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JUN 21 2017

Public Service  
Commission

June 15, 2017

Mr. Jeff Cline  
Kentucky Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602

RE: Atmos Energy Corporation

Docket No. 2015-00346

Dear Mr. Cline:

Pursuant to the Order of the Kentucky Public Service Commission entered into on December 16, 2015, which requires the Company to prepare a report for the Commission within ten days after the issuance of securities, enclosed is the report of action for Atmos Energy Corporation. The report, in accordance with the above referenced docket, relates to the issuance of securities pursuant to the \$2,500,000,000 universal shelf registration and the Prospectus Supplement which details the terms and conditions of the offering.

If you have any questions or need further assistance, please contact me at 972-855-3725. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Jane A. South".

Jane A. South  
Assistant Treasurer

**COMMONWEALTH OF KENTUCKY**  
**CASE NO: 2015-00346**

**REPORT OF ACTION**  
**Prepared June 15, 2017**

Reference is made to the order entered into on December 16, 2015, which requires the Company to make a report to the Commission concerning the issuance of securities under the \$2,500,000,000 universal shelf registration.

Atmos hereby reports:

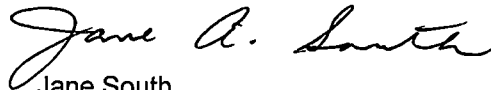
1. On June 5, 2017, Atmos Energy Corporation ("Atmos Energy") entered into an underwriting agreement (the "Underwriting Agreement") with BNP Paribas Securities Corp., Credit Agricole Securities (USA) Inc., J.P. Morgan Securities LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters named in Schedule I thereto, with respect to the offering and sale in an underwritten public offering (the "Offering") by Atmos Energy of \$500 million aggregate principal amount of its 3.000% Senior Notes due 2027 (the "2027 Notes"), with a yield to maturity of 3.032% and an effective yield to maturity of 3.115%, after giving effect to related fees and original issuance discount; and \$250 million aggregate principal amount of its 4.125% Senior Notes due 2044 (the "new 2044 Notes"), with a re-offer yield of 3.889% and an effective yield to maturity of 4.394%, after giving effect to related fees and the settlement of interest rate swaps (together with the 2027 Notes, the "Notes"). The new 2044 Notes constitute an additional issuance by Atmos Energy of the \$500 million aggregate principal amount of the 4.125% Senior Notes due 2044 previously issued by Atmos Energy on October 15, 2014. The Offering has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a registration statement on Form S-3 (Registration No. 333-210424) of Atmos Energy (the "Registration Statement") and the prospectus supplement dated June 5, 2017, which was filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the Securities Act on June 7, 2017.
2. Please reference the attachment labeled Deal Overview which provides a transaction timeline for June 5, 2017. The Company's bank syndicate discussed guidance strategy weeks/days prior to the deal and throughout the day the transaction pricing was tightened to ensure the debt issuance was completed at the lowest rate possible.
3. On June 8, 2017, Atmos Energy Corporation ("Atmos Energy") completed a public offering of \$750,000,000 aggregate principal amount of its senior notes, consisting of \$500,000,000 aggregate principal amount of 3.000% Senior Notes due 2027 (the "2027 notes") and \$250,000,000 aggregate principal amount of 4.125% Senior Notes due 2044 (the "new 2044 notes," and, together with the 2027 notes, the "notes"). The offering has been registered under the Securities Act of 1933, as amended, pursuant to a registration statement on Form S-3 (Registration No. 333-210424) of Atmos Energy and the Prospectus Supplement dated June 5, 2017, which was filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the Securities Act on June 7, 2017. Atmos Energy received net proceeds from the offering, after the underwriting discount and estimated offering expenses payable by us and excluding amounts paid by the purchasers with respect to interest deemed to have accrued on the new 2044 notes from April 15, 2017 to the closing date of the offering, of approximately \$752 million.
4. A list of estimated and actual fees and expenses related to the debt offering is shown on the attachment labeled Exhibit A. We will submit a final list of fees and expenses once all invoices have been received.

5. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the aggregate principal amount of notes listed next to its name in the following table:

<b>Underwriter</b>	<b>Principal Amount of 2027 Notes</b>	<b>Principal Amount of New 2044 Notes</b>
BNP Paribas Securities Corp.	\$68,750,000.00	\$34,375,000.00
Credit Agricole Securities (USA) Inc.	\$68,750,000.00	\$34,375,000.00
J.P. Morgan Securities LLC	\$68,750,000.00	\$34,375,000.00
Wells Fargo Securities, LLC	\$68,750,000.00	\$34,375,000.00
Mizuho Securities USA LLC	\$45,000,000.00	\$22,500,000.00
MUFG Securities Americas Inc.	\$45,000,000.00	\$22,500,000.00
U.S. Bancorp Investments, Inc.	\$45,000,000.00	\$22,500,000.00
BB&T Capital Markets, a division of BB&T Securities, LLC	\$22,500,000.00	\$11,250,000.00
CIBC World Markets Corp.	\$22,500,000.00	\$11,250,000.00
Regions Securities LLC	\$22,500,000.00	\$11,250,000.00
TD Securities (USA) LLC	\$22,500,000.00	\$11,250,000.00
<b>Total</b>	<b>\$500,000,000.00</b>	<b>\$250,000,000.00</b>

6. The Prospectus Supplement is also provided.

Atmos Energy Corporation



Jane South  
Assistant Treasurer

## Transaction Announcement

✓ **06/05/17 08:30:13**  
**From** • Luke Barbour (WELLS FARGO SECURITI)  
**Subject** \*\*\* NEW ISSUE: ATMOS ENERGY CORP ( ATO ) \*\*\*  
**Attached** 97) Bloomberg Function (NIB)  
**DESK:** (704) 410-4812 / CELL: (864) 430-6779

**Issuer/Ticker** Atmos Energy Corp (ATO)  
**Issuer Ratings** Moody's: A2/Stable  
 S&P: A/Stable

**Format** SEC Registered  
**Ranking** Sr Unsecured Note  
**Total Size** 750MM (WNG)  
**Tenor** 10 Year  
**Tap (Increase)** No

<b>Maturity Date</b>	Jun 15, 2027	30 Year	Yes
<b>Coupon Type</b>	Fixed	ATO 4 <sup>3</sup> / <sub>8</sub> 10/15/44 Corp	
<b>Optional Redemption</b>	- Make Whole Call - Par Call: 3 month(s) prior to maturity	- Make Whole Call: T+Spread 15 until Apr 15, 2044 - Par Call: 6 month(s) prior to maturity	
<b>Billing &amp; Delivering</b>	WFS	WFS	

**Use of Proceeds** to repay our \$250,000,000 6.35% senior unsecured notes at maturity on June 15, 2017 and for general corporate purposes, including the repayment of working capital borrowings pursuant to our commercial paper program. T+3 (Jun 08, 2017)

**Settlement** T+3 (Jun 08, 2017)  
**Denominations** 2,000 x 1,000  
**Bookrunner** Active: WFS, BNPP, CACIB, JPM  
**Marketing** E-Red; www.roadshowaccess.com Passcode: AT02017  
**Sale into Canada** Yes - Exemption  
**Timing** ASAP

## Relative Value

### ATO RelVal:

ATO	4.125%	10/44	+110	\$103	A2/A	*Atmos Energy
ATO	4.150%	1/43	+110	\$103	A2/A	*Atmos Energy
PCG	3.30%	3/27	+85	G86	A3/A-	*Pac Gas
PCG	4.00%	12/46	+103	\$101	A3/A-	*Pac Gas
PNW	3.75%	5/46	+105	\$97	A2/A-	*Arizona Public Serv

## Transaction Timeline – June 5, 2017

- **8:15am ET:** Go/No-Go Call
- **8:30am ET:** Transaction announced to the market via Bloomberg and salesforce
  - Initial price thoughts of T+105 bps area (10-yr) and +120-125 bps (30-yr Tap)
  - Sizing of \$750 million “will not grow”
- **9:29am ET:** Orderbook reaches ~\$800 million and is 1.1x subscribed
- **10:14am ET:** Orderbook reaches ~\$2.1 billion and is 2.8x subscribed
- **10:33am ET:** Orderbook approaching \$2.5 billion with leadership from high quality names including: Nationwide Life Insurance Co. (\$125 million), Prudential Investment Management (\$125 million), New York Life Insurance (\$50 million), State Farm (\$50 million), and Pacific Investment Management Co. (\$20 million)
- **10:45am ET:** Transaction declared subject
- **11:15am ET:** Update call with Syndicate to discuss guidance strategy
- **11:19am ET:** Formal price guidance of T+90 bps area (10-yr) and +110 bps area (30-yr Tap) announced to the market (area defined as +/- 5 bps)
- **11:19am ET:** Orderbook approximately \$4.4 billion
- **12:30pm ET:** Launch call with Syndicate
- **12:36pm ET:** Deal launches, \$500 million at T+85 bps (10-yr) and \$250 million T+105 (30-yr Tap)
- **2:45pm ET:** Allocations released to accounts
  - Final orderbook ends at \$3.75 billion
- **3:15pm ET:** Pricing Call
- **3:23pm ET:** \$750 million of 3.00% and 4.125% Senior Unsecured Notes due 2027 and 2044, respectively, priced at a spreads of T+85 bps and T+105 bps. New outstanding amount on the 2044s of \$750 million
- **4:50pm ET:** Bonds free to trade
  - 3.00% due 2027 Notes quoted at +82/80 bps bid/ask
  - 4.125% due 2044 Notes quoted at 104/102 bps bid/ask

Atmos Energy Corporation  
June 2017 Debt Offering  
Exhibit A

	<b>4.125% Sr Notes Due 2044</b>	<b>3.00% Sr Notes Due 2027</b>	
	<b>Debt Offering Fees - Estimates</b>	<b>Debt Offering Fees - Estimates</b>	<b>Total Actuals YTD</b>
Chatham Financial	41,580.00	0.00	41,580.00
Accounting Fees and Expenses	18,132.50	18,132.50	
Rating Agency Fees:			
Moody's	163,750.00	327,500.00	491,250.00
S&P	162,500.00	325,000.00	487,500.00
Trustee Fees & Counsel Expenses	11,500.00	9,000.00	
Legal Fees & Expenses	50,000.00	50,000.00	
Printing Costs	12,500.00	12,500.00	
SEC Registration Fee	43,949.50	43,949.50	87,899.00
<b>Total Other Expenses</b>	<b>503,912.00</b>	<b>786,082.00</b>	<b>1,108,229.00</b>
Underwriting Discounts	2,187,500.00	3,250,000.00	5,437,500.00
<b>Total Other Expenses</b>	<b>2,691,412.00</b>	<b>4,036,082.00</b>	<b>6,545,729.00</b>