

**JOHN N. HUGHES**  
*Attorney at Law*  
Professional Service Corporation  
124 West Todd Street  
Frankfort, Kentucky 40601

Telephone: (502) 227-7270

[jnhughes@johnnhughespsc.com](mailto:jnhughes@johnnhughespsc.com)

July 25, 2022

Linda C. Bridwell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

Re: Atmos Energy Corporation  
Case No. 2021-00214

Dear Ms. Bridwell:

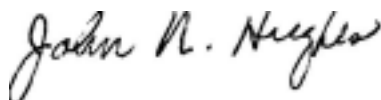
Atmos Energy Corporation submits its responses to Staff's and Attorney General's Rehearing Data Requests. I certify that the electronic documents are true and correct copies of the original documents and that no party has been excused from electronic service.

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

Submitted By:

Mark R. Hutchinson  
Wilson, Hutchinson and Littlepage  
611 Frederica St.  
Owensboro, KY 42301  
270 926 5011  
[randy@whplawfirm.com](mailto:randy@whplawfirm.com)

And



John N. Hughes  
124 West Todd St.  
Frankfort, KY 40601  
502 227 7270  
[jnhughes@johnnhughespsc.com](mailto:jnhughes@johnnhughespsc.com)

Attorneys for Atmos Energy Corporation

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF )  
RATE APPLICATION OF ) Case No. 2021-00214  
ATMOS ENERGY CORPORATION)

CERTIFICATE AND AFFIDAVIT

The Affiant, Brannon C. Taylor, being duly sworn, deposes and states that the attached responses to Commission Staff's first rehearing request for information are true and correct to the best of his knowledge and belief.

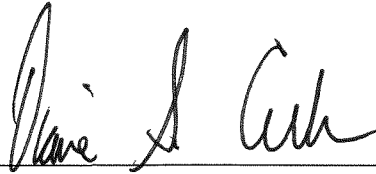


\_\_\_\_\_  
Brannon C. Taylor

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

SUBSCRIBED AND SWORN to before me by Brannon C. Taylor on this the 14<sup>th</sup> day of July, 2022.



\_\_\_\_\_  
Notary Public

My Commission Expires: 12/4/2025

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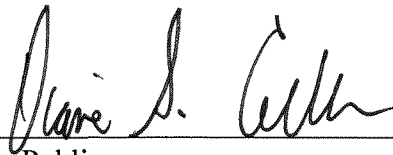
The Affiant, Brannon C. Taylor, being duly sworn, deposes and states that the attached responses to the Office of the Attorney General's first rehearing request for information are true and correct to the best of his knowledge and belief.



\_\_\_\_\_  
Brannon C. Taylor

STATE OF NORTH CAROLINA  
COUNTY OF HENDERSON

SUBSCRIBED AND SWORN to before me by Brannon C. Taylor on this the 14<sup>th</sup> day of July, 2022.



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**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**Staff Rehearing DR Set No. 1**  
**Question No. 1-01**  
**Page 1 of 2**

**REQUEST:**

Refer to Case Nos. 2021-00185, 2019-00253, and 2017-00413, which demonstrate that historically rider revenue is not true-up after the revenues have been incorporated into base rates. Explain why Atmos should be allowed to true-up the Pipeline Replacement Program (PRP) revenues after the PRP has been rolled into base rates.

**RESPONSE:**

The Company's Tariff addresses the filing requirements of the PRP in "Section 3. Pipe Replacement Program Factors" where it states in part, "The PRP Rider may be filed annually on or around August 1<sup>st</sup> 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 program year from two years prior. *Such adjustment to the Rider will become effective with meter readings on and after the first billing cycle of October.*" [emphasis added]

Moreover, KRS 278.509 *Recovery of costs for investment in natural gas pipeline replacement programs* states, "Notwithstanding any other provision of law to the contrary, upon application by a regulated utility, the commission may allow recovery of costs for investment in natural gas pipeline replacement programs which are not recovered in the existing rates of a regulated utility. No recovery shall be allowed unless the costs shall have been deemed by the commission to be fair, just, and reasonable".

The Commission, by its order dated August 20, 2021, indicated that it could not rule on the Company's filing by the date authorized in the Company's approved tariff and suspended the effective date, pursuant to KRS 278.190(2), for six months, up to and including April 1, 2022. On May 20, 2022 the Commission issued a final order in the PRP stating in part, "On May 19, 2022 the Commission issued the final Order in the Rate Case that, among other things, incorporated Atmos's PRP into base rates through September 30, 2022, approved the inclusion of Aldyl-A replacement projects through the same period through base rates only, and established an ROE for the PRP. Atmos's application to revise its PRP rates is now moot because the PRP has been incorporated into base rates for the relevant period"

**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**Staff Rehearing DR Set No. 1**  
**Question No. 1-01**  
**Page 2 of 2**

The Commission found the Company's investment fair, just and reasonable and did not issue its order in the rate case until May 19, 2022, therefore no recovery was made on the PRP investments from October 1, 2021 - May 19, 2022, which is therefore the appropriate recovery period in order to fully comply with KRS 278.509.

The cases cited above (Nos. 2021-00185, 2019-00253, and 2017-00413) have different fact patterns from this case - the cited cases did not have a PRP filed following a rate case filing with a full abeyance of the PRP by the Commission therefore these cases are distinguishable from this rate case (No. 2021-00214) and the PRP case (No. 2021-00304). That is why the Company should be able to true-up the PRP revenues after the PRP has been rolled into base rates in this instance.

Respondent: Brannon Taylor

**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**Staff Rehearing DR Set No. 1**  
**Question No. 1-02**  
**Page 1 of 1**

**REQUEST:**

Explain how Atmos proposes to calculate the true-up such that amounts included in base rates are excluded from the calculation. Provide a sample schedule showing the proposed calculation.

**RESPONSE:**

The Company proposes to calculate the true-up amount in accordance with the tariff calculations submitted in the PRP, however due to the Commission's abeyance, no PRP rate change occurred on October 1, 2021 so the revenues, when compared to the investment, are anticipated to be lower than as filed thus creating a true-up for the average PRP investment for Fiscal 2022.

The Company does note that the investment will only include non-Aldyl-A projects since the final order in rate case was very specific in not approving these projects for inclusion in the FY 2022 PRP filing, but rather, "the inclusion of future Aldyl-A pipelines will be determined on a case by cases [sic] basis and any PRP applications including Aldyl-A projects should at minimum include safety justifications for such projects."

Please see Attachment 1 for an approximation of how the true-up amount will be calculated. This same model will be updated with actual investment for fiscal year 2022 and the calculated revenue requirement (\$7,234,861 on Exhibit B applied to weather normalized volumes collected for the period October 1, 2021 through May 19, 2022) would be compared to actual PRP collections for that same period.

**ATTACHMENT:**

Staff Rehearing\_1-02\_Att1 - True-up Calculation.xlsx

Respondent: Brannon Taylor

**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
SURCHARGE SUMMARY**

Line Number	Tariff Schedule	Customer Charge	Volumetric Charge
1	RESIDENTIAL (Rate G-1)	\$ -	0.3998
2	NON-RESIDENTIAL (Rate G-1)	\$ -	
3	Sales: 1-300		0.2990
4	Sales: 301-15,000		0.2078
5	Sales: Over 15,000		0.0000
6	INTERRUPTIBLE (Rate G-2)	\$ -	
7	Sales: 1-15,000		0.0860
8	Sales: Over 15,000		0.0705
9	TRANSPORTATION (T-3)	\$ -	
10	Interrupt Transport: 1-15,000		0.0766
11	Interrupt Transport: Over 15,000		0.0628
12	TRANSPORTATION (T-4)	\$ -	
13	Firm Transport: 1-300		0.1271
14	Firm Transport: 301-15,000		0.0884
15	Firm Transport: Over 15,000		0.0730

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**DEFICIENCY**

Line Number	Description	Total
1	Project Additions	\$ 65,737,056
2	Project Retirements	<u>\$ (10,341,407)</u>
3	<b>Net Change to Gross Plant</b>	<b>\$ 55,395,649</b>
4		
5	Cost of Removal to Accumulated Depr.	\$ 3,358,745
6	Retirements from Accumulated Depr.	10,341,407
7	Depreciation Accrual to Accumulated Depr.	<u>(1,306,743)</u>
8	<b>Net Change to Accumulated Depreciation</b>	<b>12,393,409</b>
9		
10	<b>Net Change to Net Plant</b>	<b>\$ 67,789,057</b>
11		
12	Accumulated Deferred Income Taxes	<u>(1,122,156)</u>
13	<b>Net Change to Rate Base</b>	<b>\$ 66,666,901</b>
14		
15	Rate of Return	<u>6.76%</u>
16	<b>Required Operating Income</b>	<b>\$ 4,507,749</b>
17		
18	Depreciation & Amortization Expense	1,047,806
19	O&M Savings	(36,171)
20	Ad Valorem Tax Increase	441,820
21	Income Taxes on Cost of Service Items	(362,637)
22	Income Taxes on Adjusted Interest Expense	<u>(297,031)</u>
23	<b>Operating Income at Present Rates</b>	<b>\$ 793,788</b>
24		
25	Deficiency	\$ 5,301,537
26	Tax Factor	<u>74.52%</u>
27	<b>Total Rate Adjustment</b>	<b>\$ 7,113,803</b>
28		
29	Project Cost True-up	\$ (9,219)
30	Revenue Recovery True-up	<u>130,277</u>
31	<b>Total True-up</b>	<b>\$ 121,058</b>
32		
33	<b>Total Rate Adjustment</b>	<b>\$ 7,234,861</b>



**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
NET RATE BASE FOR FISCAL YEAR 2022**

Line No.	Description	Cumulative balance as of													13-Month Average
		Sep-21 (1)	Oct-21 (2)	Nov-21 (3)	Dec-21 (4)	Jan-22 (5)	Feb-22 (6)	Mar-22 (7)	Apr-22 (8)	May-22 (9)	Jun-22 (10)	Jul-22 (11)	Aug-22 (12)	Sep-22 (13)	
<b>Net Investment</b>															
1	Plant in Service	\$ 52,460,999	\$ 55,530,400	\$ 57,193,252	\$ 59,178,288	\$ 61,517,576	\$ 63,500,658	\$ 65,522,460	\$ 67,672,554	\$ 69,822,654	\$ 72,035,341	\$ 74,364,336	\$ 76,581,394	\$ 79,201,811	\$ 65,737,056
2	Retirements	\$ (7,720,264)	\$ (8,285,275)	\$ (8,595,740)	\$ (9,003,302)	\$ (9,475,965)	\$ (9,882,912)	\$ (10,296,406)	\$ (10,731,892)	\$ (11,167,291)	\$ (11,614,037)	\$ (12,083,476)	\$ (12,531,417)	\$ (13,050,312)	\$ (10,341,407)
3	Investments Activity (Additions n	\$ 44,740,735	\$ 47,245,125	\$ 48,597,512	\$ 50,174,985	\$ 52,041,610	\$ 53,617,747	\$ 55,226,055	\$ 56,940,662	\$ 58,655,363	\$ 60,421,304	\$ 62,280,860	\$ 64,049,977	\$ 66,151,500	\$ 55,395,649
4															
5															
6	<b>Accumulated Depreciation</b>														
7															
8	Depreciation Expense	\$ (824,203)	\$ (897,236)	\$ (971,260)	\$ (1,046,759)	\$ (1,124,150)	\$ (1,203,380)	\$ (1,284,746)	\$ (1,368,728)	\$ (1,455,847)	\$ (1,546,988)	\$ (1,643,760)	\$ (1,748,598)	\$ (1,872,009)	\$ (1,306,743)
9	Retirement	\$ 7,720,264	\$ 8,285,275	\$ 8,595,740	\$ 9,003,302	\$ 9,475,965	\$ 9,882,912	\$ 10,296,406	\$ 10,731,892	\$ 11,167,291	\$ 11,614,037	\$ 12,083,476	\$ 12,531,417	\$ 13,050,312	\$ 10,341,407
10	Cost of Removal	\$ 2,682,622	\$ 2,843,260	\$ 2,929,826	\$ 3,029,270	\$ 3,147,267	\$ 3,246,636	\$ 3,348,093	\$ 3,456,436	\$ 3,564,788	\$ 3,676,434	\$ 3,794,031	\$ 3,905,865	\$ 4,039,156	\$ 3,358,745
11	Accumulated Depreciation	\$ 9,578,683	\$ 10,231,300	\$ 10,554,306	\$ 10,985,814	\$ 11,499,082	\$ 11,926,168	\$ 12,359,753	\$ 12,819,600	\$ 13,276,232	\$ 13,743,483	\$ 14,233,747	\$ 14,688,684	\$ 15,217,459	\$ 12,393,409
12															
13															
14	<b>Accumulated Deferred Income Taxes</b>														
15															
16	ADIT	\$ (6,299,832)	\$ (6,629,173)	\$ (6,816,699)	\$ (7,032,401)	\$ (7,284,297)	\$ (7,500,878)	\$ (7,722,025)	\$ (7,957,015)	\$ (8,192,895)	\$ (8,436,221)	\$ (8,692,670)	\$ (8,940,220)	\$ (9,233,969)	\$ (7,749,100)
17	NOLC Variable	\$ 5,306,569	\$ 5,523,846	\$ 5,741,123	\$ 5,958,399	\$ 6,175,676	\$ 6,392,953	\$ 6,610,230	\$ 6,827,507	\$ 7,044,784	\$ 7,262,060	\$ 7,479,337	\$ 7,696,614	\$ 8,131,168	\$ 6,626,943
18	<b>Net ADIT</b>	\$ (993,263)	\$ (1,105,328)	\$ (1,075,577)	\$ (1,074,002)	\$ (1,108,621)	\$ (1,107,925)	\$ (1,111,795)	\$ (1,129,509)	\$ (1,148,112)	\$ (1,174,161)	\$ (1,213,332)	\$ (1,243,606)	\$ (1,102,802)	\$ (1,122,156)
19															
20	<b>Net Rate Base (Lines 9 + 10)</b>	<b>\$ 53,326,155</b>	<b>\$ 56,371,097</b>	<b>\$ 58,076,241</b>	<b>\$ 60,086,797</b>	<b>\$ 62,432,072</b>	<b>\$ 64,435,989</b>	<b>\$ 66,474,013</b>	<b>\$ 68,630,753</b>	<b>\$ 70,783,483</b>	<b>\$ 72,990,626</b>	<b>\$ 75,301,275</b>	<b>\$ 77,495,055</b>	<b>\$ 80,266,157</b>	<b>\$ 66,666,901</b>

**ATMOS ENERGY CORPORATION  
 KENTUCKY PIPE REPLACEMENT PROGRAM  
 SURCHARGE CALCULATION OF FORCASTED ACTIVITY  
 AS OF OCTOBER 2019 THROUGH SEPTEMBER 2020  
 RECOVERY SCHEDULE**

Line No.	Surcharge Report	Actual Recovery Year	Approved Recovery Amt	Actual Recovery Amt	Over / (Under) Recovered	Carrying Charges	Total Over / (Under)	Weighted Average Cost of Capital
1	2020	Oct-19 Sep-20	2,912,291	2,791,091	(121,200)	(9,077)	(130,277)	7.49%
2			\$ 2,912,291	\$ 2,791,091	\$ (121,200)	\$ (9,077)	\$ (130,277)	

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORCASTED ACTIVITY**  
**AS OF OCTOBER 2019 THROUGH SEPTEMBER 2020**  
**DEFICIENCY**

Line Number	Description	Actual	As Filed
1	Project Additions	\$ 25,769,533	\$ 26,650,299
2	Project Retirements	(1,110,218)	(5,832,823)
3	<b>Net Change to Gross Plant</b>	<u>\$ 24,659,315</u>	<u>\$ 20,817,475</u>
4			
5	Cost of Removal to Accumulated Depr.	1,356,291	1,351,236
6	Retirements from Accumulated Depr.	1,110,218	5,832,823
7	Depreciation Accrual to Accumulated Depr.	(215,443)	(178,001)
8	<b>Net Change to Accumulated Depreciation</b>	<u>2,251,065</u>	<u>7,006,058</u>
9			
10	<b>Net Change to Net Plant</b>	<u>\$ 26,910,380</u>	<u>\$ 27,823,534</u>
11			
12	Accumulated Deferred Income Taxes	(492,073)	(508,770)
13	<b>Net Change to Rate Base</b>	<u>\$ 26,418,308</u>	<u>\$ 27,314,764</u>
14			
15	Rate of Return	7.49%	7.49%
16	<b>Required Operating Income</b>	<u>\$ 1,978,630</u>	<u>\$ 2,045,771</u>
17			
18	Depreciation & Amortization Expense	215,443	178,001
19	O&M Savings	(6,544)	(6,544)
20	Ad Valorem Tax Increase	196,676	166,034
21	Income Taxes on Cost of Service Items	(101,191)	(84,204)
22	Income Taxes on Adjusted Interest Expense	(119,415)	(128,588)
23	<b>Operating Income at Present Rates</b>	<u>\$ 184,969</u>	<u>\$ 124,699</u>
24			
25	Deficiency	\$ 2,163,600	\$ 2,170,471
26	Tax Factor	74.53%	74.53%
27	<b>Total Proposed Rate Adjustment</b>	<u>\$ 2,903,072</u>	<u>\$ 2,912,291</u>
28			
29	2020 approved deficiency	\$ 2,912,291	\$ 2,912,291
30			
31	Increase in deficiency	\$ (9,219)	\$ -

**ATMOS ENERGY CORPORATION  
 KENTUCKY PIPE REPLACEMENT PROGRAM  
 SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
 AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
 ADDITIONS**

<u>Line Number</u>	<u>Description</u>	<u>Mains</u>	<u>Services</u>	<u>Meters</u>	<u>Total</u>
1	Prior Year: 2020	15,898,814	9,870,719	-	25,769,533
2					
3	Prior Year: 2021	16,583,188	9,684,233	424,045	26,691,466
4					
5	Current Year: 2022	19,860,597	6,603,168	277,048	26,740,813
6					
7	Total Additions	<u>\$ 52,342,598</u>	<u>\$ 26,158,121</u>	<u>\$ 701,093</u>	<u>\$ 79,201,812</u>



**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
MONTHLY DEPRECIATION EXPENSE FOR FISCAL YEAR 2022**

Line No.	Description	annual rate	Prior Yr	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Annual Totals	13-Month Average
51	<b>FERC 38100: Meters</b>																
52	Monthly Investment Additions		\$ 4,952	\$ 5,190	\$ 27,394	\$ 27,903	\$ 27,244	\$ 26,974	\$ 26,249	\$ 26,199	\$ 26,199	\$ 26,199	\$ 27,123	\$ 26,431	\$ 25,190	\$ 277,048	
53	Cumulative Investment		424,045	428,997	434,187	461,581	489,484	516,728	543,702	569,951	596,150	622,349	649,472	675,903	701,093		547,203
54	Monthly Retirements	36.16%	1,791	1,877	9,906	10,090	9,851	9,754	9,492	9,473	9,474	9,808	9,557	9,109		100,180	
55	Cumulative Retirements		152,091	153,882	155,758	165,664	175,754	185,605	195,359	204,850	214,324	223,797	233,605	243,163	252,271		196,625
56	Depreciable Base		424,045	3,161	3,313	17,489	17,813	17,393	17,220	16,757	16,725	16,726	17,316	16,873	16,081	176,868	
57	Monthly Depreciation Expense, book basis		-	1,106	1,113	1,155	1,203	1,256	1,316	1,383	1,464	1,566	1,706	1,910	2,300	17,479	
58	Cumulative Depreciation		6,173	7,279	8,392	9,547	10,750	12,006	13,322	14,705	16,170	17,736	19,441	21,352	23,652		13,887
59																	
60																	
61	Month prior period	Net Investment	271,954	4.85%	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	13,189.77	
62	Oct-21	3,161	4.85%	6	6	6	6	6	6	6	6	6	6	6	6	76.66	
63	Nov-21	3,313	4.85%	7	7	7	7	7	7	7	7	7	7	7	7	80.35	
64	Dec-21	17,489	4.85%	42	42	42	42	42	42	42	42	42	42	42	42	424.10	
65	Jan-22	17,813	4.85%	48	48	48	48	48	48	48	48	48	48	48	48	431.97	
66	Feb-22	17,393	4.85%	53	53	53	53	53	53	53	53	53	53	53	53	421.77	
67	Mar-22	17,220	4.85%	60	60	60	60	60	60	60	60	60	60	60	60	417.59	
68	Apr-22	16,757	4.85%	68	68	68	68	68	68	68	68	68	68	68	68	406.37	
69	May-22	16,725	4.85%	81	81	81	81	81	81	81	81	81	81	81	81	405.59	
70	Jun-22	16,726	4.85%	101	101	101	101	101	101	101	101	101	101	101	101	405.60	
71	Jul-22	17,316	4.85%	140	140	140	140	140	140	140	140	140	140	140	140	419.90	
72	Aug-22	16,873	4.85%	205	205	205	205	205	205	205	205	205	205	205	205	409.18	
73	Sep-22	16,081	4.85%	390	390	390	390	390	390	390	390	390	390	390	390	389.97	
74	<b>Total: FERC 381 Depi</b>	<b>448,822</b>	<b>\$ 1,099</b>	<b>\$ 1,106</b>	<b>\$ 1,113</b>	<b>\$ 1,155</b>	<b>\$ 1,203</b>	<b>\$ 1,256</b>	<b>\$ 1,316</b>	<b>\$ 1,383</b>	<b>\$ 1,464</b>	<b>\$ 1,566</b>	<b>\$ 1,706</b>	<b>\$ 1,910</b>	<b>\$ 2,300</b>	<b>\$ 17,479</b>	
75																	
76	<b>Total Depreciation Expense, Monthly (Lines 22+44</b>	<b>\$ 71,387</b>	<b>\$ 73,033</b>	<b>\$ 74,024</b>	<b>\$ 75,499</b>	<b>\$ 77,390</b>	<b>\$ 79,231</b>	<b>\$ 81,366</b>	<b>\$ 83,981</b>	<b>\$ 87,120</b>	<b>\$ 91,141</b>	<b>\$ 96,772</b>	<b>\$ 104,838</b>	<b>\$ 123,411</b>	<b>\$ 1,047,806</b>		

Notes: This Depreciation methodology is consistent with how the Company accounts for Depreciation expense on its books.

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**MONTHLY COST OF REMOVAL FOR FISCAL YEAR 2022**

Line No.	Description	Prior Yr Balance	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Annual Totals	13-Month Average
1	<b>FERC 37600: Mains</b>															
2	<b>Cost of Removal</b>		\$ 155,075	\$ 80,735	\$ 68,670	\$ 86,650	\$ 68,764	\$ 71,154	\$ 78,854	\$ 78,920	\$ 82,213	\$ 87,127	\$ 82,141	\$ 104,992	\$ 1,045,295	
3	Accumulated	1,709,579	1,864,654	1,945,389	2,014,059	2,100,709	2,169,472	2,240,626	2,319,480	2,398,401	2,480,614	2,567,741	2,649,882	2,754,874		\$ 2,247,344
4																
5	<b>FERC 38000: Services</b>															
6	<b>Cost of Removal</b>		\$ 5,563	\$ 5,830	\$ 30,775	\$ 31,346	\$ 30,606	\$ 30,303	\$ 29,488	\$ 29,432	\$ 29,433	\$ 30,471	\$ 29,693	\$ 28,299	\$ 311,239	
7	Accumulated	973,043	978,606	984,437	1,015,212	1,046,558	1,077,164	1,107,467	1,136,956	1,166,387	1,195,820	1,226,291	1,255,983	1,284,282		\$ 1,111,401
8																
9	<b>Total Cost of Removal</b>		\$ 160,638	\$ 86,565	\$ 99,445	\$ 117,996	\$ 99,370	\$ 101,457	\$ 108,342	\$ 108,352	\$ 111,646	\$ 117,598	\$ 111,834	\$ 133,291	\$ 1,356,534	\$ 1,356,534
10	Accumulated	2,682,622	2,843,260	2,929,826	3,029,270	3,147,267	3,246,636	3,348,093	3,456,436	3,564,788	3,676,434	3,794,031	3,905,865	4,039,156		\$ 3,358,745

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**RETIREMENTS**

<u>Line Number</u>	<u>Description</u>	<u>Mains</u>	<u>Services</u>	<u>Meters</u>	<u>Total</u>
1	Prior Year: 2020	\$783,252	326,966	-	1,110,218
2					
3	Prior Year: 2021	\$4,105,719	2,352,236	152,091	6,610,046
4					
5	Current Year: 2022	\$3,600,073	1,629,794	100,180	5,330,048
6					
7	Total Retirements	<u>\$ 8,489,044</u>	<u>\$ 4,308,996</u>	<u>\$ 252,271</u>	<u>\$ 13,050,312</u>



**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**DEPRECIATION EXPENSE**

Line Number	Description	Mains	Services	Meters	Total
1	Net Change to Gross Plant	\$ 43,853,554	\$ 21,849,124	\$ 448,822	
2	Depreciation Rates	1.54%	2.48%	4.85%	
3	Proforma Annual Depreciation Expense	<u>\$ 675,345</u>	<u>\$ 541,858</u>	<u>\$ 21,768</u>	<u>\$ 1,238,971</u>
4					
5	Current Year Change to Net Plant	\$ 16,260,523	\$ 4,973,374	\$ 176,868	
6	Depreciation Rates	1.54%	2.48%	4.85%	
7	Proforma Annual Depreciation Expense	<u>\$ 250,412</u>	<u>\$ 123,340</u>	<u>\$ 8,578</u>	<u>\$ 382,330</u>
8					
9	Depreciation Accrual to Accumulated Depreciation from Prior Approved Filing				\$ 824,203
10	Accumulated Depreciation on Prior Additions (full years depreciation)				856,641
11	Accumulated Depreciation on Current Additions (half-year convention)				<u>191,165</u>
12					
13	Depreciation Accrual to Accumulated Depreciation				<u><u>\$ 1,872,009</u></u>

**Kentucky PRP ADIT Calculation  
FY2022**

Line No		Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Total
1	Book Cost	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	2,054,943	24,659,315
2	Tax Cost	825,893	825,893	825,893	825,893	825,893	825,893	825,893	825,893	825,893	825,893	825,893	825,893	9,910,716
3	FXA01	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (1,229,050)</u>	<u>\$ (14,748,599)</u>
4														
5														
6	Prior Yr Bal													
7	Current Yr													
8	FXA01 Cumulative	\$ (1,229,050)	\$ (2,458,100)	\$ (3,687,150)	\$ (4,916,200)	\$ (6,145,250)	\$ (7,374,300)	\$ (8,603,350)	\$ (9,832,399)	\$ (11,061,449)	\$ (12,290,499)	\$ (13,519,549)	\$ (14,748,599)	\$ (14,748,599)
9	Deferred Rate	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%
10	FXA01 Tax Effected	<u>\$ (306,648)</u>	<u>\$ (613,296)</u>	<u>\$ (919,944)</u>	<u>\$ (1,226,592)</u>	<u>\$ (1,533,240)</u>	<u>\$ (1,839,888)</u>	<u>\$ (2,146,536)</u>	<u>\$ (2,453,184)</u>	<u>\$ (2,759,832)</u>	<u>\$ (3,066,480)</u>	<u>\$ (3,373,128)</u>	<u>\$ (3,679,775)</u>	<u>\$ (3,679,775)</u>
11	<b>FXA01 Prorated</b>													
12														
13														
14														
15	Book Depreciation	17,954	17,954	17,954	17,954	17,954	17,954	17,954	17,954	17,954	17,954	17,954	17,954	215,443
16	Tax Depreciation	38,007	38,007	38,007	38,007	38,007	38,007	38,007	38,007	38,007	38,007	38,007	38,007	456,082
17	FXA02	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (20,053)</u>	<u>\$ (240,639)</u>
18														
19														
20	Prior Yr Bal													
21	Current Yr													
22	FXA02 Cumulative	\$ (20,053)	\$ (40,106)	\$ (60,160)	\$ (80,213)	\$ (100,266)	\$ (120,319)	\$ (140,373)	\$ (160,426)	\$ (180,479)	\$ (200,532)	\$ (220,585)	\$ (240,639)	\$ (240,639)
23	Deferred Rate	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%
24	FXA02 Tax Effected	<u>\$ (5,003)</u>	<u>\$ (10,007)</u>	<u>\$ (15,010)</u>	<u>\$ (20,013)</u>	<u>\$ (25,016)</u>	<u>\$ (30,020)</u>	<u>\$ (35,023)</u>	<u>\$ (40,026)</u>	<u>\$ (45,029)</u>	<u>\$ (50,033)</u>	<u>\$ (55,036)</u>	<u>\$ (60,039)</u>	<u>\$ (60,039)</u>
25	<b>FXA02 Prorated</b>													
26														
27														
28	Cumulative Deferred Inc. Taxes and Investment Tax Credits													\$ (3,739,815)
29	(excluding forecasted change in NOLC)													\$ 3,247,742
30	Forecasted Change in NOLC													\$ 3,247,742
31														
32	<b>Forecasted ADIT in Rate Base</b>													(492,073)
33														
34														
35	<b>Calculation of Change in NOLC</b>													
36														
37														
38	Forecasted Test Period													
39	Schedule Reference													
40	Net Change to Rate Base													26,418,308
41	Required Operating Income													1,978,630
42	Interest Deduction													498,468
43	Return on Equity Portion of Rate Base													1,480,162
44	Return, grossed up for Income Tax	24.95%												1,972,235
45	Tax Expense on Return	24.95%												492,073
46	Change In ADIT, excluding forecasted change in NOLC													\$ (3,739,815)
47	Required Change in NOLC													3,247,742
48														
49	<b>Total Required Change in Accumulated Deferred Income Tax</b>													(492,073)
50														
51														
52	<b>ADIT Reconciliation</b>													
53														
54														
55	Change In ADIT, excluding forecasted change in NOLC													\$ (3,739,815)
56	Change in NOLC													3,247,742
57	<b>Forecasted ADIT in Rate Base</b>													(492,073)
58														
59	<b>Total Required Change in Accumulated Deferred Income Tax</b>													(492,073)
60														
61														
62														
63														
64														
65														
66														
67														
68														

<sup>1</sup> Because the Company is in a NOLC position, the total change in ADIT must equal the tax expenses included in revenue requirement



**Kentucky PRP ADIT Calculation  
FY2022**

Line No		Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Total
1	Book Cost	2,504,390	1,352,387	1,577,473	1,866,625	1,576,136	1,608,308	1,714,607	1,714,701	1,765,941	1,859,556	1,769,117	2,101,523	21,410,765
2	Tax Cost	1,266,308	683,814	797,626	943,831	796,950	813,217	866,966	867,013	892,922	940,257	894,528	1,062,604	10,826,036
3	FXA01	\$ (1,238,082)	\$ (668,572)	\$ (779,847)	\$ (922,794)	\$ (779,186)	\$ (795,091)	\$ (847,641)	\$ (847,688)	\$ (873,019)	\$ (919,299)	\$ (874,589)	\$ (1,038,919)	\$ (10,584,729)
4														
5														
6	Prior Yr Bal	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)	(24,264,142)
7	Current Yr	(1,238,082)	(668,572)	(779,847)	(922,794)	(779,186)	(795,091)	(847,641)	(847,688)	(873,019)	(919,299)	(874,589)	(1,038,919)	(10,584,729)
8	FXA01 Cumulative	(25,502,224)	(26,170,797)	(26,950,644)	(27,873,438)	(28,652,624)	(29,447,715)	(30,295,356)	(31,143,044)	(32,016,064)	(32,935,363)	(33,809,952)	(34,848,871)	(34,848,871)
9	Deferred Rate	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%
10	FXA01 Tax Effected	\$ (6,362,805)	\$ (6,529,614)	\$ (6,724,186)	\$ (6,954,423)	\$ (7,148,830)	\$ (7,347,305)	\$ (7,558,691)	\$ (7,770,190)	\$ (7,988,008)	\$ (8,217,373)	\$ (8,435,583)	\$ (8,694,793)	\$ (8,694,793)
11	FXA01 Prorated	\$ (6,349,687)	\$ (6,495,702)	\$ (6,649,494)	\$ (6,811,921)	\$ (6,934,158)	\$ (7,042,042)	\$ (7,139,673)	\$ (7,219,347)	\$ (7,283,499)	\$ (7,331,571)	\$ (7,358,773)	\$ (7,369,780)	\$ (7,369,780)
12														
13														
14														
15	Book Depreciation	73,033	74,024	75,499	77,390	79,231	81,366	83,981	87,120	91,141	96,772	104,838	123,411	1,047,806
16	Tax Depreciation	154,955	157,059	160,188	164,200	168,105	172,635	178,185	184,843	193,375	205,323	222,436	261,843	2,223,145
17	FXA02	\$ (81,922)	\$ (83,034)	\$ (84,688)	\$ (86,810)	\$ (88,874)	\$ (91,269)	\$ (94,203)	\$ (97,723)	\$ (102,234)	\$ (108,551)	\$ (117,598)	\$ (138,432)	\$ (1,175,339)
18														
19														
20														
21	Prior Yr Bal	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)	(985,687)
22	Current Yr	(81,922)	(83,034)	(84,688)	(86,810)	(88,874)	(91,269)	(94,203)	(97,723)	(102,234)	(108,551)	(117,598)	(138,432)	(1,175,339)
23	FXA02 Cumulative	(1,067,609)	(1,150,644)	(1,235,332)	(1,322,142)	(1,411,016)	(1,502,285)	(1,596,489)	(1,694,212)	(1,796,446)	(1,904,997)	(2,022,595)	(2,161,026)	(2,161,026)
24	Deferred Rate	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%	24.95%
25	FXA02 Tax Effected	\$ (266,369)	\$ (287,086)	\$ (308,215)	\$ (329,874)	\$ (352,049)	\$ (374,820)	\$ (398,324)	\$ (422,706)	\$ (448,213)	\$ (475,297)	\$ (504,637)	\$ (539,176)	\$ (539,176)
26	FXA02 Prorated	\$ (265,501)	\$ (283,635)	\$ (300,336)	\$ (315,616)	\$ (329,559)	\$ (341,943)	\$ (352,793)	\$ (361,978)	\$ (369,490)	\$ (375,167)	\$ (378,824)	\$ (380,291)	\$ (380,291)
27														
28	Cumulative Deferred Inc. Taxes and Investment T (excluding forecasted change in NOLC)													\$ (7,750,072)
29	Forecasted Change in NOLC													\$ 8,131,168
30														
31														
32	<b>Forecasted ADIT in Rate Base</b>													<b>\$ 381,096</b>
33														
34														
35	<b>Calculation of Change in NOLC</b>													
36	ADIT Proration:													
37	days in month	31	30	31	31	28	31	30	31	30	31	31	30	365
38	mid month conventior	15.5	30	31	31	28	31	30	31	30	31	31	30	
39	days remaining	350	320	289	258	230	199	169	138	108	77	46	16	
40	pro ration factor	<b>95.75%</b>	<b>87.53%</b>	<b>79.04%</b>	<b>70.55%</b>	<b>62.88%</b>	<b>54.38%</b>	<b>46.16%</b>	<b>37.67%</b>	<b>29.45%</b>	<b>20.96%</b>	<b>12.47%</b>	<b>4.25%</b>	
41	Forecasted Test Period													
42														
43	Net Change to Rate Base													66,666,901
44														
45	Required Operating Income													4,507,749
46														
47	Interest Deduction													1,190,504
48														
49	Return on Equity Portion of Rate Base													3,317,245
50														
51	Return, grossed up for Income Tax													4,420,047
52														
53	Tax Expense on Return													1,102,802
54														
55	Change In ADIT, excluding forecasted change in I													\$ (7,750,072)
56	Required Change in NOLC													8,131,168
57														
58														
59														
60														
61	<b>Total Required Change in Accumulated Deferr</b>													<b>(1,102,802)</b>
62														
63	<b>ADIT Reconciliation</b>													
64														
65	Change In ADIT, excluding forecasted change in I													\$ (7,750,072)
66	Change in NOLC													8,131,168
67	<b>Forecasted ADIT in Rate Base</b>													<b>381,096</b>
68														
69	<b>Total Required Change in Accumulated Deferr</b>													<b>381,096</b>

<sup>1</sup> Because the Company is in a NOLC position, the

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**DEFERRED INCOME TAXES**

Line Number	Description	Mains	Services	Meters	Total
1	Additions to Gross Plant - Book 2020	\$ 15,898,814	\$ 9,870,719	\$ -	\$ 25,769,533
2	Less: Retirements to Book 2020	(783,252)	(326,966)	-	(1,110,218)
3	<b>Book Basis</b>	<b>\$ 15,115,562</b>	<b>\$ 9,543,753</b>	<b>\$ -</b>	<b>\$ 24,659,315</b>
4	Repairs Percentage	57.52%	68.02%	0.00%	
5	Less: Repairs	\$ (9,144,395)	\$ (6,714,422)	\$ -	\$ (15,858,817)
6	Add: Deferred Retirements	\$ 783,252	\$ 326,966	\$ -	1,110,218
7	Tax Basis Before Bonus	\$ 6,754,419	\$ 3,156,297	\$ -	\$ 9,910,716
8	Bonus Depreciation %	0.00%	0.00%	0.00%	
9	Bonus Depreciation	\$ -	\$ -	\$ -	\$ -
10	<b>Tax Basis</b>	<b>\$ 6,754,419</b>	<b>\$ 3,156,297</b>	<b>\$ -</b>	<b>\$ 9,910,716</b>
11					
12	Additions to Gross Plant - Book 2021	\$ 16,583,188	\$ 9,684,233	\$ 424,045	\$ 26,691,466
13	Less: Retirements to Book 2021	(4,105,719)	(2,352,236)	(152,091)	(6,610,046)
14	<b>Book Basis</b>	<b>\$ 12,477,469</b>	<b>\$ 7,331,998</b>	<b>\$ 271,954</b>	<b>\$ 20,081,420</b>
15	Repairs Percentage	57.52%	68.02%	0.00%	
16	Less: Repairs	\$ (9,538,021)	\$ (6,587,568)	\$ -	\$ (16,125,589)
17	Add: Deferred Retirements	\$ 4,105,719	\$ 2,352,236	\$ 152,091	6,610,046
18	Tax Basis Before Bonus	\$ 7,045,167	\$ 3,096,666	\$ 424,045	\$ 10,565,878
19	Bonus Depreciation %	0.00%	0.00%	0.00%	
20	Bonus Depreciation	\$ -	\$ -	\$ -	\$ -
21	<b>Tax Basis</b>	<b>\$ 7,045,167</b>	<b>\$ 3,096,666</b>	<b>\$ 424,045</b>	<b>\$ 10,565,878</b>
22					
23	Additions to Gross Plant - Book 2022	\$ 19,860,597	\$ 6,603,168	\$ 277,048	\$ 26,740,813
24	Less: Retirements to Book 2022	(3,600,073)	(1,629,794)	(100,180)	(5,330,048)
25	<b>Book Basis</b>	<b>\$ 16,260,523</b>	<b>\$ 4,973,374</b>	<b>\$ 176,868</b>	<b>\$ 21,410,765</b>
26	Repairs Percentage	57.52%	68.02%	0.00%	

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**DEFERRED INCOME TAXES**

Line Number	Description	Mains	Services	Meters	Total
27	Less: Repairs	\$ (11,423,062)	\$ (4,491,715)	\$ -	\$ (15,914,777)
28	Add: Deferred Retirements	\$ 3,600,073	\$ 1,629,794	\$ 100,180	\$ 5,330,048
29	Tax Basis Before Bonus	\$ 8,437,535	\$ 2,111,453	\$ 277,048	\$ 10,826,036
30	Bonus Depreciation %	0.00%	0.00%	0.00%	
31	Bonus Depreciation	\$ -	\$ -	\$ -	\$ -
32	<b>Tax Basis</b>	<b>\$ 8,437,535</b>	<b>\$ 2,111,453</b>	<b>\$ 277,048</b>	<b>\$ 10,826,036</b>
33					
34	FXA01 - Gross	\$ (21,616,434)	\$ (13,484,709)	\$ 252,271	\$ (34,848,871)
35	Deferred Rate	24.95%	24.95%	24.95%	
36	<b>FXA01 - Tax Effected</b>	<b>\$ (5,393,300)</b>	<b>\$ (3,364,435)</b>	<b>\$ 62,942</b>	<b>\$ (8,694,793)</b>
37	<b>FXA01 - Tax Effected Prorated</b>				<b>\$ (7,369,780)</b>
38					
39					
40	Book Depreciation 2020	\$ 108,076	\$ 107,367	\$ -	\$ 215,443
41	Book Depreciation 2021	\$ 305,366	\$ 297,219	\$ 6,173	\$ 608,759
42	Book Depreciation 2022	\$ 550,139	\$ 480,188	\$ 17,479	\$ 1,047,806
43	Book Depreciation	\$ 963,581	\$ 884,775	\$ 23,652	\$ 1,872,009
44					
45	Tax Depreciation 2020	\$ 337,721	\$ 118,361	\$ -	\$ 456,082
46	Tax Depreciation 2021	\$ 993,928	\$ 343,978	\$ 15,902	\$ 1,353,808
47	Tax Depreciation 2022	\$ 1,668,670	\$ 513,474	\$ 41,001	\$ 2,223,145
48	Tax Depreciation	\$ 3,000,319	\$ 975,813	\$ 56,903	\$ 4,033,035
49					

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**DEFERRED INCOME TAXES**

Line Number	Description	Mains	Services	Meters	Total
50	FXA02 - Gross	\$ (2,036,738)	\$ (91,038)	\$ (33,251)	\$ (2,161,026)
51	Deferred Rate	24.95%	24.95%	24.95%	
52	<b>FXA02 - Tax Effectd</b>	<b>\$ (508,166)</b>	<b>\$ (22,714)</b>	<b>\$ (8,296)</b>	<b>\$ (539,176)</b>
53	<b>FXA02 - Tax Effectd Prorated</b>				<b>\$ (380,291)</b>
54					
55	<b>Calculation of Book Depreciation</b>				
56	Book Basis - 2020	\$ 15,115,562	\$ 9,543,753	\$ -	\$ 24,659,315
57	Book Depreciation Rates - Year 1	0.72%	1.13%	2.27%	
58	Book Depreciation Rates - Year 2	1.43%	2.25%	4.54%	
59	Book Depreciation Rates - Year 3	1.54%	2.48%	4.85%	
60	Book Depreciation 2020	<b>\$ 557,008</b>	<b>\$ 558,787</b>	<b>\$ -</b>	<b>\$ 1,115,795</b>
61					
62	Book Basis - 2021	\$ 12,477,469	\$ 7,331,998	\$ 271,954	\$ 20,081,420
63	Book Depreciation Rates - Year 1	0.72%	1.13%	2.27%	
64	Book Depreciation Rates - Year 2	1.54%	2.48%	4.85%	
65	Book Depreciation 2021	<b>\$ 281,367</b>	<b>\$ 264,319</b>	<b>\$ 19,363</b>	<b>\$ 565,049</b>
66					
67	Book Basis - 2022	\$ 16,260,523	\$ 4,973,374	\$ 176,868	\$ 21,410,765
68	Book Depreciation Rates - Year 1	0.77%	1.24%	2.43%	
69	Book Depreciation 2022	<b>\$ 125,206</b>	<b>\$ 61,670</b>	<b>\$ 4,289</b>	<b>\$ 191,165</b>
70					
71	<b>Calculation of Tax Depreciation</b>				
72	Tax Basis - 2020	\$ 6,754,419	\$ 3,156,297	\$ -	\$ 9,910,716
73	Tax Depreciation Rates - Year 1	5.00%	3.75%	3.75%	
74	Tax Depreciation Rates - Year 2	9.50%	7.22%	7.22%	
75	Tax Depreciation Rates - Year 3	8.55%	6.68%	6.68%	
76	Tax Depreciation 2020	<b>\$ 1,556,894</b>	<b>\$ 556,960</b>	<b>\$ -</b>	<b>\$ 2,113,854</b>

**ATMOS ENERGY CORPORATION  
 KENTUCKY PIPE REPLACEMENT PROGRAM  
 SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
 AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
 DEFERRED INCOME TAXES**

Line Number	Description	Mains	Services	Meters	Total
77					
78	Tax Basis - 2021	\$ 7,045,167	\$ 3,096,666	\$ 424,045	\$ 10,565,878
79	Tax Depreciation Rates - Year 1	5.00%	3.75%	3.75%	
80	Tax Depreciation Rates - Year 2	9.50%	7.22%	7.22%	
81	Tax Depreciation 2021	<b>\$ 1,021,549</b>	<b>\$ 339,673</b>	<b>\$ 46,513</b>	<b>\$ 1,407,736</b>
82					
83	Tax Basis - 2022	\$ 8,437,535	\$ 2,111,453	\$ 277,048	\$ 10,826,036
84	Tax Depreciation Rates - Year 1	5.00%	3.75%	3.75%	
85	Tax Depreciation 2022	<b>\$ 421,877</b>	<b>\$ 79,179</b>	<b>\$ 10,389</b>	<b>\$ 511,446</b>
86					
87					
88					
89					
90	<b><u>Tax Rates</u></b>				
91	Ad Valorem Tax Rate	0.798%			
92	Income Tax Rate	24.950%			
93	State Tax Rate	5.00%			
94	Federal Tax Rate	21.00%			
95	Uncollectible accounts expense	0.50%			
96	PSC Assessment	0.2000%			
97	Gross Up Factor	1.3418			



**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**RATE OF RETURN**

Line Number	Description	Percent	Cost	Weighted Cost
1	ST Debt	0.05%	80.94%	0.04%
2	LT Debt	45.45%	3.84%	1.75%
3	Equity	<u>54.50%</u>	9.13%	<u>4.98%</u>
4		100.0%		6.76%

**ATMOS ENERGY CORPORATION**  
**KENTUCKY PIPE REPLACEMENT PROGRAM**  
**SURCHARGE CALCULATION OF FORECASTED ACTIVITY**  
**AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022**  
**O&M SAVINGS**

<u>Line Number</u>	<u>Description</u>	<u>Annual Savings</u>	<u>Cumulative Savings</u>
1	Prior Year: 2020	\$ 6,544	\$ 6,544
2			
3	Prior Year: 2021	\$ 12,152	\$ 18,695
4			
5	Current Year: 2022	\$ 17,475	\$ 36,171

ATMOS ENERGY CORPORATION  
 KENTUCKY PIPE REPLACEMENT PROGRAM  
 SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
 AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
 RATE DESIGN

Exhibit I

Case 2021-00214											
Line Number	Class of Customers	Rate	Total	Total Dollars	Customer / Ratio	Volumetric Charge Ratio	Revenue increase by Class	Budgeted Volumes	Budgeted Customer Counts	Customer Charge	Volumetric Charge
1	<b>RESIDENTIAL (Rate G-1)</b>				55.58%		\$ 4,021,159		1,923,791		
2	FIRM BILLS	\$19.30	1,930,462	\$37,257,917						\$ -	
3	Sales: 1-300	1.5483	10,018,608	\$15,511,811		100.00%		10,058,024			0.3998
4	Sales: 301-15000	1.0762	0	\$0		0.00%					
5	Sales: Over 15000	0.8888	0	\$0		0.00%					
6	<b>CLASS TOTAL (Mcf/month)</b>		10,018,608	52,769,728				10,058,024			
7											
8	<b>NON-RESIDENTIAL (Rate G-1)</b>				26.86%		\$ 1,943,108		239,354		
9	FIRM BILLS	66.00	239,727	\$15,821,982						\$ -	
10	Sales: 1-300	1.5483	5,456,430	\$8,448,191		87.30%		5,673,223			0.2990
11	Sales: 301-15000	1.0762	1,142,223	\$1,229,260		12.70%		1,187,605			0.2078
12	Sales: Over 15000	0.8888	0	\$0		0.00%		0			-
13	<b>CLASS TOTAL (Mcf/month)</b>		6,598,653	25,499,433				6,860,828			
14											
15	<b>INTERRUPTIBLE (G-2)</b>				0.31%		\$ 22,587		100		
16	INT BILLS	520.00	97	\$50,440						\$ -	
17	Sales: 1-15000	0.9557	216,799	\$207,195		84.24%		221,172			0.0860
18	Sales: Over 15000	0.7837	49,469	\$38,769		15.76%		50,467			0.0705
19	<b>CLASS TOTAL (Mcf/month)</b>		266,268	296,404				271,638			
20											
21	<b>TRANSPORTATION (T-3)</b>				8.24%		596,214		816		
22	TRANSPORTATION BILLS	520.00	838	\$435,760						\$ -	
23	Interrupt Transport: 1-15000	0.9557	4,937,981	\$4,719,228		63.87%		4,970,009			0.0766
24	Interrupt Transport: Over 15000	0.7837	3,405,818	\$2,669,140		36.13%		3,427,909			0.0628
25	<b>CLASS TOTAL (Mcf/month)</b>		8,343,799	7,824,128				8,397,918			
26											
27	<b>TRANSPORTATION (T-4)</b>				9.01%		651,793		1,428		
28	TRANSPORTATION BILLS	520.00	1,429	\$742,877						\$ -	
29	Firm Transport: 1-300	1.5483	412,985	\$639,425		8.19%		419,761			0.1271
30	Firm Transport: 301-15000	1.0762	5,249,162	\$5,649,148		72.33%		5,335,274			0.0884
31	Firm Transport: Over 15000	0.8888	1,712,468	\$1,522,042		19.49%		1,740,561			0.0730
32	<b>CLASS TOTAL (Mcf/month)</b>		7,374,615	8,553,492				7,495,596			
33											
34	<b>Total Revenue</b>			94,943,184	100.00%		\$ 7,234,861	\$ 33,084,005	2,165,489		

**KY Revenue Requirement      \$      7,234,861**

**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORECASTED ACTIVITY  
AS OF OCTOBER 2021 THROUGH SEPTEMBER 2022  
CUSTOMERS & VOLUMES**

Line Number	Tariff	Description		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total	
<b>Customers</b>																	
1	G-1	Residential	<b>Fiscal 2022 Bud</b>	159,014	159,559	160,870	161,333	161,046	162,261	162,249	162,977	160,357	159,254	158,268	156,604	1,923,791	
2	G-1	Commercial Firm	<b>Fiscal 2022 Bud</b>	17,905	18,134	18,407	18,579	18,557	18,759	18,398	18,232	18,009	17,872	17,731	17,715	218,297	
3	G-1	Public Authority	<b>Fiscal 2022 Bud</b>	1,516	1,509	1,521	1,525	1,525	1,553	1,504	1,522	1,535	1,505	1,512	1,511	18,237	
4	G-1	Industrial Firm	<b>Fiscal 2022 Bud</b>	235	235	235	235	235	235	235	235	235	235	235	235	2,820	
5																-	
6	G-2	Commercial Interruptible	<b>Fiscal 2022 Bud</b>	3	3	3	2	4	2	2	2	2	2	2	2	28	
7	G-2	Industrial Interruptible	<b>Fiscal 2022 Bud</b>	6	6	6	6	6	6	6	6	6	6	6	6	72	
8	G-2	Public Authority Interruptible	<b>Fiscal 2022 Bud</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	
9																-	
10	T-3	Transportation Interruptible	<b>Fiscal 2022 Bud</b>	68	68	68	68	68	68	68	68	68	68	68	68	816	
11	T-4	Transportation Firm	<b>Fiscal 2022 Bud</b>	119	119	119	119	119	119	119	119	119	119	119	119	1,428	
12				178,866	179,632	181,228	181,867	181,559	183,004	182,581	183,161	180,330	179,061	177,941	176,260	2,165,489	
13																	
14	<b>Volumes</b>																
15																	
16	G-1	Residential	<b>Fiscal 2022 Bud</b>	213,920	675,027	1,470,264	2,158,083	1,995,353	1,627,694	925,325	352,479	162,979	161,858	160,856	154,185	10,058,024	
17	G-1	Commercial Firm	<b>Fiscal 2022 Bud</b>	185,837	356,212	666,968	1,005,218	963,028	764,072	462,971	211,042	154,723	146,708	145,552	200,230	5,262,560	
18	G-1	Public Authority	<b>Fiscal 2022 Bud</b>	27,974	68,386	125,104	166,721	180,140	141,166	85,752	50,254	26,850	20,867	20,963	28,067	942,245	
19	G-1	Industrial Firm	<b>Fiscal 2022 Bud</b>	27,052	43,283	90,626	122,908	107,197	91,772	55,598	31,075	18,021	16,106	21,055	31,330	656,023	
20																	
21	G-2	Commercial Interruptible	<b>Fiscal 2022 Bud</b>	171	927	1,597	1,306	2,844	1,401	866	375	172	26	26	33	9,744	
22	G-2	Industrial Interruptible	<b>Fiscal 2022 Bud</b>	20,589	22,877	18,294	24,550	27,014	27,918	23,120	20,510	13,144	19,797	22,658	21,423	261,894	
23	G-2	Public Authority Interruptible	<b>Fiscal 2022 Bud</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	
24																-	
25	T-3	Transportation Interruptible	<b>Fiscal 2022 Bud</b>	664,171	747,355	735,991	762,722	818,492	760,412	730,878	678,356	635,410	624,303	584,152	655,676	8,397,918	
26	T-4	Transportation Firm	<b>Fiscal 2022 Bud</b>	542,268	599,357	673,140	799,365	840,890	784,557	682,261	579,814	516,386	481,241	491,031	505,285	7,495,596	
27				1,681,982	2,513,424	3,781,984	5,040,874	4,934,958	4,198,992	2,966,771	1,923,904	1,527,686	1,470,906	1,446,293	1,596,230	33,084,005	

**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORCASTED 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					

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

**2020 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
	Material Overhead			35,530	20,570						
				138,207	5,819			6,745			
PRP.2734.E 9th Russellville.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			570	330						
	Overhead			2,217	93				108		
PRP.2734.Jackson Pearl.FY20	Replace 430 ft of 6" Epoxy, 648 ft of 2" Bare Steel, 773 ft of 4" Epoxy, 2,885 ft of 6" Mill Wrap Bare Joint, 2,234 ft of 2" Epoxy, 767 ft of 1.25" Epoxy, 1,592 ft of 4" Bare Steel, 2,500 ft of 6" Bare Steel, with 6,629 ft of 2" and 6,400 ft of 6" IP HDPE. 62 Services	62	1,185,839				\$62,413				
	Contractor			150,195					7,905		
	Material			11,780	6,820						
	Overhead			45,823	1,929				2,236		
PRP.2734.KY 383 Franklin.FY20	Replace 2,891 ft of 6" Bare Steel with 3,011 ft of 6" HDPE. 29 Services	29	280,785				\$14,778				
	Contractor			70,253					3,698		
	Material			5,510	3,190						
	Overhead			21,433	902				1,046		
PRP.2735.Lexington Ave.FY20	Replace 524 ft of 6" Epoxy, 1,970 ft of 2" Epoxy, 895 ft of 2" PE, 3,001 ft of 2" Bare Steel, 8 ft of FBE, 2,983 ft of 6" Bare Steel, 2,109 ft of 3" Bare Steel IP. Install 8,510 ft of 2", 1,305 ft of 4" and 3,124 ft of 6" HDPE. 134 Services.	134	1,314,143				\$69,165				
	Contractor			324,615					17,085		
	Material			25,460	14,740						
	Overhead			99,036	4,170				4,833		
PRP.2735.Woodsonville.FY20	Replace 250 ft of 2" Epoxy, 298 ft of 1.25" Epoxy, 186 ft of 1.25" Hot Tar, 144 ft of 2" Mill Wrap, 42 ft of 2" Hot Tar, 1,220 ft of 1.5" Bare Steel, 125 ft of 1.5" Epoxy, 127 ft of 1" Hot Tar. Install 1,504 ft of 2" and 944 ft of 4" IP HDPE. 8 Services.	8	277,230				\$14,591				
	Contractor			19,380					1,020		
	Material			1,520	880						
	Overhead			5,913	249				289		
PRP.2737.Hwy150	Replace 4,750 ft 4" Bare Stl,IP with 6" PE IP & 1,525 ft 2" Bare IP Stl. with 2" PE IP. 40 Services	40	703,707				\$37,037				
	Contractor			96,900					5,100		
	Material			7,600	4,400						
	Overhead			29,563	1,245				1,443		

**ATMOS ENERGY CORPORATION  
KENTUCKY PIPE REPLACEMENT PROGRAM  
SURCHARGE CALCULATION OF FORCASTED 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.2737.KY 52-Danville St.FY20	Replace 2,813 ft of 6" Mill Wrap - Bare Joint, 464 ft of 4" Mill Wrap - Bare Joint, and 2,128 ft of 2" Mill Wrap - Bare Joint, with 2,231 ft of 2" and 2,796 ft of 6" IP HDPE., 56 Services	56	978,263			\$51,488					
	Contractor										
	Material										
	Overhead										
PRP.2738.McCord St.FY20	Replace 39 ft of 1.25" Steel unknown coating, 372 ft of 2" Hot Tar, 1,537 ft of 2" Epoxy, 279 ft of 6" Painted, 226 ft of 4" Hot Tar, 3,901 ft of 4" Painted, 15 ft of 6" Epoxy, 30 ft of 1.25" Epoxy, 360 ft of 2" Mill Wrap, 973 ft of 4" Epoxy, 103 ft of 2" PE, 63 ft of 1.25" Hot Tar, 97 ft of .75" Hot Tar, 4,128 ft of 2" Painted IP, with 6,042 ft of 2", 2,612 ft of 4" and 1,401 ft of 6" HDPE. 180 Services	180	1,479,597			\$77,874					
	Contractor										
	Material										
	Overhead										
PRP.2738.W High St Lebanon.FY20	Replace 56 ft of 3" Painted Steel, 1,325 ft of 4" Bare Steel, 10 ft of 4" Mill Wrap, 3,685 ft of 2" Epoxy, 1,022 ft of 2" Bare Steel, 638 ft of 2" Hot Tar, 205 ft of 1.25" Painted Steel, 314 ft of 1.25" Epoxy, 2,829 ft of 4" Painted Steel, 6 ft of 2" HDPE, 1,179 ft of 2" Mill Wrap, 47 ft of 4" Epoxy, 9 ft of 1" PE, 112 ft of 2" PE, 100 ft of .75" Hot Tar, 6,054 ft of 2" Painted Steel IP, with 10,285 ft of 2" and 4,381 ft of 4" HDPE. 235 Services	235	1,406,462			\$74,024					
	Contractor										
	Material										
	Overhead										
PRP.2738.W Walnut Lebon.FY20	Replace 153 ft of 1.25" Bare Steel, 3,999 ft of 4" Bare Steel, 660 ft of 4" Mill Wrap, 999 ft of 2" Epoxy, 3,744 ft of 2" Bare Steel, 30 ft of 1.25" Painted Steel, 732 ft of 4" Painted Steel, 85 ft of .75" PE, 6 ft of 2" HDPE, 572 ft of 2" Mill Wrap, 28 ft of 4" Epoxy, 9 ft of 1" PE, 120 ft of 2" PE, 754 ft of 6" Bare Steel, 794 ft of 2" Painted Steel IP with 11,592 ft of 2" and 2,489 ft of 4" IP HDPE. 190 Services	190	1,741,471			\$91,656					
	Contractor										
	Material										
	Overhead										
PRP.2734.Misc company crew	PRP work done throughout the FY with company crews.	-	299,626			\$15,770					
	Contractor										
	Material										
	Overhead										
<b>Total specific budgeted projects &amp; bare steel functional</b>			<b>17,785,635</b>	<b>7,386,874</b>	<b>311,026</b>	<b>936,086</b>	<b>360,508</b>				
Non specific bare steel functional				1,119,621	47,142		54,642				
<b>Total budgeted 2020 projects</b>			<b>17,785,635</b>	<b>8,506,495</b>	<b>358,168</b>	<b>936,086</b>	<b>415,150</b>	<b>\$3,487,667</b>	<b>2,198,833</b>	<b>146,324</b>	
Actual 2020 Project Costs			15,898,814	9,870,719		836,780	519,512	783,252	326,966		

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

**2021 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
PRP.2635.Maple Ave	Replace 1,268 ft. of 2" Epoxy, 527 ft. of 1.25 Bare Stl., 63 ft. of 3" Epoxy, 218 ft. of 2" N/A Plastic, 108 ft. of 1" Bare Stl., 2,491 ft. of 2" Bare Stl., 1,684 ft. of 3" Bare Stl., 130 ft. of 1.25 PE. Install 6,610 ft. of 2" PE. 123 Services	123	554,733				\$29,196				
	Contractor				377,426			19,865			
	Material				46,740	18,573					
	Overhead				126,613	5,544		5,930			
PRP.2635.Princeton North	Replace 28 ft. of 2" Mill Wrap, 286 ft. of 1.25 Epoxy, 828 ft. of 2 ft, 461 ft. of 1.25 Bare Stl., 6,718 ft. of 2" Bare Stl., 912 ft. of 4" Epoxy, 736 ft. of 2" Epoxy, 435 ft. of 4" Bare Stl., 71 ft. of 1" Bare Stl., 687 ft. of 1.25 N/A Plastic, 2,289 ft. of 3" Bare Stl., and 110 ft. of Epoxy. Install 7,061 ft. of 2" and 4,115 ft. of 4" HDPE. 162 Services	162	872,575				\$45,925				
	Contractor				497,097			26,163			
	Material				61,560	24,462					
	Overhead				166,759	7,302		7,810			
PRP.2635.W Main St	Replace 131 ft. of 1" Bare Stl., 234 ft. of 1.25 Bare Stl., 100 ft. of 1.25 N/A PE., 1,424 ft. of 2" Epoxy, 3,913 ft. of 2" Bare Stl., 117 ft. of MDPE 2", 793 ft. of 4" Bare Stl., 317 ft. of 4" Epoxy. Install 7,454 ft. of 2" and 1,222 ft. of 4" HDPE. 145 Services	145	812,302				\$42,753				
	Contractor				444,933			23,418			
	Material				55,100	21,895					
	Overhead				149,260	6,536		6,990			
PRP.2636.14th St	Replace 243 ft. of 3" Hot Tar, 763 ft. of 6" Hot Tar, 783 ft. of 8" Mill Wrap, 894 ft. of 8" Hot Tar, 1,599 ft. of 2" Hot Tar, 106 ft. of 1.25" Unknown Coating, 102 ft. of 1.25" Epoxy, 387 ft. of 2" Mill Wrap, 75 ft. of 2" Bare Steel, 233 ft. of 4" Bare Steel, 79 ft. of 3" Bare Steel, 249 ft. of 1.25" Hot Tar, 241 ft. of 4" Mill Wrap, 138 ft. of 2" PE, 677 ft. of 2" Epoxy, 7 ft. of 6" PE, 315 ft. of 6" Epoxy, 352 ft. of 2" Fusion Bonded Epoxy IP. Install 4,266 ft. of 2", 228 ft. of 4" and 2,750 ft. of 8" IP HDPE. 50 Services	50	869,599				\$45,768				
	Contractor				153,425			8,075			
	Material				19,000	7,550					
	Overhead				51,469	2,254		2,410			
PRP.2636.25th-Clay	Replace 444 ft. of 8" Mill Wrap Bare Joint, 290 ft. of 6" Epoxy, 539 ft. of 6" Bare Steel IP. Install 444 ft. of 4" PE and 820 ft. of 6" IP PE. 18 Services	18	167,451				\$8,813				
	Contractor				55,233			2,907			
	Material				6,840	2,718					
	Overhead				18,529	811		868			
PRP.2636.McCulloch	Replace 751 ft. of 2" Hot Tar IP. Install 751 ft. of 2" IP HDPE. 18 Services	18	67,585				\$3,557				
	Contractor				55,233			2,907			
	Material				6,840	2,718					
	Overhead				18,529	811		868			
PRP.2636.Sycamore St	Replace 394 ft. of 1.25" Epoxy, 69 ft. of 2" Unknown Coating, 2,233 ft. of 8" Hot tar, 571 ft. of 2" Mill Wrap, 102 ft. of 8" Mill Wrap bare Joint IP. Install 700 ft. of 2" and 3,025 ft. of 8" IP HDPE. 48 Services	48	490,567				\$25,819				
	Contractor				147,288			7,752			
	Material				18,240	7,248					
	Overhead				49,410	2,164		2,314			



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

**2021 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements			
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters	
PRP.2637.Bridge St Ph. 2	Replace 299 ft. of 6" Bare Steel, 1,382 ft. of 6" Mill Wrap Bare Joint, 1 ft. of 2" Epoxy, 76 ft. of 6" Mill Wrap, 605 ft. of Fusion Bonded Epoxy, 60 ft. of 2" Bare and 6,378 ft. of 2" Mill Wrap Bare Joint. Install 6,536 ft. of 2" and 2,265 ft. of 6" HDPE. 140 Services	140	788,703				\$41,511					
	Contractor				429,590			22,610				
	Material				53,200	21,140						
	Overhead				144,113	6,310			6,749			
PRP.2637.Broad St	Replace 2 ft. of 2" Epoxy, 3,767 ft. of 6" Mill Wrap Bare Joint, 1,786 ft. of 2" Mill Wrap Bare Joint, 166 ft. of 2" PE, 5 ft. of Fusion Bond Epoxy, 308 ft. of 3" Mill Wrap Bare Joint, 825 ft. of 2" Mill Wrap IP. Install 3,223 ft. of 2" and 3,807 ft. of 6" IP HDPE. 60 Services	60	698,197				\$36,747					
	Contractor				184,110			9,690				
	Material				22,800	9,060						
	Overhead				61,763	2,704			2,892			
PRP.2637.Hill St	Replace 60 ft. of 2" Steel Unknown Coating, 6,753 ft. of 2" Mill Wrap Bare Joint, 150 ft. of 2" Bare Steel, 93 ft. of 2" Fusion Bonded Epoxy, 843 ft. of 2" Epoxy, 805 ft. of 2" PE, 34 ft. of 4" Mill Wrap Bare Joint IP. Install 8,738 ft. of 2" IP HDPE. 188 Services	188	621,401				\$32,705					
	Contractor				576,878			30,362				
	Material				71,440	28,388						
	Overhead				193,523	8,474			9,063			
PRP.2637.S 3rd St	Replace 53 ft. of 2" Epoxy, 6 ft. of 6" Bare, 709 ft. of 2" Mill Wrap Bare Joint, 734 ft. of 2" Fusion Bonded Epoxy, 1 ft. of 4" Epoxy, 4,042 ft. of 6" Mill Wrap Bare Joint, 3 ft. of 6" Epoxy, 666 ft. of 2" Mill Wrap IP. Install 2,174 ft. of 2" and 4,039 ft. of 6" IP HDPE. 33 Services	33	672,051				\$35,371					
	Contractor				101,261			5,330				
	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			

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

**2021 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
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			

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

**2021 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
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 281 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			
<b>Total specific budgeted projects &amp; bare steel functional</b>			<b>16,583,188</b>	<b>9,354,286</b>	<b>409,598</b>	<b>872,799</b>	<b>438,079</b>				
Non specific bare steel functional				329,948	14,447		15,452				
<b>Total budgeted 2021 projects</b>			<b>16,583,188</b>	<b>9,684,233</b>	<b>424,045</b>	<b>872,799</b>	<b>453,532</b>	<b>\$4,105,719</b>	<b>2,352,236</b>	<b>152,091</b>	

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

**2022 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
Adyl.2635.2nd St	Replace 149 ft of 1.25" PE, 1,340 ft of 2" Adyl A, 1,488 ft of 1.25" Adyl A, and 1,145 ft of 2" PE. Install 4,645 ft of 2" HDPE. 64 services Contractor Material Overhead										
Adyl.2635.Hillview Dr	Replace 2,176 ft. of 2" PE, 2,581 ft of 2" Adyl A and 2,453 ft of 1.25" Adyl A. Install 7,209 ft of 2" HDPE. 59 Services Contractor Material Overhead										
Adyl.2635.Sunset Circle	Replace 11 ft of 2" PE, 20 ft of 1.25" PE, 3,155 ft of 2" Adyl A, and 2,585 ft of 1.25" Adyl A. Install 5,777 ft of 2" HDPE. 70 Services Contractor Material Overhead										
Adyl.2635.Westend St	Replace 1,636 ft of 2" PE and 4,060 ft of 2" Adyl A. Install 5,696 ft of 2" HDPE. 47 Services Contractor Material Overhead										
PRP.2634. US 41 Hanson	Replace 1,992 ft of 2" Bare Stl., 1,018 ft of 2" Mill Wrap, 175 ft of 1.25" PE, 15 ft of Epoxy, 25 ft of 2" Stl, unknown coating, 384 ft of Fusion Bond Epoxy. Install 3,000 ft of 2" HDPE; 39 services. Contractor Material Overhead	39	205,667	127,082	5,954	\$10,825	6,689				
PRP.2634.Robards Phase 1	Replace 984 ft of 2" PE, 500 ft of 2" Mill Wrap Bare Joint, 167 ft of 1" Mill Wrap, 891 ft of 2" Mill Wrap, 71 ft of 1.25" Mill Wrap, 2,339 ft of 2" Bare Stl., 857 ft of 2" Epoxy, 236 ft of 2" Unknow coating. Install 5,238 ft of 2" HDPE; 61 services. Contractor Material Overhead	61	334,106	198,769	9,312	\$17,585	10,462				
PRP.2634.Robards Phase 2	Replace 2,618 ft of 2" Bare Stl., 288 ft of 2" Mill Wrap, 14 ft of Fusion Bond Epoxy, 517 ft of 2" Epoxy, 112 ft of Fusion Bond Epoxy. Install 3,548 ft of 2" HDPE; 28 services Contractor Material Overhead	28	245,756	91,238	4,274	\$12,935	4,802				
PRP.2634.Slaughters.FY22	Replace 539 ft of 2" Mill Wrap, 442 ft of 2" Unknown coating, 117 ft of 1" Epoxy, 48 ft of 2" PE, 18 ft of 2" Epoxy, 309 ft of 1.25" PE, 231 ft of 2" Mill Wrap Bare joint, 352 ft of 1" Bare Stl, 4214 ft of 2" Bare Stl. Install 6,270 ft of 2" HDPE; 35 services Contractor Material Overhead	35	363,503	114,048	5,343	\$19,132	6,003				
				32,053	1,345		1,511				

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

**2022 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
PRP.2635.S. Jefferson	Replace 311 ft of 4" Bare Stl., 86 ft of 4" PE, 172 ft of 4" Fusion Bond Epoxy, 107 ft. of 1.25" PE, 83 ft of 2" Stl. Unknown coating, 171 ft of 2" Epoxy, 3,048 ft of 2" Bare Stl., 1,820 ft of 3" Bare Stl., 191 ft of 1.25" Bare Stl., 90 ft of 4" Stl. unknown coating, 324 ft of 4" Mill Wrap, 106 ft of 2" PE. Install 2,849 ft of 2" and 1,215 ft of 4" HDPE; 60 services	60	932,368			\$49,072					
	Contractor			195,510			10,290				
	Material			22,800	9,160						
	Overhead			54,949	2,305			2,590			
PRP.2636.Bluff Avenue	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. Install 2,467 ft. of 2" HDPE and 3,357 ft. of 4" IP HDPE. 142 Services	142	518,615			\$27,296					
	Contractor			462,707			24,353				
	Material			53,960	21,678						
	Overhead			130,045	5,456			6,130			
PRP.2636.E 4th St.FY22	Replace 523 ft of 2" Mill Wrap, 1,991 ft of 6" Stl., unknown coating, 46 ft of 6" Mill Wrap, 1,899 ft of 6" Mill Wrap Bare joint. Install 523 ft of 2" and 3,936 ft of 6" HDPE; 29 services.	29	583,168			\$30,693					
	Contractor			94,497			4,974				
	Material			11,020	4,427						
	Overhead			26,559	1,114			1,252			
PRP.2636.Legion - Allen.FY22	Replace 2,998 ft. of 4" Bare Stl. Install 2,998 ft. of 4" HDPE; 38 services	38	299,001			\$15,737					
	Contractor			123,823			6,517				
	Material			14,440	5,801						
	Overhead			34,801	1,460			1,640			
PRP.2636.McClarty Ave.FY22	Retire 967 ft of 4" Mill Wrap Bare Joint, 17 ft of 1.25" Epoxy, 184 ft of 2" Mill Wrap Tie back Main to existing 6" Main with 125 ft of 2" IP HDPE. 2 Services	2	99,695			\$5,247					
	Contractor			6,517			343				
	Material			760	305						
	Overhead			1,832	77			86			
PRP.2636.Oak Avenue	Replace 2,372 ft. of 4" Hot Tar and 945 ft. of 2" Hot Tar IP. Install 2,879 ft. of 2" HDPE. 87 Services	87	297,935			\$15,681					
	Contractor			283,490			14,921				
	Material			33,060	13,281						
	Overhead			79,676	3,343			3,755			
PRP.2637.Hayes Ave	Replace 5,453 feet of 2" Mill Wrap Bare joint, 754 feet of 2" Mill Wrap, 1,094 feet of 1.25" Mill Wrap with 7,300 feet of 2" HDPE; 103 services	103	534,798			\$28,147					
	Contractor			335,626			17,665				
	Material			39,140	15,724						
	Overhead			94,328	3,958			4,446			
PRP.2637.Leiberman St	Replace 3,876 feet of 2" Mill Wrap Bare Joint, 1 foot of 4" Epoxy, 440 feet of 3/4" PE, 3 feet of 4" Mill Wrap, 842 feet of 2" PE, 2,245 feet of 6" Mill Wrap Bare Joint, 1,286 feet of 1.25" PE, 5 feet of 2" PE with 6,477 feet of 2" and 2,221 feet of 6" HDPE; 98 Services	98	695,885			\$36,626					
	Contractor			319,333			16,807				
	Material			37,240	14,961						
	Overhead			89,749	3,766			4,230			

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

**2022 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements		
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters
PRP.2637.Locust St	Replace 2,008 ft of 2" Mill Wrap Bare Joint, 1,911 ft of 2" Mill Wrap, 5 ft of 4" Mill Wrap, 350 ft of Fusion Bond Epoxy, 39 ft of 4" Epoxy, 3,077 ft of 4" Mill Wrap Bare Joint, 224 ft of 2" Stl unknown coating, Install 3,865 ft of 2" and 3,749 ft of 4" HDPE; 42 services	42	547,034				\$28,791				
	Contractor										
	Material				136,857				7,203		
	Overhead				15,960	6,412			1,813		
PRP.2637.Myers St	Replace 41 feet of 2" Bare Stl., 348 feet of 2" PE, 3,313 feet of 2" Mill Wrap Bare Joint, 385 feet of 2" Mill Wrap, 399 feet of 2" Fusion Bond Epoxy. Install 4,487 feet of 2" HDPE; 35 services.	35	283,140				\$14,902				
	Contractor										
	Material				114,048				6,003		
	Overhead				13,300	5,343			1,511		
PRP.2637.Schneidman Rd.FY22	Replace 7,376 ft of 2" Mill Wrap Bare Joint, 913 ft of 2" Mill Wrap, 1,131 ft of 2" Bare Steel, 5 ft of 4" Mill Wrap, 13 ft of 2" Epoxy, 131 ft of 2" PE, 1,010 ft of 4" Mill Wrap Bare Joint IP. Install 7,449 ft of 2" and 1,056 ft of 4" IP HDPE; 119 Services	119	586,875				\$30,888				
	Contractor										
	Material				387,762				20,409		
	Overhead				45,220	18,167			5,137		
PRP.2734.Avery Dr	Replace 1,234 ft. of 4" Bare Steel, 190 ft of 3" Bare Steel 1,285 ft of 2" Bare Steel, 373 ft of 1.25" Epoxy and 307 ft of 2" Epoxy. Install 1,501 ft of 2" and 882 ft of 4" IP HDPE. 38 Services	38	222,575				\$11,714				
	Contractor										
	Material				123,823				6,517		
	Overhead				14,440	5,801			1,640		
PRP.2734.Centerline	Replace 30,800 ft of 8" HPD Bare Steel Main with 30,800 ft of 8" Fusion Bond Epoxy HPD Steel main and 3,382 ft of 2" and 4,150 ft of 4" HDPE, also replace 2 Town Border Stations; 8 services	8	9,645,710				\$507,669				
	Contractor										
	Material				26,068				1,372		
	Overhead				3,040	1,221			345		
PRP.2737.W Walnut	Replace 9 ft of 4" Mill Wrap, 327 ft of 2" Mill Wrap, 2,520 ft of 2" Bare Stl., 2,242 ft of 2" PE, 125 ft of 2" Hot Tar, 390 ft of 4" Mill Wrap Bare joint. Install 700 ft of 2" and 2,923 ft of 4" HDPE; 27 services.	27	630,934				\$33,207				
	Contractor										
	Material				87,980				4,631		
	Overhead				10,260	4,122			1,165		
PRP.2737.Buford St.FY22	Replace 283 ft of 2" Mill Wrap, 485 ft of 4" Epoxy, 198 ft of 2" PE, 215 ft of 1.25" of Bare stl., 676 ft of 2" Painted, 579 ft of 4" Mill Wrap, 106 ft of 2" Stl unknown coating, 1,489 ft of 4" Mill Wrap bare Joint, 265 ft of 1.25 Mill Wrap, 537 ft of 2" Mill Wrap Bare Joint, 4 ft of 2" Epoxy, 192 ft of 2" Bare Stl., 110 ft of 1.25" Epoxy. Install 3,246 ft of 2" and 1,893 ft of 4" HDPE. 54 services.	54	560,608				\$29,506				
	Contractor										
	Material				175,959				9,261		
	Overhead				20,520	8,244			2,331		

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

**2022 PROJECT DETAILS**

Projects	Project Description	No. of services	Installation			Cost of Removal			Retirements			
			Main	Services	Meters	Main	Services	Meters	Main	Services	Meters	
PRP.2737.Lancaster St	Replace 929 ft of 2" Bare Stl., 6 ft of 4" PE, 261 ft of 2" Mill Wrap, 341 ft of 2" Stl unknown coating, 358 ft of 2" Fusion Bond Epoxy, 365 ft of 2" Epoxy, 1,256 ft of 2" Mill Wrap Bare Joint, 1,117 ft of 4" Mill Wrap Bare Joint. Install 3,580 ft of 2" and 953 ft of 4" HDPE; 37 services.	37	608,308				\$32,016					
	Contractor			120,565			6,346					
	Material			14,060	5,648							
	Overhead			33,885	1,422		1,597					
PRP.2737.Pleasantwood Dr.FY22	Replace 100 ft of 2" Hot Tar, 309 ft of 2" Mill Wrap, 2,112 ft of 4" Bare Stl., 1,148 ft of 3" Bare Stl., 216 ft of 4" Hot Tar, 257 ft of 2" PE, 2,193 ft of 2" Bare Stl. Install 5,534 ft of 2" and 1,471 ft of 4" HDPE; 80 services.	80	514,984				\$27,104					
	Contractor			260,680			13,720					
	Material			30,400	12,213							
	Overhead			73,265	3,074		3,453					
PRP.2737.Totten Ave.FY22	Replace 1,037 ft of 4" Mill Wrap, 6,283 ft of 2" Painted, 659 ft of 2" Mill Wrap, 231 ft of 2" Stl unknown coating. Install 5,950 ft of 2" and 1,045 ft of 4" HDPE; 120 services.	120	656,477				\$34,551					
	Contractor			391,020			20,580					
	Material			45,600	18,319							
	Overhead			109,897	4,611		5,180					
PRP.2738.S Harrison St.FY22	Replace 321 ft of 2" Stl unknown coating, 25 ft of 2" Hot Tar, 1,510 ft of 2" Mill Wrap, 947 ft of 2" Mill Wrap Bare Joint, 11 ft of 4" Mill Wrap, 40 ft of 4" PE, 84 ft of 1.25" Stl unkown coating, 520 ft of 6" Epoxy, 230 ft of 1.25" Mill Wrap, 44 ft of 4" Painted Stl., 406 ft of 2" Bare Stl., 85 ft of 4" Bare Stl., 397 ft of 2" Painted Stl., 58 ft of 2" Epoxy, 683 ft of 6" Painted Stl. Install 4,291 ft of 2" and 1,170 ft of 4" HDPE main; 83 services.	83	493,456				\$25,971					
	Contractor			270,456			14,235					
	Material			31,540	12,671							
	Overhead			76,012	3,189		3,583					
<b>Total specific budgeted projects &amp; bare steel functional</b>			<b>19,860,597</b>	<b>6,216,634</b>	<b>260,830</b>	<b>1,045,295</b>	<b>293,020</b>					
Non specific bare steel functional				386,534	16,218		18,219					
<b>Total budgeted 2022 projects</b>			<b>19,860,597</b>	<b>6,603,168</b>	<b>277,048</b>	<b>1,045,295</b>	<b>311,239</b>	<b>3,600,073</b>	<b>1,629,794</b>	<b>100,180</b>		

**Docket No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**Staff Rehearing DR Set No. 1**  
**Question No. 1-03**  
**Page 1 of 1**

**REQUEST:**

Explain whether any approved true-up should be limited to PRP revenue from October 1, 2021, through December 31, 2021.

**RESPONSE:**

Please see the response to Staff 1-01 wherein the Company outlines the statutory support for trueing up the PRP through May 19, 2022.

The Company is still evaluating the applicability of the change in tariff from fixed per customer rate to a volumetric rate and the impact that will have on the true up to be filed with the FY 2024 PRP filing. The true up is filed after the effective date of the PRP tariff implemented as part of Case No. 2021-00214; however, the period being trueed up is prior to the effective date.

Respondent: Brannon Taylor



**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**AG Rehearing DR Set No. 1**  
**Question No. 1-01**  
**Page 1 of 1**

**REQUEST:**

Describe the Company's request for deferral and recovery of the PRP revenue deficiency and the PRP revenue requirement used to calculate the deficiency, including the basis for each component of the deferral. In your response, specifically address the overlap, if any, between the costs included and the revenue requirement requested in the PRP docket and the costs included and the revenue requirement requested in this proceeding. In addition, with respect to the overlap, specifically address why the Company believes that it should defer and recover the PRP revenue deficiency from January 1, 2022 through May 19, 2022 that presumably was included and addressed in this base rate proceeding for that same time period.

**RESPONSE:**

The FY 2022 PRP investment included in Case No. 2021-00304 (PRP) was included in Case No. 2021-00214 (the rate case), however the Commission suspended the implementation of the PRP from October 1, 2021 - April 1, 2022 thus the Company had no opportunity to collect the PRP revenue in accordance with its approved PRP tariff. Please see the Company's response to Staff's Data Requests on Rehearing 1-01, 1-02, and 1-03 for information regarding why the FY 2024 PRP should include a true-up for the period of October 1, 2021 - May 19, 2022..

Respondent: Brannon Taylor

**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**AG Rehearing DR Set No. 1**  
**Question No. 1-02**  
**Page 1 of 1**

**REQUEST:**

Provide the Company's calculation of the requested PRP revenue requirement and the requested deferral, consistent with the description provided in response to the immediately preceding question, by month in live Excel format and with all formulas intact. Separately quantify the Aldyl A components and the calculation of the related revenue requirement and deferral.

**RESPONSE:**

The requested calculation cannot be performed until the FY 2022 PRP spending is completed. Please see the Company's response to Staff's Data Requests on Rehearing 1-02 and 1-03. As noted in response to Staff inquiries, the FY 2022 proposed PRP Aldyl A projects will not be included in the FY 2024 PRP True-up schedules.

Respondent: Brannon Taylor

**Case No. 2021-00214**  
**Atmos Energy Corporation, Kentucky Division**  
**AG Rehearing DR Set No. 1**  
**Question No. 1-03**  
**Page 1 of 1**

**REQUEST:**

Provide the Company's calculation of the PRP revenue requirement rolled-in and included in the Company's requested base rate increase in this proceeding and its calculation of the PRP revenue requirement allowed by the Commission in this proceeding in live Excel format and with all formulas intact. Separately provide the Company's calculation of the Aldyl A components rolled-in and included in the Company's requested base rate increase in this proceeding and its calculation of the Aldyl-A revenue requirement allowed by the Commission in this proceeding in live Excel format and with all formulas intact.

**RESPONSE:**

Please see the Company's response to AG Rehearing DR 1-02 and Staff's Data Requests on Rehearing 1-02 and 1-03.

Respondent: Brannon Taylor