

December 12, 2024

Ms. Linda Bridwell, P.E.
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: *Electronic Application of Atmos Energy Corporation for An Order Authorizing the Issuance of up to 2,000,000 Shares of Common Stock Through its Long-Term Incentive Plan – Case No. 2024-00392*

Dear Ms. Bridwell:

Please find enclosed Atmos Energy Corporation's Application in the above-styled case.

This is to certify that the electronic filing was made on December 12, 2024 and there are no parties the Commission has excused from electronic filing procedures. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of this filing are being made.

Sincerely,



L. Allyson Honaker

Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE ELECTRONIC)
APPLICATION OF ATMOS ENERGY)
CORPORATION FOR AN ORDER) CASE NO. 2024-00392
AUTHORIZING THE ISSUANCE OF)
UP TO 2,000,000 SHARES OF)
COMMON STOCK THROUGH ITS)
LONG-TERM INCENTIVE PLAN)

APPLICATION

1. Pursuant to KRS 278.300, and all other applicable law, Atmos Energy Corporation (“Applicant” or “Atmos Energy”), files its Application herein for an Order authorizing the issuance of up to 2,000,000 additional shares of Common Stock, no par value, of Atmos Energy (the “Shares”) through and pursuant to the Applicant’s 1998 Long-Term Incentive Plan.

2. Atmos Energy seeks an Order of the Commission granting it the authority to issue up to 2,000,000 Shares under the LTIP. The purpose of the LTIP is to attract and retain the services of able persons as employees and non-employee directors, to provide such persons with a proprietary interest in Atmos Energy through the granting of securities and to motivate employees and non-employee directors using performance related incentives linked to longer-range performance goals and the interest of Atmos’ shareholders. LTIP grants, whether made singly, in combination or in tandem, will increase the interest of employees and non-employee directors in Atmos Energy’s welfare, furnish an incentive for such persons to continue their services to Atmos Energy and provide a means through which Atmos Energy may continue to attract and retain able persons as employees and non-employee directors. The types of awards that may be granted under the LTIP include incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares,

bonus shares, and other stock unit awards. Employees receiving cash bonuses pursuant to Atmos Energy's Annual Incentive Plan for Management have the option to convert all or a portion of the cash bonus to shares of stock issue pursuant to the LTIP. The Commission has previously approved the issuance of securities pursuant to the LTIP in Case No. 98-509, Case No. 2007-0098, Case No. 2011-0087, and Case No. 2015-00379. A copy of the LTIP was provided to the Commission in Case No. 2024-00276.

3. The Shares issued will be used solely for the LTIP. No proceeds will be generated by the issuance of these securities. All of the foregoing are lawful purposes and are appropriate or consistent with the proper performance by Atmos Energy of its service to the public and will not impair its ability to perform that service and is reasonable, necessary, and appropriate for such purposes.

4. The issuance of the Shares will be registered with the Securities and Exchange Commission ("SEC").

5. Applicant, a Virginia and Texas corporation, is duly qualified under the laws of Kentucky to carry on its business in the Commonwealth of Kentucky. Atmos Energy operates as a public utility in the business of purchasing, transmitting and distributing natural gas to residential, commercial and industrial users in western and south central Kentucky. No transfer of ownership or control, or right to control, Applicant, by sale of assets, transfer of stock or otherwise, will occur as a result of this transaction.

6. Applicant's principal operating office and place of business in Kentucky is 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. The post office address of Applicant is P.O. Box 650205, Dallas, Texas 75265-0205.

7. A certified copy of Applicant's Restated Articles of Incorporation as Amended, together with all amendments thereto, is on file in the records of the

Commission and the same are incorporated herein by reference. Atmos Energy is in good standing with the Kentucky Secretary of State and is authorized to operate in Kentucky. A certificate of good standing is included in this Application at Exhibit A.

8. Correspondence and communications with respect to this Application should be directed to:

Brannon Taylor
Vice President, Rates and Regulatory Affairs
Atmos Energy Corporation
3275 Highland Pointe Drive
Owensboro, Kentucky 42303
Brannon.Taylor@atmosenergy.com

Erikka L. Hise
Attorney
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205
Erikka.Hise@atmosenergy.com

L. Allyson Honaker
Heather S. Temple
Attorney at Law
1795 Alysheba Way, Suite 6202
Lexington, KY 40509
allyson@hloky.com
heather@hloky.com

9. Pursuant to KRS 278.300, Applicant respectfully requests expedited consideration of this Application so that the additional Shares to be issued under the LTIP may be implemented.

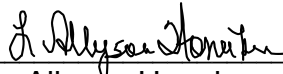
10. To comply with the requirements of 807 KAR 5:001, Sections 12 and 18 of the Commission's Administrative Regulations, there is attached hereto and incorporated herein by reference, Exhibit B, which contains all of the financial information therein required. A copy of Applicant's Board of Directors resolutions authorizing the additional Shares to be issued under the LTIP is attached as Exhibit C.

11. Pursuant to 807 KAR 5:001, Section 12(2)(d), Applicant has no outstanding deeds of trust or mortgages.

WHEREFORE, Atmos Energy respectfully requests that the Commission authorize by appropriate order or certificate the issuance by Applicant of up to 2,000,000 shares of common stock through and pursuant to the LTIP as herein requested and granting to Atmos Energy such other, further, and different relief in the premises as the Commission may deem appropriate.

This 12th day of December, 2024.

Respectfully submitted,

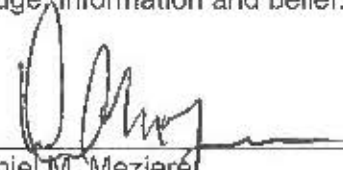


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allyson@hloky.com
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heather@hloky.com

VERIFICATION

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

The undersigned, being under oath, says that he is the Vice President and Treasurer of Atmos Energy Corporation, the Applicant named in the above and foregoing Application, that he has read said Application, knows the contents thereof and that the same is true to the best of his personal knowledge, information and belief.



Daniel M. Meziere
Vice President and Treasurer
Atmos Energy Corporation

Subscribed and sworn to before me this 11th day of December, 2024, by Daniel M. Meziere, as Vice President and Treasurer of Atmos Energy Corporation, on behalf of the said corporation.



Notary Public, State of Texas



EXHIBIT A

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Authorization

Authentication number: 324439

Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

ATMOS ENERGY CORPORATION

, a corporation organized under the laws of the state of Texas, is authorized to transact business in the Commonwealth of Kentucky, and received the authority to transact business in Kentucky on December 14, 1987.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that an application for certificate of withdrawal has not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 11th day of December, 2024, in the 233rd year of the Commonwealth.



Michael G. Adams

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
324439/0237484

EXHIBIT B

KENTUCKY
EXHIBIT B

References preceding each subpart of this Exhibit pertain to subsections of Sections 12 and 18 of 807 KAR 5:001.

Atmos Energy Corporation operates in Kentucky through its Kentucky division. The following includes information for Atmos Energy Corporation (unless otherwise stated) since the Kentucky division does not have a separate capital structure or authorized stock. Section 12(2):

(a) **Amount and kinds of stock authorized**

As of September 30, 2024, Atmos Energy Corporation had 200,000,000 shares of common stock (no par value) authorized.

(b) **Amount and kinds of stock issued and outstanding**

As of September 30, 2024, Atmos Energy Corporation had 155,258,845 shares of common stock issued and outstanding.

(c) **Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.**

Atmos Energy Corporation has no preferred stock.

(d) **Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.**

Not applicable.

(e) **Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.**

Please refer to (d) above.

(f) **Each note outstanding, giving date of issue, amount, date**

of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.

Outstanding Notes of Applicant are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Amount Outstanding at 09/30/2024</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>	<u>In favor of</u>	<u>Interest Accrued for 12 months ended 09/30/2024</u>
Sr. Notes	1/11/13	500,000,000	1/15/43	4.15%	public	20,311,000
Sr. Notes	10/15/14	750,000,000	10/15/44	4.125%	public	29,668,000
Note	12/15/95	10,000,000	12/15/25	6.67%	Cede & Co.	651,000
Debentures	7/15/98	150,000,000	07/15/28	6.75%	U.S. Bank as Trustee	9,980,000
Sr. Notes	10/22/04	200,000,000	10/15/34	5.95%	public	11,573,000
Sr. Notes	6/8/17	500,000,000	6/15/27	3.00%	public	14,738,000
Sr. Notes	6/10/11	400,000,000	6/15/41	5.50%	public	21,533,000
Sr. Notes	10/4/18	600,000,000	10/1/48	4.30%	public	25,135,000
Sr. Notes	3/4/19	450,000,000	3/15/49	4.125%	public	18,047,000
Sr. Notes	10/2/19	500,000,000	9/15/29	2.625%	public	12,466,000
Sr. Notes	10/2/19	500,000,000	9/15/49	3.375%	public	16,246,000
Sr. Notes	10/1/20	600,000,000	1/15/31	1.50%	public	8,763,000
Sr. Notes	10/1/21	600,000,000	2/15/52	2.85%	public	16,458,000
Sr. Notes	10/3/22	500,000,000	10/15/52	5.75%	public	28,180,000
Sr. Notes	10/3/22	300,000,000	10/15/32	5.45%	public	16,181,000
Sr. Notes	10/10/23	500,000,000	10/15/53	6.20%	public	29,631,000
Sr. Notes	10/10/23	725,000,000	10/15/33	5.90%	public	27,176,000
Finance Leases	12/1/18	48,890,000	10/1/41			
		<u>\$7,833,890,000</u>				<u>\$306,737,000</u>

(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

Other indebtedness of Atmos Energy Corporation is as follows:

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 09/30/2024</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 09/30/2024</u>
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Committed Lines of Credit:

One-year revolving credit facility for up to \$50,000,000	Bank of Texas	\$	-	SOFR plus margin	\$ 116,400
Three-year revolving credit facility for up to \$1,500,000,000	Credit Agricole	\$	-	SOFR plus margin	\$ -
One-year credit facility for up to \$50,000,000	Amarillo National Bank	\$	-	Daily negotiated rate	\$ 62,545
5-year credit facility for up to \$1,500,000,000	Credit Agricole	\$	-	SOFR plus margin	\$ 4,454,495
TOTAL COMMITTED LINES		\$	-		\$ 4,633,440

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 09/30/2024</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 09/30/2024</u>
Uncommitted Money Market Lines of Credit:				
\$1,500,000,000 Commercial Paper Program		\$ -	SOFR plus margin	\$ 412,044
TOTAL UNCOMMITTED LINES		\$ -		\$ 412,044
TOTAL LINES OF CREDIT		\$ -		\$ 5,045,484

(h) Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.

The following is Atmos Energy Corporation's history of cash dividends paid for the past five fiscal years.

<u>Fiscal Year Ended Sep 30</u>	<u>Atmos Dividend Rate</u>	<u>Amount of Dividends Paid</u>	<u>Average Shares For Each Fiscal Year</u>
Fiscal 2020	\$2.30	\$282,444,135	122,788,000
Fiscal 2021	\$2.50	\$323,904,869	129,779,000
Fiscal 2022	\$2.72	\$375,914,661	137,830,000
Fiscal 2023	\$2.96	\$430,344,725	145,121,000
Fiscal 2024	\$3.22	\$492,949,195	152,508,000

(i) Detailed income statement and balance sheet.

The following is the separate company income statement and balance sheet for the regulated operations of Atmos Energy

Corporation.

ATMOS ENERGY CORPORATION
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED
September 30, 2024
(Thousands of Dollars)
(Unaudited)

Operating revenues	\$ 4,095,740
Purchased gas cost	<u>910,570</u>
Gross profit	3,185,170
Operating expenses:	
Operation and maintenance	1,204,746
Depreciation and amortization	659,413
Income Taxes	<u>190,867</u>
Total operating expenses	2,055,026
Operating income	1,130,144
Other income	85,006
Interest charges and other expenses	205,225
Equity in earnings of unconsolidated non-regulated subsidiaries	32,970
Net income	<u>\$ 1,042,895</u>

ATMOS ENERGY CORPORATION
BALANCE SHEET
September 30, 2024
(Thousands of Dollars)
(Unaudited)

ASSETS

Property, plant and equipment	\$ 25,773,706
Less accumulated depreciation and amortization	<u>3,607,473</u>
Net property, plant and equipment	22,166,233
Investments in and advances to Subsidiaries	117,854
Current assets	
Cash and cash equivalents	301,584
Accounts receivable, net	359,896
Inventories and other current assets	288,130
Gas stored underground	166,108
Intercompany accounts - assets	<u>18,557</u>
Total current assets	1,134,275
Goodwill	710,280
Deferred charges and other assets	<u>963,892</u>
	<u>\$ 25,092,534</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity	
Common stock	\$ 776
Additional paid-in capital	7,474,559
Retained earnings	4,216,619
Accumulated other comprehensive income	<u>465,715</u>
Shareholders' equity	12,157,669
Long-term debt	<u>7,783,646</u>
Total capitalization	19,941,315
Current liabilities:	
Current maturities of long-term debt	1,651
Short-term debt	-
Intercompany loans	-
Accounts payable and accrued liabilities	669,035
Taxes Payable	(19,618)
Customers' deposits	23,489
Deferred gas costs	9,142
Other current liabilities	500,999
Intercompany accounts - liabilities	<u>-</u>
Total current liabilities	1,184,698
Deferred income taxes	2,584,997
Regulatory excess deferred taxes	177,315
Deferred credits and other liabilities	<u>1,204,209</u>
	<u>\$ 25,092,534</u>

18(b) The Applicant's property is comprised primarily of gas utility plant and related facilities of a local distribution company operating in Tennessee, Virginia, Colorado, Kansas, Kentucky, Texas, Mississippi and Louisiana and transmission plant of a regulated intra-state pipeline in Texas. At September 30, 2024, the cost to the Applicant was \$25,773,706,248.

18(c) Atmos Energy proposes to add 2,000,000 shares to the Long-Term Incentive Plan for future issuance.

18(d) The shares may be issued as part of a comprehensive compensation plan that provides discretionary awards to certain employees and non-employee directors of Atmos Energy Corporation.

18(e) Please refer to 18(d) above.

18(f) Please refer to 18(d) above.

18(2)(a) Please refer to 12(2)(a) through 12(2)(i) above.

18(2)(b) Not applicable.

18(2)(c) Not applicable.

EXHIBIT C

**ATMOS ENERGY CORPORATION
ASSISTANT SECRETARY'S CERTIFICATE**

The undersigned, being the Assistant Corporate Secretary of ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the "Company"), does hereby certify that the following resolutions were duly adopted by the Board of Directors of the Company at a meeting of the Board held on November 5-6, 2024:

RESOLVED, that the Board of Directors of the Company considers it desirable and in the best interests of the Company and its shareholders that the Company be authorized and empowered to issue, from time to time, up to 2,000,000 shares of common stock, no par value, of the Company (the "Shares") for use in the 1998 Long-Term Incentive Plan (the "Plan") in addition to the Shares currently authorized and registered for use in the Plan; and

FURTHER RESOLVED, that the Board of Directors hereby recommends that, for purposes of meeting the requirements of the rules of the New York Stock Exchange, the proposed increase of up to 2,000,000 Shares issuable under the Plan be submitted for approval to the shareholders of the Company at the 2025 annual meeting of shareholders, together with the recommendation of the Board of Directors to vote "For" the proposal; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with all applicable state regulatory commissions, applications for approval of the issuance of the Shares, and other such documents in connection therewith, as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that upon approval of the foregoing proposal by requisite vote of the shareholders of the Company, the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare, or cause to be prepared, and to execute, verify, and file, or cause to be filed, with the Securities and Exchange Commission (the "Commission"), a registration statement (the "Registration Statement") on Form S-8, pursuant to the Securities Act of 1933, as amended, together with any and all exhibits and documents or supplemental information relating thereto, in connection with the proposed issuance and sale by the Company of the Shares pursuant to the Plan, and that the form of such Registration Statement shall be as approved by the officers and directors of the Company executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof, and that any actions heretofore taken in connection therewith be, and they hereby are, ratified, approved, and confirmed in all respects; and

FURTHER RESOLVED, that upon approval of the foregoing proposal by requisite vote of the shareholders of the Company, the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to notify the New York Stock Exchange (the "NYSE") of the foregoing registration and to take or cause to be taken any and all such actions as may be necessary, appropriate, or desirable to comply with the requirements of such organization; and

FURTHER RESOLVED, that upon approval of the foregoing proposal by requisite vote of the shareholders of the Company, the proper officers of the Company be, and each hereby is, authorized and directed to take, or cause to be taken, all actions necessary or advisable to effect the listing and trading of the Shares on the NYSE, including the preparation, execution, and filing of all necessary applications, documents, forms, and agreements with the NYSE and the Commission, the payment by the Company of filing, listing, or application fees, the preparation of certificates for the Shares, and the appearance of any such officer before NYSE officials; and

FURTHER RESOLVED, that the transfer agent and registrar for the Shares continue to be Broadridge Corporate Solutions; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with the Commission such amendments (including, without limitation, post-effective amendments) and supplements to the Registration Statement and such other papers or documents in connection therewith as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that each officer and director of the Company who may execute the Registration Statement or any amendment or supplement thereto, be and hereby is, authorized to execute a power of attorney appointing Kevin Akers or Christopher T. Forsythe, or either of them acting alone or together, as his true and lawful attorney-in-fact for him and in his name and stead and in his capacity as an officer or director to sign such Registration Statement, any and all amendments and supplements thereto, and all instruments, papers, or documents in connection therewith, and to file the same with the Commission, with full power and authority granted to said attorney-in-fact to do and perform in the name and on behalf of each of said officers or directors each and every act whatsoever necessary or appropriate in connection with the registration of the Shares to the same extent that such officer or director might or could do in person; and

FURTHER RESOLVED, that Karen E. Hartsfield, Senior Vice President, General Counsel and Corporate Secretary of the Company, be, and hereby is, designated as the Company's agent to receive any letters of comment to the Registration Statement; and

FURTHER RESOLVED, that the proper officers and directors, or any of them, be, and they hereby are, authorized to do or cause to be done any and all acts and things and to execute and deliver any and all agreements, undertakings, consents, documents, instruments, and certificates as, in their opinion, may be necessary or appropriate or desirable in order to carry out the purposes and intent of the foregoing resolutions and to perform, or cause to be performed, any actions related to the Plan, the Registration Statement, or any other agreement referred to herein and to cause the Shares to become listed and admitted to trading on the NYSE; and

FURTHER RESOLVED, that all actions taken and expenses incurred by any officer or director heretofore in furtherance of any of the actions authorized by the foregoing resolutions hereby are expressly ratified, confirmed, and approved.

I FURTHER CERTIFY that the above resolutions have not been altered, amended, rescinded, or repealed and are now in full force and effect.

IN WITNESS WHEREOF, I have hereunto signed my name this 21st day of November, 2024.


Suzanne Johnson

