

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE IMPACT)	CASE NO.
OF THE TAX CUTS AND JOB ACT ON THE)	2018-00039
RATES OF ATMOS ENERGY CORPORATION)	

ORDER

On March 19, 2018, the Commission entered an Order approving a Settlement Agreement entered into between Atmos Energy Corporation (Atmos) and the Attorney General's Office of Rate Intervention (Attorney General) that provided for reduced gas rates to be charged on an interim basis to partially reflect the impacts of the 2017 Tax Cuts and Jobs Act. That Order also stated that this case should remain open to allow further adjustment of Atmos's rates to reflect:

1. The full impact of excess deferred tax liabilities;
2. A calculation of the tax refunds between January 1, 2018, and the date the interim rates are implemented; and
3. The impact, if any, of the correct methodology for calculating interim rates as determined by the Commission in the pending Atmos general rate case. The Commission then utilized estimates of Atmos's excess accumulated deferred income tax

(ADIT) to adjust its gas rates in the then pending Atmos general rate case, Case No. 2017-00349,¹ as well as in its subsequent rate case, Case No. 2018-00281.²

Based on the findings in the March 19, 2018 Order, the Commission finds that Atmos should file a status report setting forth a detailed explanation of its ability to now determine the correct amount of its excess ADIT and the proper amortization period. Atmos should also include in the status report a detailed discussion of the three items that require further rate adjustment, as listed above from the March 19, 2018 Order, and proposed rates to reflect the impact of the tax rate reduction for the following periods:

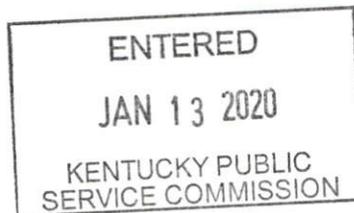
1. January 1, 2018, through March 19, 2018, when the interim rates became effective;
2. March 18, 2018, through May 3, 2018, when new rates became effective in Case No. 2017-00349;
3. May 3, 2018, through May 7, 2019, when new rates became effective in Case No. 2018-00281; and
4. May 7, 2019, through the present.

IT IS THEREFORE ORDERED that Atmos shall file a status report within 20 days of the date of this Order addressing the issues set forth in the findings above and proposed rates to reflect the tax rate reductions for the periods enumerated above.

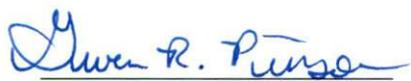
¹ See Case No. 2017-00349, *Electronic Application of Atmos Corporation for an Adjustment of Rates and Tariff Modifications* (Ky. PSC May 3, 2018).

² See Case No. 2018-00281, *Electronic Application of Atmos Corporation for an Adjustment of Rates and Tariff Modifications* (Ky. PSC May 7, 2019).

By the Commission



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