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March 16, 2023

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

Re: Atmos Energy Corporation
Case No. 2022-00292

Dear Ms. Bridwell:

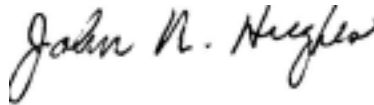
Atmos Energy Corporation, pursuant to the order of February 22, 2023, submits the unredacted Exhibit C for filing into the record. I certify that the electronic documents are true and correct copies of the original documents.

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

Submitted By:

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And



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Metalco

3/16/2023

Analysis of Contribution to Fixed Cost
Applying EDR

Annual Mcf {1}	441,000	(in excess of 9,000 Mcfy Base - Eligible for EDR)
	<u>9,000</u>	Base volume - not eligible for EDR
	450,000	Total

Annual Revenue {1}:

Monthly Base Charges, @ Tariff	12 mo. X \$520/mo. =	\$6,240
Transportation Adm. Fee, @ Tariff	12 mo. X \$50/mo. =	600
Commodity Gas Cost, @ Tariff		- *
Non-Commodity Charges, @ Tariff		- *
Simple Margin, special contract rates applied to annual deliveries:		
Base - 1st 300 Mcf/mo	3,600 @ \$1.5483 per Mcf	5,574
Base - >300 Mcf/mo	5,400 @ \$1.0762 per Mcf	5,811
EDR - < 15,000 Mcf/mo	171,000 @ \$0.8072 per Mcf	138,023
EDR - > 15,000 Mcf/mo	270,000 @ \$0.6666 per Mcf	179,982
	TOTAL	\$336,230

* - Excluding non-commodity charges and gas costs as noted.

Less Variable/Avoidable Costs:

Lost & Unaccounted For {2}	-
Odorant {3}	277
KPSC Assessment {3}	672
Measurement/Regulation Station {3}	7,736
Meter Reading, Maintenance and Billing	<u>-</u>
	<u>\$8,686</u>
Contribution to Fixed Cost	<u>\$ 327,544</u>

Notes:

{1} - Projected 12-month volumes. Annual Revenue applying rate structures and service mix in pending special contract.

{2} - In accordance with tariffs, Company retains a portion of Customers supplies to compensate for the L&U experienced in Atmos' distribution system. Thus, the variable cost of L&U is, in effect, recovered through gas-in-kind retention.

{3} - Calculations shown on Page 2 of this Exhibit.



Metalco

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Analysis of Contribution to Fixed Cost

Odorant:

Odorant injection rate, lb./MMcf	0.50	
Annual MMcf	x 225	
Odorant Cost per lb., current	x <u>2.46</u>	\$ 277

KPSC Assessment:

Annual Revenue \$	336,230	
Percentage	<u>0.2000%</u>	672

Measurement/Regulation Station:

Standard Measurement/Regulation Station Cost-		
Regulators, valves, piping, etc. & Labor	<u>75,000</u>	
Total	75,000	
Annual Depreciation Rate -	x <u>2.24%</u>	
Annual Depreciation Expense	1,680	
Capital Cost {1}	5,115	
Income Tax {2}	<u>941</u>	
	6,056	
TOTAL		7,736

Notes:

{1} - Investment in Measurement/Regulation Station tires 6.82% rate of return on investment.
 {2} - Composite State and Federal income tax rate (24.95%) times equity portion of return on investment (5.03% times investment in Measurement/Regulation Station).