and 3,164 ft. of 6" HDPE. Retire Purchase and TB Stations, install new TB Station. 34 Services	34	853,452			\$44,919
	Contractor			104,329		5,491
	Material			12,920	5,134	
	Overhead			34,999	1,532	1,639
PRP.2735.Grandview Ave	Replace 2,417 ft. of 2" Bare Steel, 689 ft. of 2" Fusion Bonded Epoxy, 645 ft. of 1.25" Bare Steel, 476 ft. of 3" Painted, 350 ft. of 3" Mill Wrap Bare Joint, 63 ft. of 1.25" Mill Wrap Bare Joint, 508 ft. of 2" Unknown Coating, 452 ft. of 2" PE, 313 ft. of 2" Painted, 400 ft. of 2" Mill Wrap, 397 ft. of 2" Epoxy, 433 ft. of 3" Bare Steel, 6 ft. of 1.25" Hot Tar, 686 ft. of 2" Mill Wrap Bare Joint IP. Install 6,383 ft. of 2" and 1,637 ft. of 4" IP HDPE. 104 Services	104	700,151			\$36,850
	Contractor			319,124		16,796
	Material			39,520	15,704	
	Overhead			107,055	4,688	5,014
PRP.2735.Hiseville	Replace 430 ft. of 1.25" Mill Wrap, 375 ft. of 2" PE, 308 ft. of 1.25" Fusion Bonded Epoxy, 3,443 ft. of 2" Bare Steel, 207 ft. of 2" Fusion Bonded Epoxy, 181 ft. of 1.25" Bare, 146 ft. of 1.25" Unknown Coating, 833 ft. of 2" Mill Wrap, 11 ft. of 2" Hot Tar, 110 ft. of 2" Unknown Coating, 201 ft. of 2" PE, 993 ft. of 3" Bare Steel. Install 7,237 ft. of 2" IP HDPE. 62 Services	62	497,159			\$26,166
	Contractor			190,247		10,013
	Material			23,560	9,362	
	Overhead			63,821	2,795	2,989
PRP.2735.Oakland	Replace 19 ft. of 2" PE, 638 ft. of 1.25" Bare Steel, 2,515 ft. of 2" Bare Steel, 1,038 ft. of 2" Epoxy, 143 ft. of 2" Hot Tar, 25 ft. of 2" Mill Wrap, 210 ft. of 1.25" Epoxy, 54 ft. of 1.25" Hot Tar. Install 1,300 ft. of 2" and 2,700 ft. of 4" IP HDPE. Replace TBS. 27 Services	27	462,822			\$24,359
	Contractor			82,850		4,361
	Material			10,260	4,077	
	Overhead			27,793	1,217	1,302

PRP.2735.Rowletts	Replace 3,060 ft. of 2" Bare Steel, 372 ft. of 2" Hot Tar, 987 ft. of 2" Mill Wrap, 105 ft. of 2" PE, 837 ft. of 2" Epoxy IP. Install 5,360 ft. of 2" IP HDPE. 42 Services	42	436,494		\$22,973		
	Contractor			128,877			6,783
	Material			15,960	6,342		
	Overhead			43,234	1,893		2,025
PRP.2737.Danville Ave	Replace 394 ft. of 2" PE, 487 ft. of 4" Steel Unknown Coating, 7,188 ft. of 2" Mill Wrap Bare joint, 261 ft. of 2" Epoxy, 1,046 ft. of 2" Fusion Bond Epoxy, and 99 ft. of 2" Mill Wrap IP. Install 3,468 ft. of 2" and 5,266 ft. of 4" IP HDPE. 102 Services	102	900,123		\$47,375		
	Contractor			312,987			16,473
	Material			38,760	15,402		
	Overhead			104,996	4,597		4,917
PRP.2737.Hill Ct Lancaster	Replace 1,566 ft. of 2" Mill Wrap Bare Joint, 9 ft. of 2" HDPE, and 541 ft. of 4" Mill Wrap Bare Joint. Install 2,117 ft. of 2" IP HDPE. 43 services	43	248,881		\$13,099		
	Contractor			131,946			6,945
	Material			16,340	6,493		
	Overhead			44,263	1,938		2,073
PRP.2737.Ledford Ln Lancaster	Replace 310 ft. of 2" unknown coating, 49 ft. of 2" Mill Wrap, 158 ft. of 2" Bare Stl., 40 ft. of 1.25" PE, 246 ft. of Epoxy, 3,433 ft. of 2" Painted and 302 ft. of 1.25" Epoxy IP. Install 1,038 ft. of 2" and 3,348 ft. of 4" IP HDPE. 48 services	48	488,042		\$25,686		
	Contractor			147,288			7,752
	Material			18,240	7,248		
	Overhead			49,410	2,164		2,314
PRP.2737.W Broadway	Replace 261 ft. of 4" bare Stl., 105 ft. of 2" Hot Tar, 835 ft. of 2" Epoxy, 260 ft. of Mill Wrap Bare Joint, 209 ft. of 4" Epoxy, 217 ft. of 2" Bare Stl., 545 ft. of Mill Wrap Bare Joint IP. Install 2,340 ft. of 2" IP HDPE. 30 Services	30	420,092		\$22,110		
	Contractor			92,055			4,845
	Material			11,400	4,530		
	Overhead			30,881	1,352		1,446
PRP.2738.Perryville Rd	Replace 695 ft. of 1.25" Epoxy, 5,829 ft. of 2" Painted Steel, 441 ft. of 3" painted, 1,516 ft. of 2" Mill Wrap, 527 ft. of 2" Epoxy, 420 ft. of 3" Epoxy, 1,539 ft. of 4" Painted, 75 ft. of 2" Hot Tar, 417 ft. of 1.25" Hot Tar IP. Install 6,677 ft. of 2" and 5,029 ft. of 4" IP HDPE. 211 Services	211	1,126,874		\$59,309		
	Contractor			647,454			34,077
	Material			80,180	31,861		
	Overhead			217,199	9,511		10,172
Total specific budgeted projects & bare steel functional			16,583,188	9,354,286	409,598	872,799	438,079
Non specific bare steel functional				329,948	14,447		15,452
Total budgeted 2021 projects			16,583,188	9,684,233	424,045	872,799	453,532
						\$4,105,719	2,352,236
							152,091