

Owens-Brockway Glass Container Inc.

5/2/2025
Case No. 2024-00276

Analysis of Contribution to Fixed Cost
Applying EDR

Annual Mcf {1} (in excess of 9,000 Mcf Base - Eligible for EDR)
9,000 Base volume - not eligible for EDR
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
EFM Equipment, @ Tariff	12 mo. X \$75/mo. =	900
Commodity Gas Cost, @ Tariff		- *
Non-Commodity Charges, @ Tariff		- *
Simple Margin, special contract rates applied to annual deliveries:		

Base - 1st 300 Mcf/mo	@	\$1.5483	per Mcf
Base - >300 Mcf/mo	@	\$1.0762	per Mcf
EDR - < 15,000 Mcf/mo	@	\$0.8072	per Mcf
EDR - > 15,000 Mcf/mo	@	\$0.6666	per Mcf

TOTAL

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

Less Variable/Avoidable Costs:

Lost & Unaccounted For {2}	-
Odorant {3}	443
KPSC Assessment {3}	554
Measurement/Regulation Station {3}	7,939
Meter Reading, Maintenance and Billing	-
	<u>\$8,936</u>

Contribution to Fixed Cost:

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.

Owens-Brockway Glass Container Inc.

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Analysis of Contribution to Fixed Cost

Odorant:

Odorant injection rate, lb./MMcf	0.50	
Annual MMcf	x	
Odorant Cost per lb., current	x	2.46
		\$ 443

KPSC Assessment:

Annual Revenue	\$	
Percentage	0.2000%	
		554

Measurement/Regulation Station:

Standard Measurement/Regulation Station Cost-		
Regulators, valves, piping, etc. & Labor	76,962	
Total	76,962	
Annual Depreciation Rate -	x	2.24%
Annual Depreciation Expense	1,724	
Capital Cost {1}	5,249	
Income Tax {2}	966	
	6,215	
TOTAL		7,939

Notes:

{1} - Investment in Measurement/Regulation Station times 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).