

**ATMOS ENERGY CORPORATION**

**VIA: ELECTRONIC FILING**

**August 31, 2020**

Mr. Kent Chandler  
Acting Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
PO Box 615  
Frankfort, Kentucky 40602

RE: Performance Based Rate – Case No. 2020-00289

Dear Vice-Chairman Chandler:

Atmos Energy Corporation (“Company”) herewith submits its Submission of Annual and Four Year Term Reports and Motion to Modify and Extend the Performance Based Ratemaking Mechanism. The original copy will be filed in accordance with the Commission’s COVID-19 Order. I certify that the electronically filed documents are true and correct copies of the original documents. The attached evaluation report contains three parts:

1. Submission of Annual and Four-Year Reports and Motion to Modify and Extend Performance Based Ratemaking Mechanism
2. Report. The Report consists of three sections which outline an overview and description of the Company’s approach to gas supply purchasing under the PBR, the Company’s forward-looking proposal under the PBR and discusses the Company’s proposed five-year extension of the PBR and proposed future reporting.
3. Exhibit A. Exhibit A outlines the four-year program results from June 2016 through May 2020 as well as the annual program results from June 2019 through May 2020 and will be marked CONFIDENTIAL.

As established by the enclosed Report, the PBR continues to be beneficial to both the Company and its customers. Extending the PBR mechanism as proposed herein will continue to provide significant benefit to the Company’s customers, as well as its shareholders. Therefore, the Commission is respectfully requested to approve the extension of the PBR mechanism as proposed herein.

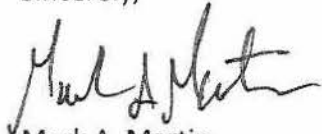
Atmos Energy is aware that a recent decision regarding the Performance Based Rate Mechanism of Columbia Gas of Kentucky, Inc. (“Columbia Kentucky”) in Case No. 2017-00453 resulted in changes to Columbia Kentucky’s transportation benchmark to address the impact of Columbia Gas Transmission’s Capital Cost Recovery Mechanism (“CCRM”) rider. Atmos Energy does not

hold any capacity on Columbia Gas Transmission, nor do any of the pipelines that Atmos Energy hold's capacity on have a rider analogous to the CCRM. Accordingly, Atmos Energy does not believe that any adjustments to its transportation benchmark are required at this time.

Also enclosed is a Petition for Confidentiality pertaining to the discounts afforded the Company through its contracts with Symmetry Energy Solutions, LLC and United Energy Trading, LLC. This information is extremely confidential and has previously been afforded confidential protection by the Commission. This information is both disclosed in and determinable from data appearing throughout the quantitative results contained in Exhibit "A." Accordingly, Exhibit "A" has been redacted in its entirety.

Please feel free to contact me at 270.929.0114 if you have any questions and/or need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Martin". The signature is fluid and cursive, with the first name "Mark" being the most prominent.

Mark A. Martin  
Vice-President-Rates and  
Regulatory Affairs