FOR ENTIRE SERVICE AREA

PSC KY. No. 2

First Revised SHEET No. 18
Cancelling

Original SHEET No. 18

ATMOS ENERGY CORPORATION

(NAME OF UTILITY)

	PBR	CANCELLED	
Perform	ance Based Rate Mechanism		(T)
<u>Applicable</u>		May 20, 2022	
To all gas sold.		KENTUCKY PUBLIC	
Rate Mechanism		SERVICE COMMISSION	

The amount computed under each of the rate schedules to which this Performance Based Rate Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Factor (PBRRF) at a rate per 1,000 cubic feet (Mcf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the pipeline suppliers Demand Component and the Gas Supply Cost Component of the Gas Cost Adjustment (GCA), respectively. The PBRRF shall be determined for each 12-month period ended October 31 during the effective term of these experimental performance based ratemaking mechanisms, which 12-month period shall be defined as the PBR period.

The PBRRF shall be computed in accordance with the following formula:

PBRRF = (CSPBR + BA) / ES

Where:

ES = Expected Mcf sales, as reflected in the Company's GCA filing for the upcoming

12-month period beginning February 1.

CSBPR = Company Share of Performance Based Ratemaking Mechanism savings or

expenses. The CSPBR shall be calculated as follows:

 $CSPBR = TPBRR \times ACSP$

Where:

ACSP = Applicable Company Sharing Percentage

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or

expenses created during the PBR period. TPBRR shall be calculated as follows:

TPBRR = (GAIF + TIF + OSSIF)

DATE OF ISSUE	August 27, 2015	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE	Month/Date/Year March 31, 2016	Aaron D. Greenwell ACTING EXECUTIVE DIRECTOR
DATE EFFECTIVE	Month/Date/Year	TARIFF BRANCH
Issued by Authority of an Order of the Public Service Commission in Case No. 2015-00298		Bunt Kirtley
ISSUED BY	/s/ Mark A. Martin	EFFECTIVE
	Signature of Officer	3/31/2016
TITLE	Vice President – Rates and Regulatory Affairs	PURSUANT TO 807 KAR 5:011 SECTION 9 (1)